



VERITAS (INDIA) LIMITED

25th Annual Report

2009 - 2010

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of Veritas (India) Limited will be held at Kilachand Conference Room, Indian Merchants' Chamber, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020 on Saturday, 25th September, 2010 at 3.45 p.m. for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended on 31st March, 2010 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nitin Kumar Didwania, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Messrs Shabbir S. Bagasrawala, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of the 25th Annual General Meeting upto the conclusion of the next i.e. 26th Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that Mr. Ratan Moondra, who was appointed as an Additional Director by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director,

be and is hereby appointed as a Director of the Company liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that Justice S. S. Parkar (Retd.), who was appointed as an Additional Director by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

By Order of the Board,
For Veritas (India) Limited

Sd/-

(Hanoz B. Chinoy)
Company Secretary

Mumbai, 7th July, 2010

Registered Office;
701, Embassy Centre,
Nariman Point,
Mumbai - 400 021.

NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- b) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under item Nos. 4 & 5 above, is annexed hereto.
- c) Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the Meeting.
- d) Members are requested to bring their Attendance Slip, duly filled-in, alongwith their copy of Annual Report to the Meeting.
- e) Profile of the Directors seeking appointment / re-appointment, as required in terms of Clause 49 of the Listing Agreement is annexed to this Notice.
- f) The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 22nd September, 2010 to Saturday, 25th September, 2010 (both days inclusive) for the purpose of annual book closure.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT****PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.****Item No. 4**

Mr. Ratan Moondra was appointed as an Additional Director by the Board with effect from 29th June, 2010. As per Section 260 of the Companies Act, 1956 and Article 45 of the Articles of Association of the Company the said Director holds office only upto the date of the forthcoming Annual General Meeting of the

Company but is eligible for appointment. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member, proposing the candidature of Mr. Ratan Moondra for the office of Director liable to retirement by rotation.

None of the Directors other than Mr. Ratan Moondra is interested in the said resolution. The Board recommends the resolution for approval of the Members.

Item No. 5

Justice S. S. Parkar (Retd.) was appointed as an Additional Director by the Board with effect from 1st July, 2010. As per Section 260 of the Companies Act, 1956 and Article 45 of the Articles of Association of the Company the said Director holds office only upto the date of the forthcoming Annual General Meeting of the Company but is eligible for appointment. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member, proposing the candidature of Justice S. S. Parkar (Retd.) for the office of Director liable to retirement by rotation.

None of the Directors other than Justice S. S. Parkar (Retd.) is interested in the said resolution. The Board recommends the resolution for approval of the Members.

By Order of the Board,
For Veritas (India) Limited

Sd/-

(Hanoz B. Chinoy)
Company Secretary

Mumbai, 7th July, 2010

Registered Office;
701, Embassy Centre,
Nariman Point,
Mumbai - 400 021.

**Details of Directors seeking appointment / re-appointment as required under
Clause 49 of the Listing Agreement.**

Name of Directors	Mr. Nitin Kumar Didwania	Mr. Ratan Moondra	Justice S. S. Parkar (Retd.)
Date of Birth	23-06-1974	30-01-1972	01-10-1943
Qualification	M. Com	B. Sc, C.A.	B.A, LL.M
Expertise in specific functional areas	Has rich and varied experience in the field of Imports and Exports, Trading, Marketing and Procurement since last more than 14 years.	Has rich experience in the field of taxation, accountancy and is an expert consultant relating to Special Economic Zone (SEZ) Regulations	Justice S. S. Parkar (Retd.) is a stalwart in the legal arena and has practiced in various Courts. He was a Judge of Bombay High Court for more than 9 years.
Directorship held in other Public companies	1. Biofuels (Veritas) Ltd. 2. Groupe Veritas Ltd. 3. Hazel Infotech Ltd. 4. Hazel Mercantile Ltd. 5. Hazel Infra Ltd. 6. India Fintrade Ltd. 7. Veritas Infrastructure Development Ltd. 8. Veritas Investments Ltd.	-	1. UV Asset Reconstruction Co. Ltd.
Membership of Committees	-	-	-
No. of shares of face value of Re. 1/- each held in the Company	92,50,000	-	-

BOARD OF DIRECTORS

Mr. Nitin Kumar Didwania
Ms. Alpa Parekh
Mr. Saurabh Sanghvi
Mr. Ratan Moondra
Mr. S. S. Parkar

Chief Financial Officer:

Mr. Girish Zaveri

Company Secretary

Mr. Hanoz Chinoy

Registered Office

701 Embassy Centre,
Nariman Point,
Mumbai- 400 021
Tel no. 022-22824444
Fax no. 022-22824440
E-mail: corp@veritasindia.net

Auditors

M/s. Shabbir S. Bagasrawala,
Chartered Accountants

Bankers

Punjab National Bank
State Bank of India
ICICI Bank Ltd.

Registrars & Share Transfer Agents

M/s. Mondkar Computers Pvt Ltd.
21, Shakil Niwas,
Opp. Satya Saibaba Temple,
Mahakali Caves Road,
Andheri (E)
Mumbai – 400 093

Tel No. 022-28207203
Fax No. 022-28207207

Contents	Page No.
Directors' Report	1
Management Discussion & Analysis Report.....	7
Corporate Governance Report ..	10
Auditors' Report	19
Balance Sheet	25
Profit & Loss Account	26
Schedules forming part of Balance Sheet and Profit & Loss Account	27
Cash Flow Statement.....	37
Balance Sheet Abstract	38
Subsidiary Statement	39
<u>Consolidated Financial Statements</u>	
Auditors' Report	40
Consolidated Balance Sheet	46
Consolidated Profit & Loss Account ..	47
Schedules forming part of Consolidated Balance Sheet & Profit & Loss Account	48
Cash Flow Statement	58

DIRECTORS' REPORT

To,
The Members,
Veritas (India) Limited

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

FINANCIAL RESULTS

(Rs. in Lacs)

	Standalone		Consolidated	
	<u>2009-2010</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2008-2009</u>
Turnover	11175.36	6604.81	22021.77	7710.36
Profit before Tax	129.03	55.25	720.22	172.93
Less: Provision for Taxation				
- Current Tax	20.50	6.40	20.50	6.40
- Deferred Tax	68.60	25.90	68.60	25.90
- Fringe Benefit Tax	-	0.53	-	0.53
Profit after Tax	39.93	22.42	631.12	140.10
Add: Balance in Profit & Loss Account	45.85	23.43	163.52	23.42
brought forward				
Balance transferred to Balance Sheet	85.78	45.85	794.64	163.52
Earnings per Share of Rs. 10/- each	3.93	2.25	62.15	14.07

OPERATIONS

During the financial year ended 31st March, 2010 the consolidated turnover increased to Rs. 220.21 crores as compared to Rs. 77.10 crores in the previous year, an increase of about 185%. Similarly, Net Profit after tax increased substantially from Rs. 1.40 crores in the previous year to Rs. 6.31 crores.

DIVIDEND

In order to conserve the resources, the Directors do not recommend any dividend for the Financial Year 2009-2010.

WINDMILL PROJECT

During the year, the Company has set up two new Wind Mills for Power generation at Tirunelveli District in the State of Tamil Nadu and the commercial operations have commenced with effect from 1st October, 2009. Consequently, the wind power generation capacity has increased from 600 KW to 1800 KW.

SUBSIDIARY

The Company has formed an overseas subsidiary viz. Veritas Global Pte Limited which was incorporated on 11th May, 2010 in Singapore.

ALLOTMENT OF EQUITY SHARES ON PREFERENTIAL BASIS

The Company has raised an amount of Rs. 73.125 crores by issue and allotment of 14,25,000 Equity Shares of Rs. 10/- each at the premium on 27th March, 2010 on Preferential basis to Promoters, Non- Promoters and Foreign Corporate Bodies to meet the long term resources of the Company, raise funds for corporate actions

like capital expenditure for diversification of the activities of the Company and towards working capital requirements.

LISTING OF SHARES

The aforesaid 14,25,000 equity shares issued on preferential basis have been listed on The Bombay Stock Exchange Limited (BSE); pursuant to the listing approval dated 17th June, 2010 accorded by BSE.

SUB- DIVISION OF EQUITY SHARES

The Equity Shares of the Company have been allotted a new International Securities Identification Number (ISIN) being INE379J01029 by the Depositories namely Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) pursuant to Sub- division of Equity shares of the Company from 1 Equity Share of Rs. 10/- each into 10 Equity Shares of Re. 1/- each. The previous ISIN being INE379J01011 has been de-activated and the shares of the Company are being traded with the new ISIN with effect from 30th June, 2010.

CORPORATE GOVERNANCE

The Corporate Governance and Management Discussion and Analysis Reports form an integral part of this report and are set out as separate Annexures to this Report. The Certificate from Auditors of the Company, certifying compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement, is annexed to the Report on Corporate Governance.

DIRECTORS

Mr. Nitin Kumar Didwania retires by rotation at the ensuing Annual General meeting and being eligible, offers himself for reappointment.

The Board has appointed Mr. Ratan Moondra and Justice S. S. Parkar, Retd. as Additional Directors on the Board with effect from 29th June, 2010 and 1st July, 2010 respectively. Mr. Ratan Moondra and Mr. S. S. Parkar hold office upto the date of the forthcoming Annual General Meeting (AGM) and are eligible for appointment. The Company has received requisite individual notices under section 257 of the Companies Act, 1956 proposing their candidature for the office of Director liable to retire by rotation.

Ms. Niti Didwania resigned from the Board of Directors with effect from 29th March, 2010. The Board places on record its appreciation for the invaluable guidance given by her during her tenure as a Director of the Company.

AUDITORS

The Auditors, M/s. Shabbir S. Bagasarawala, Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. They have furnished a certificate to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for reappointment under Section 226 of the said Act.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes the audited Consolidated Financial Statements for the financial year 2009-2010.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA), your Directors confirm that they had:-

- i) followed the applicable accounting standards in the preparation of the annual accounts.
- ii) selected such accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2010 and of the profit of the Company for the year ended 31st March 2010.
- iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company, preventing, detecting fraud and other irregularities.
- iv) prepared the annual accounts for the Financial year ended 31st March, 2010 on a going concern basis.

DEPOSITS

The Company has not invited nor accepted any Deposits from the public under the Companies (Acceptance of Deposits) Rules, 1975 read with Section 58A of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

The Company has no such employee as would be covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO.

A Statement giving details of Conservation of Energy, Technology absorption and Foreign Exchange Earning and Outgo as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of this Report is annexed herewith.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their sincere appreciation for the support and co-operation received from the Government authorities, bankers, customers, employees, suppliers and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the dedicated efforts of the employees of the Company.

For and on Behalf of the Board of Directors

PLACE: Mumbai
DATE: 7th July, 2010

Sd/-
(Nitin Kumar Didwania)
CHAIRMAN

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry Structure and Development

The Company is engaged in the business of imports, export, trading and distribution of chemicals, metals and machinery. The Company is also engaged in the generation of wind energy. The overall scope of imports and exports has risen considerably given the emergence of many developing economies and fiscal stimulus as provided by the Government. Your Company strives on a continuous level that good quality products are served to the buyers at reasonable prices through a well developed and robust logistic and marketing network. The Government's fiscal incentives for wind power generation will provide sufficient boost for wind power project.

2. Opportunities & Threats

Opportunities:

Given the tremendous growth of chemical industry and in particular the Petro-chemical industry the Management feels the Company is in good stead to further develop and enter into various global markets.

Threats:

The Global inflation effect on costs especially the cost attributed to the logistic and supply chain management and forex fluctuations are likely threats having the effect of eroding the margins to some extent.

3. Outlook

The management is quite positive on its outlook in terms of revenue in the coming period as the grip of global recession is ending and that global markets have responded well to the products traded by the Company. With the re-emergence of healthy economic environment, barring unforeseen circumstances, your Company is optimistic and confident about outlook for future as is demonstrated by growth in turnover and profits.

The Company's business of power generation through wind mills, being a non- conventional source of energy, set up in the State of Maharashtra and Tamil Nadu have generated a revenue of Rs. 28.89 lakhs for the period ended 31st March, 2010 which in itself is a positive sign as the Company is in the nascent stage in this Industry.

4. Risk and Concerns

- The margins could come under pressure due to increase in logistic costs and other expenses.
- Competition from mass exporting countries like China where manufacturing costs are quite low.
- Adverse fluctuation in forex rates.

The Company evaluates and monitors all risks associated with various areas of operations such as sales, marketing, inventory management, debtor's management, insurance, supply chain management, legal and other issues having a material impact on the financial health of the Company on a regular basis with a view to mitigate the adverse impact of the risk factors.

5. Internal Control Systems

The Company has an internal control system in place which is commensurate with its size and nature of its business. The internal control system ensures that all the assets of the Company are safeguarded from loss, damage or unauthorized disposition. Checks and controls are in place to ensure that transactions are adequately authorised and recorded and reported correctly to the concerned personnel.

6. Financial Performance with respect to Operational Performance:

Sales and Profit:

During the year Sales have grown by approximately 69% and Net Profit after Tax was up by approximately 78% in comparison with the previous year.

Capital Investment:

Capital Investment of Rs. 5.52 crores was made during the year, out of which the major amount was attributed towards the plant and machinery namely, purchase of 2 wind mills.

7. Human Resource Management

The Company provides suitable environment for development of leadership skills which enables it to recruit and retain quality professionals in all fields. The employer- employee relationship is cordial and mutually supporting at all levels.

8. Cautionary Statement

Certain statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward- looking statements within the meaning of applicable laws and regulations. Actual results could differ from those expressed or implied.

For and on Behalf of the Board of Directors

Sd/-

PLACE: Mumbai
DATE: 7th July, 2010

(Nitin Kumar Didwania)
CHAIRMAN

REPORT ON CORPORATE GOVERNANCE

1. Company Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally including its interaction with employees, Shareholders, customers, institutions and other lenders and places due emphasis on regulatory compliance.

2. Board of Directors

i) Composition of the Board

The present strength of the Board is Five Directors and all of them are Non-Executive Directors. The composition of the Board is in conformity with Clause 49 of Listing Agreement. The Board is headed by Mr. Nitin Kumar Didwania, Non- Executive Chairman.

(ii) Board Meeting and Attendance:

The Board of Directors met fourteen times during the year on 3-6-2009, 30-06-2009, 30-7-2009, 14-8-2009, 16-10-2009, 29-10-2009, 14-12-2009, 26-12-2009, 30-1-2010, 19-2-2010, 27-2-2010, 15-3-2010, 17-3-2010 and 27-3-2010.

Attendance of each Director at the Board Meetings and the last Annual General Meeting and number of other Directorships and Chairmanship / Memberships of Committees of each Director was as follows:

Name of Director	No. of Board Meetings attended	Attendance at Last AGM	Outside Company Directorships	Outside Committee position held as Member / Chairman	Executive / Non Executive/ Independent
Mr. Nitin Kumar Didwania	14	Present	8 *	NIL	Non- Executive (Promoter Group)
Ms. Alpa Parekh	14	Present	NIL	NIL	Non- Executive (Non-Promoter Group)
Mr. Saurabh Sanghvi	14	Present	NIL	NIL	Non- Executive & Independent
Mr. Ratan Moondra (Appointed w.e.f 29 th June, 2010)	N.A.	N.A	NIL	NIL	Non- Executive & Independent
Mr. S. S. Parkar (Appointed w.e.f 1 st July, 2010)	N.A.	N.A	1 *	NIL	Non- Executive & Independent

* Directorships in Private Companies excluded.

As required by the Companies Act, 1956 and Clause 49 of the Listing Agreement, none of the Directors hold Directorships in more than 15 Public Companies or memberships of Board Committees (Audit / Shareholders Grievance Committees) and Chairmanship of more than 5 Board Committees.

BOARD COMMITTEES

3. Audit Committee

i) Committee Composition

Audit Committee comprises of three Directors viz. Mr. Ratan Moondra, Mr. Saurabh Sanghvi and Mr. Nitin Kumar Didwania. All the members of the Audit Committee have accounting and financial management expertise. Mr. Ratan Moondra, Chartered Accountant, is the Chairman of the Audit Committee. All the members of the Committee are Non- Executive Directors and two thirds of them are Independent Directors.

ii) Meeting and Attendance

The Audit Committee has been recently constituted pursuant to the applicability of Clause 49 of the Listing Agreement on 29th June, 2010 and has held one meeting on 2nd July, 2010 wherein all the members of the Audit Committee were present.

The Company Secretary acts as the Secretary to the Audit Committee.

iii) Terms of Reference

The terms of reference of the Audit Committee are in accordance with Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The functions of the Audit Committee include the following:

- a. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory auditor and fixation of the audit fee.
- c. Approval of payment to Statutory auditors for any other services rendered by the Statutory auditors.
- d. Reviewing with the Management, the Annual financial statements before submission to the Board for approval, with particular reference to:
 - i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of section 217 of the Companies Act, 1956;

- ii) Any changes in accounting policies and practices and the reasons for the same;
 - iii) Major accounting entries involving estimates based on the exercise of judgments by the management;
 - iv) Significant adjustments made in the financial statements arising out of audit findings;
 - v) Compliance with Accounting Standards;
 - vi) Compliance with Stock Exchange and other Legal requirements concerning the financial statements;
 - vii) disclosure of related party transactions.
- e. Also reviewing with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- f. Reviewing with the Management adequacy of the internal control systems.
- g. Reviewing with the Internal auditors any significant findings and follow-up thereon.
- h. Reviewing of area of operation of internal audit team and their performance.
- i. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- j. Reviewing with the Management performance of the Statutory Auditors and Internal Auditors.
- k. Reviewing the Management Discussion and Analysis of financial condition and results of operations.
- l. approval of appointment of Chief Financial Officer (CFO).
- m. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

4. Shareholders' / Investors' Grievance Committee

- (i) Investors' Grievances Committee comprises of Mr. Saurabh Sanghvi, a Non-Executive Independent Director, as Chairman, Mr. Nitin Kumar Didwania and Mr. Ratan Moondra, as the other members of the Committee.

The Shareholders' / Investors' Grievance Committee deals with various matters relating to:

- transfer / transmission of shares.
- issue of duplicate share certificates
- redressal of shareholders and Investors' grievances.
- Non- receipt of Annual Report
- all other matters related to shares.

(ii) Mr. Hanoz Chinoy, Company Secretary is designated as Compliance Officer of the Company.

(iii) The Company has not received any complaint during the year ended on 31st March, 2010.

5. General Body Meetings

The date, time and venue of the last 3 Annual General Meetings of the Company is given below:

Financial Year ended	Date	Time	Venue	Details of Special business
31 st March, 2007	19-09-2007	11.30 a.m.	A-2, Basement, Arcadia Building, Nariman Point, Mumbai - 400 021	Appointment of Ms. Alpa Parekh as Director
31 st March, 2008	27-09-2008	12.00 Noon	701 Embassy Centre, Nariman Point, Mumbai- 400 021.	1. Appointment of Mr. Nitin Kumar Didwania as Director. 2. Appointment of Ms. Niti Didwania as Director. 3. Appointment of Mr. Saurabh Sanghvi as Director
31 st March, 2009	25-9-2009	12.00 Noon	701 Embassy Centre, Nariman Point, Mumbai- 400 021.	---

Special business passed through Postal Ballot during the financial year ended 31st March, 2009:

- Alteration of Object Clause of Memorandum of Association u/s 17 of the Companies Act, 1956.
- Alteration of Capital Clause of Memorandum of Association.
- Alteration of Articles of Association u/s 31 of the Companies Act, 1956.
- Consent of shareholders to commence business enumerated under Other Objects of Memorandum of Association u/s 149 (2A) of the Companies Act, 1956.
- Inter Corporate Loans and Investments u/s 372A of the Companies Act, 1956.

6. Disclosures

- i) There were no transactions of material significance entered into by the Company with its Promoters, Directors or their relatives, the Management during the year that had potential conflict with interest of the Company, at large.
- ii) There was no default in compliance on any matter related to capital markets. Consequently, during the last three years neither any penalties were imposed nor strictures passed on the Company by Stock Exchanges, Securities and Exchange Board of India (SEBI) or any statutory authority.
- iii) **Board Disclosures on Risk Management:** The Board is kept informed about the risk management being followed by the Company from time to time. All the risks such as fire, marine, etc. have been adequately insured.
- iv) Mr. Nitin Kumar Didwania, Non-Executive Director holds 9,25,000 equity shares of Rs. 10/- each and Mr. Saurabh Sanghvi, Non-Executive Director holds 2000 equity shares of Rs. 10/- each of the Company as on 31st March, 2010

7. Means of Communication: Quarterly, Half yearly and Annual Financial Results of the Company are sent to the Stock Exchange immediately after they have been approved by the Board. These results are published in the newspapers viz. "The Free Press Journal" and "Navshakti"

8. Additional Shareholders Information
Annual General Meeting

Date: 25th September, 2010

Day: Saturday

Time: 3.45 pm

Venue: Kilachand Conference Room, Indian Merchants' Chamber, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020

Financial Calendar (Tentative)

Financial year: 1st April, 2010 to 31st March, 2011

Results for the Quarter ending

- June 30, 2010	: Second week of August, 2010
- September 30, 2010	: Second week of November, 2010
- December 31, 2010	: Second week of February, 2011
- March 31, 2011 or Audited Results for the year ended 31 st March, 2011	: Second week of May, 2011 or Audited Results by 31 st May, 2011
- Annual General Meeting	: August / September, 2011

Book Closure

The dates of book closure are from 22nd September, 2010 to 25th September, 2010 both days inclusive.

Listing and New ISIN

The Company has obtained a new ISIN viz. INE379J01029 pursuant to Sub-division of its Equity Shares and the shares of the Company are listed and traded on Bombay Stock Exchange Limited (BSE) under the scrip code 512 229 and the name of the scrip is VERITAS.

The Annual Lising fees for the Financial year 2010 -2011 have been paid to BSE. The Company has paid custodial fees for the year 2010-2011 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited on the basis of number of folios of shareholders for their shares held in the electronic form.

9. Stock Market Data: Monthly High, Low price during each month and volume of Company's shares during the financial year 2009- 2010 on BSE

Month	Share Prices		Volume
	High (Rs.)	Low (Rs.)	
Apr-09	113.40	113.40	0.00
May-09	113.40	113.40	0.00
Jun-09	113.40	113.40	0.00
Jul-09	113.40	113.40	0.00
Aug-09	113.40	113.40	0.00
Sep-09	203.20	119.00	718.00
Oct-09	348.05	213.35	1402.00
Nov-09	505.10	355.00	771.00
Dec-09	750.15	510.00	89.00
Jan-10	1,092.25	765.15	67.00
Feb-10	1,622.35	1,114.05	52.00
Mar-10	3,587.05	1,654.75	777.00

Comparative Share price performance:

The Equity Share prices of the Company on BSE in comparison with the BSE Sensex:

Particulars	VIL Share Price v/s BSE	
	VIL Share price (Rs.)	BSE Sensex
As on April 1, 2009	113.40	9,901.99
As on March 31, 2010	3,587.05	17,527.77

10. a) Distribution of Shareholding as on 31st March, 2010

Shareholding (in terms of nominal value)		Shareholders		Share Amount	
From	To	Number	% of Total	Rupees	% of Total
1	5000	102	68.919	117990	0.487
5001	10000	9	6.081	83940	0.347
10001	20000	3	2.027	55000	0.227
20001	30000	6	4.054	172000	0.710
30001	40000	9	6.081	334600	1.382
40001	50000	5	3.378	241000	0.995
50001	100000	2	1.351	125000	0.516
100001	And above	12	8.109	23080470	95.334

b) Distribution of Shareholding according to category of shareholders as on 31st March, 2010

Categories	No. of shares	Amount (in Rs.)	% to Total
Promoters	16,21,310	1,62,13,100	66.97
Directors (Independent)	2,000	20,000	0.08
Financial Institutions/ Banks	NIL	N.A	N.A
Mutual Funds / UTI	NIL	N.A	N.A
NRIs / OCBs / Foreign Corporate Bodies	4,00,000	40,00,000	16.52
Other Body Corporates	1,01,507	10,15,070	4.19
Indian Public	2,96,183	29,61,830	12.24
Total	24,21,000	2,42,10,000	100

11. Dematerialization of Shares:

As on 31st March, 2010 7,77,833 Equity Shares representing 32.13 % of the total equity capital of the Company were held in dematerialized form.

12. Address for Correspondence:

Registered Office: 701 Embassy Centre,
Nariman Point,
Mumbai- 400 021.

Compliance Officer: Mr. Hanoz Chinoy is the Compliance Officer.

E-mail ID: corp@veritasindia.net

Shareholders may contact the Company's Registrar and Share Transfer Agents at the following address:

Mondkar Computers Private Limited

Corporate Off: 21, Shakil Niwas,
Opp. Satya Saibaba Temple,
Mahakali Caves Road,
Andheri (E),
Mumbai- 400 093.

Tel Nos. 022- 28207203 / 5 Tele fax. 022- 28207207

Email: ravi@mondkarcomputers.com

13. Declaration by Board Members and Senior Management to the Compliance of Code of Conduct in pursuance of Clause 49 (D) (ii) of the Listing Agreement

It is hereby declared that all the Board Members and Senior Management personnel of the Company have affirmed to the Board of Directors, their compliance with the Code of Conduct of the Company pursuant to Clause 49 (D) (ii) of the Listing Agreement. The Company has obtained a Certificate from Mr. Girish Zaveri, Chief Financial Officer (CFO) of the Company stating therein that the Company has complied with all the requirements as stipulated in Clause 49 V of the Listing Agreement executed with the Stock Exchange.

For and on Behalf of the Board of Directors

Sd/-

PLACE: Mumbai
DATE: 7th July, 2010

(Nitin Kumar Didwania)
CHAIRMAN

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Veritas (India) Limited

We have examined the compliance of conditions of Corporate Governance by Veritas (India) Limited for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **SHABBIR S. BAGASRAWALA**
CHARTERED ACCOUNTANTS

Sd/-

(Shabbir S. Bagasrawala)
PROPRIETOR

Membership No. 39865

Place: Mumbai

Date: 7th July, 2010

AUDITORS' REPORT**TO THE MEMBERS OF
VERITAS (INDIA) LIMITED**

[Formerly known as Duroflex Engineering Ltd]

1. We have audited the attached Balance Sheet of Veritas (India) limited, as at 31st March 2010 and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express our opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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 (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the 'Act') and on the basis of such checks of the books & records of the Company as we considered appropriate and according to the information and explanation given to us, we Annex hereto a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company as far as appears from our examination of those books.
 - c) The Balance Sheet, Profit and 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 and Loss Account and the Cash Flow Statement dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in sub- section (3C) of section 211 of the Act.
- e) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the notes thereon / attached thereto and the Schedule of Significant Accounting Policies given in the prescribed manner the information required by the Companies Act and give a true and fair view in conformity with the Accounting principles generally accepted in India.
 - I. In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010.
 - II. In case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - III. In case of the Cash Flow Statement, of the cash flows for the year ended on that date.
- 5. On the basis of written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March, 2010 from being appointed as Director in terms of clause (g) of sub section (1) of section 274 of the Act.

Place: Mumbai
Date: 7th July, 2010

For Shabbir S. Bagasrawala.
Chartered Accountants.

Sd/-

Proprietor
M.No. 39865

VERITAS (INDIA) LIMITED
(Formerly Known as Duroflex Engineering Limited)

Annexure to the Auditors Report
(Referred to in paragraph 3 of our report of even date)

- i) The Nature of the Company's business/activities during the year is such that clauses (xiii) and (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year under date, which is specifically reported herein.
- ii) In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, the Fixed Assets are being physically verified at reasonable intervals, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us no material discrepancies were noticed on such verification.
- iii) In respect of its Inventories:
 - a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iv) In respect of loans, secured or unsecured, granted or taken by the Company to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, to the best of our knowledge and according to the information and explanations given to us:
 - a) The Company has taken loan from parties covered in register u/s 301 and the year end balance is Rs 435,000/- (P.Y. Rs 38,921,500/-)
 - b) In our opinion, the rate of interest & other terms & conditions of such loans is prima facie not prejudicial to the interest of the Company.
 - c) The payment of principal amount & interest (if any) during the year have been regular as per stipulations.

- d) There are no overdue amounts of more than Rs. 100,000/- in respect of loan taken by the company.
- v) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of goods, fixed assets and for the sale of goods and services. Further based on our examination and according to the information & explanation given to us we have neither come across nor have been refereed of any major weakness in the internal control.
- vi) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act 1956:
- a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
- b) According to the information and explanations given to us, the transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vii) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public as per section 58A and 58AA of the Companies Act, 1956.
- viii) In our opinion, the internal audit functions carried out during the year by the Company's internal audit department have been commensurate with the size and the nature of its business.
- ix) According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956.
- x) According to the information and explanations given to us, in respect of statutory and other dues:
- a) The Company has been regular in depositing undisputed statutory dues, including, Sales Tax, Custom Duty, Cess and any other statutory dues applicable to the Company with the appropriate authorities during the year. The outstanding Income tax dues of various Assessments year is Rs 148,753/-as at date.
- b) There are no undisputed statutory dues outstanding as on 31st March 2010, for the period of more than six months, from the date of becoming payable. Except as stated in clause x (a) of the report.

- xi) According to the information and explanations given to us, the Company has no accumulated losses, as at 31st March, 2010 and the Company has not incurred cash losses in the immediate preceding financial year.
- xii) According to the records of the Company examined by us and the information and explanation given to us, we are of the opinion that the Company has not defaulted in the repayment of dues of financial institutions and banks.
- xiii) The provision of any special statute applicable to the chit fund/nidhi/mutual benefit fund /societies is not applicable to the Company.
- xiv) In our opinion and according to the information and explanation given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv) According to information and explanations given to us, the Company has not granted any loan and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xvi) In our opinion and according to information and explanations given to us, no guarantees have been given by the Company for loans taken by others from banks or financial Institutions.
- xvii) According to cash flow statements and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment and vice versa, other than temporary deployment pending application,
- xviii) The Company has made preferential allotment of 950,000 equity shares to two parties covered in the register maintained under section 301 of the Companies Act 1956.
- xix) According to information and explanations given to us, the Company has not issued any debentures and hence clause xix is not applicable.
- xx) The Company has raised money during the year and on the basis of examination and according to the information & explanation given to us, we are of the opinion that the said funds have been utilized for financing the working capital requirement of the Company and its subsidiary.

- xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India and to the best of our knowledge and belief and according to the information and explanation given to us, we have neither come across any material fraud on or by the Company was noticed or reported during the year nor have we been informed of any such cases by the management.

Place: Mumbai
Date: 7th July, 2010

For Shabbir S Bagasrawala
Chartered Accountants

Sd/-

Proprietor
M.No. 39865

BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	SCHEDULE	AS AT 31st March, 10 Rs	AS AT 31st March, 09 Rs
<u>SOURCES OF FUNDS</u>			
SHARE CAPITAL			
PAID UP SHARE CAPITAL	1	24,210,000	9,960,000
SHARE APPLICATION MONEY		-	20,000,000
RESERVES & SURPLUS	2	723,077,351	4,584,586
LOAN FUNDS			
SECURED LOANS	3	59,427,373	947,953
UNSECURED LOANS	4	433,500	38,921,500
DEFERRED TAX LIABILITY		9,466,798	2,606,654
TOTAL		816,615,022	77,020,693
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS	5	85,095,968	31,422,757
INVESTMENT	6	98,167,500	1,927,500
CURRENT ASSETS, LOANS & ADVANCES			
CASH & BANK BALANCES	7	83,377,036	1,744,234
DEPOSITS LOANS AND ADVANCES	8	246,134,140	27,377,804
SUNDRY DEBTORS	9	443,937,258	125,704,949
INVENTORY		853,468	831,269
TOTAL CURRENT ASSETS (A)		774,301,902	155,658,256
LESS : CURRENT LIABILITIES & PROVISIONS			
SUNDRY CREDITORS	10	138,756,278	111,813,226
PROVISIONS	11	2,847,077	900,155
TOTAL CURRENT LIABILITIES (B)		141,603,354	112,713,381
NET CURRENT ASSETS (A - B)		632,698,548	42,944,875
MISC EXPENSES			
MISCELLANEOUS EXPENSES (To the extent not w/off or adjusted)	12	653,006	725,562
TOTAL		816,615,022	77,020,693
NOTES FORMING PART OF THE ACCOUNTS	17		

As per our report of even date
FOR SHABBIR S BAGASRAWALA
 CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-

PROPRIETOR
 M.NO : 39865
 PLACE : MUMBAI
 DATED : 07/07/2010

Sd/-

NITIN KUMAR
 DIRECTOR

Sd/-

ALPA PAREKH SAURABH SANGHVI
 DIRECTOR DIRECTOR

Sd/-

Sd/-
RATAN MOONDRA
 DIRECTOR

Sd/- Sd/-
S S. PARKAR HANOZ CHINYOY
 DIRECTOR COMPANY SECRETARY

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

PARTICULARS	SCHEDULE	YEAR ENDED 31st March, 10 Rs	YEAR ENDED 31st March, 09 Rs
INCOME			
SALES AND OTHER INCOME		1,117,535,805	660,480,811
TOTAL		1,117,535,805	660,480,811
EXPENDITURE			
DIRECT EXPENSES	13	1,091,249,506	650,460,309
ADMINISTRATIVE & GENERAL EXPENSES	14	5,650,469	3,195,480
FINANCIAL EXPENSES	15	2,632,801	116,692
SELLING & DISTRIBUTION EXPENSES	16	1,902,789	1,065,111
DEPRECIATION		3,197,332	118,369
TOTAL		1,104,632,896	654,955,961
PROFIT/ (LOSS) BEFORE TAX		12,902,909	5,524,850
PROVISION FOR INCOME TAX		2,050,000	640,000
DEFERRED TAX LIABILITIES		6,860,144	2,590,042
PROVISION FOR FRINGE BENEFIT TAX		-	53,195
PROFIT AFTER TAX		3,992,765	2,241,613
Add : Profit / (Loss) brought forward		4,584,586	2,342,973
PROFIT AVAILABLE FOR APPROPRIATION		8,577,351	4,584,586
BALANCE TRFD TO BALANCE SHEET		8,577,351	4,584,586
NOTES FORMING PART OF THE ACCOUNTS	17		
EPS - Basic [On Rs. 10/- per share]		3.93	2.25
EPS - Diluted [On Rs. 10/- per share]		3.93	2.25

As per our report of even date
FOR SHABBIR S BAGASRAWALA
 CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-

PROPRIETOR
 M.NO : 39865
 PLACE : MUMBAI
 DATED : 07/07/2010

Sd/-

NITIN KUMAR
 DIRECTOR

Sd/-

ALPA PAREKH **SAURABH SANGHVI**
 DIRECTOR DIRECTOR

Sd/-

Sd/-
RATAN MOONDRA
 DIRECTOR

Sd/- Sd/-
S S. PARKAR **HANOZ CHINYOY**
 DIRECTOR COMPANY SECRETARY

SCHEDULES FORMING PART OF THE BALANCE SHEET		Current Year 31st March, 10 Rs	Previous Year 31st March, 09 Rs
Schedule 1			
AUTHORISED SHARE CAPITAL		100,000,000	100,000,000
10,000,000 Equity shares of Rs 10/- each (P.Y. 10,000,000 Equity shares of Rs 10/- each)			
ISSUED, SUBSCRIBED & PAID UP			
(2,421,000 Equity shares of Rs 10/- each) (P.Y. 996,000 Equity shares of Rs 10/- each)		24,210,000	9,960,000
		24,210,000	9,960,000
Schedule 2			
Reserves & Surplus			
Profit & Loss Account			
Opening Balance		4,584,586	2,342,973
Add : Profit for the year		3,992,765	2,241,613
		(a) 8,577,351	4,584,586
General Reserve			
Share Premium A/c		714,500,000	-
		(b) 714,500,000	-
TOTAL	(a+b)	723,077,351	4,584,586
Schedule 3			
SECURED LOANS			
Kotak Mahindra Prime Ltd		592,623	947,953
(Against hypothecation of motor car)			
Term Loan from Punjab National Bank		58,834,750	-
(Secured against Wind mills)			
TOTAL		59,427,373	947,953
Schedule 4			
UNSECURED LOANS			
Loans from Director		433,500	38,921,500
TOTAL		433,500	38,921,500

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2010

Schedule 5 : FIXED ASSETS

Sr. No.	Particulars	Rate %	Gross Block			Depreciation			Net Block	
			As at 1.4.2009	Addition	Deduction	As at 31.3.2010	As at 1.4.2009	for the year	Up to 31.3.2010	As at 31.3.2010
1	Land	-	600,000	1,200,000	-	1,800,000	-	-	-	1,800,000
2	Plant & Machinery	5.28%	29,050,000	55,200,000	-	84,250,000	4,202	2,987,127	2,991,329	81,258,671
3	Computer System	16.21%	253,525	376,072	-	629,597	37,046	54,262	91,308	538,289
4	Furniture & Fixture	6.33%	126,780	12,470	-	139,250	7,230	8,786	16,016	123,234
5	Office Equipment	4.75%	-	82,000.00	-	82,000	-	3,185.36	3,185	78,815
6	Motor Car	9.50%	1,515,480	-	-	1,515,480	74,549	143,971	218,520	1,296,960
	Total		31,545,785	56,870,542	-	88,416,327	123,027	3,197,332	3,320,359	85,095,968
	Previous year		273,568	31,272,217	-	31,545,785	4,659	118,369	123,028	31,422,757
										268,909

Figures in Rupees

SCHEDULES FORMING PART OF THE BALANCE SHEET		Current Year 31st March, 10	Previous Year 31st March, 09
		Rs	Rs
Schedule 6			
INVESTMENT			
Subsidiary Company- unquoted 50 Equity shares of 150000 AED each in Veritas FZE (fully paid) (P.Y. 1 equity Share of 150000 AED each)		95,267,500	1,927,500
Other- Quoted DB International Stock Brokers Ltd Market value 12,925,000/-		2,900,000	-
		98,167,500	1,927,500
Schedule 7			
CASH & BANK BALANCES			
Cash on Hand		302,267	211,606
Bank Balances		83,074,769	1,532,628
TOTAL		83,377,036	1,744,234
Schedule 8			
Loans & Advances			
Advances recoverable in cash or in kind for value to be received			
Advances for Land		350,000	350,000
Deposits & Other Advances		333,850	1,847,600
Advances Tax & TDS		2,724,644	1,382,035
Advances to Suppliers		19,700,000	23,117,044
Advance to Subsidiary Company		222,926,375	681,125
Prepaid Expenses		99,271	-
TOTAL		246,134,140	27,377,804
Schedule 9			
SUNDRY DEBTORS			
(Unsecured, considered good)		443,937,258	125,704,949
TOTAL		443,937,258	125,704,949
Schedule 10			
SUNDRY CREDITORS			
For Goods		127,156,801	110,844,466
For Expenses		11,599,476	968,760
TOTAL		138,756,278	111,813,226
Schedule 11			
PROVISIONS			
Provision for Taxation		2,777,782	830,860
Provision for FBT		69,295	69,295
TOTAL		2,847,077	900,155
Schedule 12			
MISC EXPENSES			
Miscellaneous Expenses (To the extent not w/off or adjusted)		653,006	725,562
TOTAL		653,006	725,562

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT		
	Current Year 31st March, 10	Previous Year 31st March, 09

Schedule 13
DIRECT EXPENSES

	Rs	Rs
Opening Stock	831,269	1,390,028
Add-Purchases	1,086,836,075	648,827,191
	1,087,667,344	650,217,219
Less-Closing Stock	853,468	831,269
	1,086,813,876	649,385,950
Frieght, Clearing & Forwarding, Transportation	470,791	88,138
Foreign Exchange Gain/Loss	2,408,008	14,174
Loading & Unloading	179,272	174,780
Packing Charges/ Slitting charges	442,735	349,905
Warehousing Charges	934,824	447,362
TOTAL	1,091,249,506	650,460,309

Schedule 14
ADMINISTRATIVE EXPENSES

Audit Fees	220,600	82,725
Computer Expenses	188,599	47,096
Legal & Professional Fees	379,789	304,896
Membership & Subs, Listing Fees, Books & Periodicals	213,087	106,326
Postage, Telephone & Courier Charges	291,972	246,937
Miscellaneous Expenses W/off	72,556	-
Printing & Stationary	139,166	119,778
Rent, Rates & Taxes	874,564	72,500
Repairs & Maintenance	126,300	66,436
Staff Cost/Staff Welfare Expenses	2,512,380	1,473,379
Service Charges Paid	137,899	28,359
Insurance Premium	62,746	-
Miscellaneous Expenses	430,811	647,048
TOTAL	5,650,469	3,195,480

Schedule 15
FINANCIAL EXPENSES

Bank Charges & Commissions	344,929	50,239
Processing Fees/Stamp Duty	502,398	-
Interest on Car Loan	106,670	66,453
Interest on Term Loan	1,678,804	-
TOTAL	2,632,801	116,692

Schedule 16
SELLING & DISTRIBUTION EXPENSES

Advertising & Business Promotion Expenses	100,316	207,583
Travelling & Conveyance Expenses	1,802,473	857,528
TOTAL	1,902,789	1,065,111

SCHEDULE: 17**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2010.****A. SIGNIFICANT ACCOUNTING POLICIES****BASIS OF ACCOUNTING**

The Company follows mercantile system of accounting. Financial Statements are prepared as per historical cost convention in accordance with the Generally Accepted Accounting Principles (GAPP) in India including mandatory accounting standards and statements issued by the Institute of Chartered Accountants of India/ Notified by the Government of India, as appropriate and relevant provisions of the Companies Act, 1956.

USE OF ESTIMATES

The preparation of financial statements are in conformity with generally accepted accounting principles. All standards require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses including provision of taxes during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known to materialize. Management believes that the estimates used on the preparation of the financial statements are prudent and reasonable. Further results may vary from these estimates.

FIXED ASSETS

The Fixed Assets are stated at Cost of acquisition or construction including taxes (net of refundable) installation and commissioning cost and pre-operative expenses incurred on the project are capitalized.

DEPRECIATION

Depreciation on fixed assets is provided pro rata for the period of use on straight line basis over the estimated useful life or in accordance with the rate and rules prescribed under Schedule XIV to the Companies Act, 1956.

INVESTMENTS

The Company has invested in Shares during the year and the value of the investment is stated at cost with provision, where necessary for diminution, other than temporary in the value of investments wherever applicable.

INVENTORIES

Stock (including in transit) of traded goods is valued at FIFO method at cost. The valuations of wastage / packing materials are valued at nil.

FOREIGN CURRENCY TRANSACTIONS

Foreign Currency transactions are converted at the exchange rates prevailing on the date of transactions. Expenditure on account of Imports are accounted for at the exchange rates prevailing on the date of transactions and necessary foreign exchange difference on payment is recognized as income or expense. Transactions remaining unsettled at the year end are translated at the year end rate and the difference is charged to Profit & Loss Account. In the case of forward contract the difference between the forward rate and the exchange rate on the date of transactions is recognized in the Profit & Loss Account. Profit or Loss arising on the cancellation or renewal of contract is recognized as income or expense in the year in which, such cancellation or renewal is made.

RETIREMENT BENEFIT SCHEME

The Company is at present not covered by the provisions of the Provident Fund and Miscellaneous Provisions Act, 1952. Gratuity benefits are accounted on Cash Basis. No provision is made for Gratuity since the company has no employees covered under the provisions of the Gratuity Act.

PRELIMINARY EXPENSES

Preliminary Expenses are written off over a period of Ten years.

REVENUE RECOGNITION

Sales are being recognized as and when goods are dispatched / billed to the customers. Exports sales are accounted on the basis of date of bill of lading. Sales Comprises of amount invoiced Excluding Sales Tax/Vat, recoverable thereon. It further includes revenue generated from the supply of energy from the windmill installed in the state of Maharashtra and Tamil Nadu.

BORROWING COST

Borrowing Cost that is attributable to the acquisition, construction or production of qualifying assets is capitalized as part of the cost of such assets till such time as the asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing cost are recognized as an expense in the period in which they are incurred.

INCOME TAX

The provision for tax for the year comprises current income tax determined to be payable in respect of the taxable income payable in accordance with the Income Tax Act 1961.

DEFERRED TAX

In accordance with Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has Deferred tax liability resulting from timing difference between book and taxable profit for the year.

PROVISIONS FOR CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized, when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

EARNING PER SHARE

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings per Share. Basic EPS is computed by dividing the net profit for the year by the weighted average number of Equity Shares outstanding during the year. Diluted EPS is computed by dividing the net Profit or Loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential equity Shares, except where the results are anti dilutive.

Particulars	Rs.	
	2009-2010	2008-2009
Profit after tax	3,992,765	2,241,613
Outstanding number of shares	1,015,521	996,000
Earning per share (Basic and Diluted)	3.93	2.25

CASH & CASH EQUIVALENTS

Cash and Cash equivalents in the cash flow statement comprise Cash at Bank, Cash on hand and liquid investment as per accounting standard -3 on cash flow statements.

B. NOTES TO THE ACCOUNTS**1. DESCRIPTION OF BUSINESS**

The Company is in the business of Imports, Trading and Distribution of Chemicals, Metals and Machinery. The Company is also engaged in generation of wind energy in the State of Maharashtra and Tamil Nadu.

2. CONTINGENT LIABILITIES

There are no liabilities of contingent nature and hence not disclosed.

3. Sundry Debtors, Sundry Creditors and Loans and Advances are subject to reconciliation with the respective parties. Necessary adjustments in accounts shall be made in the year in which discrepancy if any may be noticed.
4. Sundry Loans and Advances and other Assets are in the opinion of the management stated at the amount realizable in the ordinary course of the business and provisions for all known and determined liabilities are adequate and not in excess of amount reasonably required.
5. Previous Year figures have been regrouped or reclassified wherever necessary.
6. Term Loan availed from Punjab National Bank for Wind Mill Power Projects is secured by way of creation of first charge on it and car loan availed from Kotak Mahindra Prime Limited Mumbai.
7. During the year sundry balances written off consists of items of discounts & differences which are irrecoverable /not payable in the opinion of management.
8. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (P.Y. Rs. 22.13 Million).
9. Other information required by the schedule VI to the Companies Act 1956 has been given only to the extent applicable.

10. Quantitative details of Stock

Quantitative details of Stock as at 31 st March, 2010							
Sr. No.	Product	Unit	Op. Stock	Purchase Quantity	Sales Quantity	Closing Stock	Value of Closing Stock in Rs.
1	Machinery	Pcs	3	Nil	Nil	3	121,865
2	Metals	Mts	Nil	3,882.14	3,882.14	Nil	-
3	Metals	Set	5	Nil	Nil	5	709,404
4	Chemicals	Dmt	Nil	11,300.958	11,299.393	1.645	22,199
	TOTAL						853,468

11. Auditors' Remuneration

	Rs.	
	Year Ended 31.03.2010	Year Ended 31.03.2009
Audit Fees	147,100	55,150
Tax Audit Fees	73,500	27,575
TOTAL	220,600	82,725

12. Expenditure in Foreign Currency**Rs.**

	Year Ended 31.03.2010	Year Ended 31.03.2009
a) CIF Value of Imports		
i) Traded Goods	NIL	NIL
Total	NIL	NIL
b) Expenditure in Foreign Currencies on		
i) Traveling	NIL	NIL
iii) Imports of Goods	NIL	NIL
Total	NIL	NIL
c) Income in foreign exchange on		
i) FOB Value of Exports	157,286,437	2,591,166
ii) Freight, Insurance, Commission	NIL	NIL
Total	157,286,437	2,591,166

13. Accounting standard - 17 on segment reporting is applicable to the company, as it is engaged in Trading & Distribution business and Wind Power Generation activity

Business wise Segments Reporting

PARTICULARS	FY 2009-2010	FY 2008-2009
Segment Revenue		
Trading and Distribution	114,647,170	660,480,268
Wind Power Generation	2,888,635	543
	117,535,805	660,480,811
Segment Profit or Loss		
Trading and Distribution	15,229,999	5,528,240
Wind Power Generation	(2,327,090)	(3,660)
	12,902,909	5,524,580
Other Information		
<u>Trading and Distribution</u>		
Segment Fixed Assets	2,037,297	1,776,959
Segment Net Current Assets	627,670,709	39,572,681
<u>Wind Power Generation</u>		
Segment Fixed Assets	83,058,671	29,643,798
Segment Net Current Assets	5,027,839	3,372,194

14. A statement pursuant to Section 212 of the Companies Act, 1956 related to the subsidiary Company is annexed. The audited statements of accounts, along with the report of the Board of Directors relating to the Company's subsidiary and the Auditor's report thereon for the year ended 31st March, 2010 are annexed.

15. Major components of Deferred Tax Assets and Liabilities as at 31.03.2010 arising on Account of timing differences are;

Particulars	Rs.	
	Closing as at 31 st March 2010	Closing as at 31 st March 2009
Deferred Tax Liability	9,466,798	2,606,654

16. PREFERENTIAL SHARES ISSUE

During the year the Company has issued 1,425,000 equity shares to the promoters, non Promoter & foreign corporate bodies at premium.

Name of the allottees	Category	Equity Shares allotted
Mr. Nitin Kumar	Promoter	925,000
M/s Onix Assets Ltd	Non - Promoter Foreign Corporate body	300,000
M/s. Aventia Global Ltd	Non - Promoter Foreign Corporate body	100,000
Mr Aman Bhatia	Non – Promoter	40,000
Ms. Niti Bhatia	Non – Promoter	35,000
M/s Groupe Veritas Ltd	Promoter Group Company	25,000

As per our report of even date
For Shabbir S Bagasrawala
Chartered Accountants

For and on behalf of the Board

Sd/-
Proprietor
Place: Mumbai
Date: 7th July, 2010

Sd/-
Nitin Kumar
Director
Sd/-
Ratan Moondra
Director

Sd/-
Alpa Parekh
Director
Sd/-
S S. Parker
Director

Sd/-
Saurabh Sanghvi
Director
Sd/-
Hanoz Chinoy
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

[Figures in Rupees]

PARTICULARS	For the year ended 31st March, 2010	For the year ended 31st March, 2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxes and extraordinary items	12,902,909	5,524,850
Depreciation	3,197,332	118,369
Financial charges [Interest paid]	1,785,474	66,453
Operating profit before working capital changes	17,885,715	5,709,672
Adjustment for :		
Increase in Trade Receivables	(318,232,309)	(161,800,480)
Increase/(Decrease) in Inventories	(22,199)	558,759
Increase in Loans & Advances	(218,756,336)	(6,336,766)
Increase in Current Liabilities	28,889,973	138,079,375
Cash generated from / [used in] operations	(490,235,156)	(23,789,440)
Direct taxes paid [Including FBT & TDS]	(2,050,000)	(728,195)
Financial charges [Interest paid]	(1,785,474)	(66,453)
Net Cash from Operating Activities	(494,070,632)	(24,584,088)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets	(56,870,542)	(31,272,217)
Additions to Misc Expenses	72,556	(725,562)
Additions to Investments	(96,240,000)	(1,927,500)
Net Cash used in investing Activities	(153,037,986)	(33,925,279)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Secured term loans [net of repayments]	58,479,420	947,953
Unsecured loans	(38,488,000)	38,726,500
Convertible Preferential Warrants issued	708,750,000	20,000,000
Net cash available from financial activities	728,741,420	59,674,453
Net increase / [decrease] in cash & cash equivalents [A+B+C]	81,632,802	1,165,086
Operating balance of cash and cash equivalents	1,744,234	579,148
Closing balance of cash and cash equivalents	83,377,036	1,744,234

Notes :

- 1 The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on "Cash Flow Statement" issued by The Institute of Chartered Accountants of India

As per our report of even date

FOR SHABBIR S BAGASRAWALA
CHARTERED ACCOUNTANTS

Sd/-
PROPRIETOR
M.NO : 39865
PLACE : MUMBAI
DATED : 07/07/2010

Sd/-
NITIN KUMAR
DIRECTOR

Sd/-
RATAN MOONDRA
DIRECTOR

FOR AND ON BEHALF OF THE BOARD

Sd/- Sd/-
ALPA PAREKH SAURABH SANGHVI
DIRECTOR DIRECTOR

Sd/-
S.S. PARKAR HANOZ CHINYOY
DIRECTOR COMPANY SECRETARY

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Balance Sheet Dated 31st March, 2010

Registration No
L23209MH1985PLC035702

II. Capital raised during the year

State Code 11

[Amount Rs. in Thousands]

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Issue	14,250

III. Position of Mobilisation and Deployment of Funds

[Amount Rs. in Thousands]

Total Liabilities	Amount	Total Assets	Amount
Sources of Funds		Application of Funds	
Paid-up Capital	24,210	Net Fixed Assets	85,096
Reserves and Surplus	723,077	Investments	98,167
Secured Loans	59,427	Net Current Assets	632,698
Unsecured Loans	433	Miscellaneous Expenditure	653
Deferred Tax Liability	9,467		

IV. Performance of the Company

[Amount Rs. in Thousands]

Turnover [Net]	1,117,536	Profit Before Tax	12,903
Total Expenditure	1,104,633	Profit After Tax	3,993
Earning per Share [Rs]	3.93	Dividend Rate	NIL

IV. Generic Names of Three Principal Products / Services of Company [as per monetary term]

Item Code No [ITC CODE]	
Product Description	Chemicals, Metals, Machinery & Wind power generation

FOR SHABBIR S BAGASRAWALA
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-
PROPRIETOR
M.NO : 39865
PLACE : MUMBAI
DATED : 07/07/2010Sd/- Sd/- Sd/-
NITIN KUMAR ALPA PAREKH SAURABH SANGHVI
DIRECTOR DIRECTOR DIRECTORSd/- Sd/- Sd/-
RATAN MOONDRA S.S. PARKAR HANOZ CHINYOY
DIRECTOR DIRECTOR COMPANY SECRETARY

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company.

- | | |
|--|--|
| 1. Name of the Subsidiary | Veritas FZE |
| 2. Financial year Ended | 31 st March, 2010 |
| 3. Holding Company's Interest | 50 Equity Shares of AED 1,50,000 each. |
| 4. Extent of holding Company's Interest | 100% in Equity Share Capital |
| 5. Net aggregate amount of Profit / (Loss) of the subsidiary so far as it concerns the members of the holding Company and is dealt with in the holding Company's accounts: | |
| a) For financial year ended 31 st March, 2010 | NA |
| b) For the previous year | NA |
| 6. Net aggregate amount of Profit / (Loss) of the subsidiary so far as it concerns the members of the holding Company and is not dealt with in the holding Company's accounts: | |
| a) For financial year ended 31 st March, 2010 | Rs 59,118,806 |
| b) For the previous year | Rs 11,768,300 |

For and on behalf of the Board

Sd/-
Nitin Kumar
Director

Sd/-
Alpa Parekh
Director

Sd/-
Saurabh Sanghvi
Director

Sd/-
Ratan Moondra
Director

Sd/-
S S. Parker
Director

Sd/-
Hanoz Chinoy
Company Secretary

Consolidated Auditors' Report

To The Members of
VERITAS (INDIA) LIMITED
[Formerly known as Duroflex Engineering Ltd]

1. We have audited the attached Consolidated Balance Sheet of Veritas (India) Limited [Formerly known as Duroflex Engineering Limited "the Company"] and its subsidiary [collectively referred to as "the Group"] as at 31st March, 2010 the related Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These Consolidated Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes the 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 the subsidiary. These financial statements have been audited by other auditors whose reports have been furnished to us and in our opinion so far as it relates to the amounts included in respect of this Subsidiary, are based solely on the report of the auditor.
4. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting standard 21, "Consolidated Financial Statements" Notified by Companies [Accounting Standards] Rules 2006.

5. Based on our audit and on the consideration of the separate audit report on individual audited financial statements of the Company and its consolidated subsidiary, subject to our comments in Para 3 above, in our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Statements gives a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2010
- (b) In the case of Consolidated Profit and Loss Account, of the profit for year ended on that date; and
- (c) In the case of Consolidated Cash Flow Statement, of the cash flow for the year ended on that date.

For Shabbir S. Bagasrawala
Chartered Accountants

Sd/-

Place: Mumbai
Date : 7th July, 2010

Proprietor
M.NO.39865

**Annexure to the Auditor's Report
(Referred to in paragraph 3 of our report of even date)**

- i) The Nature of the Company's business/activities during the year is such that clauses (xiii) and (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year under consideration, which is specifically reported here in.
- ii) In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, the Fixed Assets are being physically verified at reasonable intervals, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us no material discrepancies were noticed on such verification.
- iii) In respect of its Inventories:
 - a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iv) In respect of loans, secured or unsecured, granted or taken by the Company or from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, to the best of our knowledge and according to the information and explanations given to us:
 - a) The Company has taken loan from parties covered in register u/s 301 and the year end balance is Rs 435,000 (P.Y. 38,921,500)
 - b) In our opinion, the rate of interest & other terms & conditions of such loans is prima facie not prejudicial to the interest of the Company.
 - c) The payment of principal amount & interest (if any) during the year have been regular as per stipulations .

- d) There are no overdue amounts of more than Rs. 100,000 in respect of loan taken by the company.
- v) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of goods, fixed assets and for the sale of goods and services. Further based on our examination and according to the information & explanation given to us we have neither come across nor have been referred of any major weakness in the internal control.
- vi) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act 1956:
 - a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
 - b) According to the information and explanations given to us, the transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vii) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public as per section 58A and 58AA of the Companies Act, 1956.
- viii) In our opinion, the internal audit functions carried out during the year by the Company internal audit department have been commensurate with the size and the nature of its business.
- ix) According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956.
- x) According to the information and explanations given to us in respect of statutory and other dues:
 - a) The Company has been regular in depositing undisputed statutory dues, including Provident fund, Sales Tax, Custom Duty, Cess and any other statutory dues applicable to the Company with the appropriate authorities during the year. The outstanding Income tax dues of various Assessments year is Rs148,753/-as at date.

- b) There are no undisputed statutory dues outstanding as on 31st March 2010, for the period of more than six months, from the date of becoming payable, except as stated in clause x (a) of the report.
- xi) According to the information and explanations given to us, the Company has no accumulated losses as at 31, March 2010 and the company has not incurred cash losses in the immediate preceding financial year.
- xii) According to the records of the Company examined by us and the information and explanation given to us we are of the opinion that the Company has not defaulted in the repayment of dues of financial institutions and banks.
- xiii) The provision of any special statute applicable to the chit fund/nidhi/mutual benefit fund /societies is not applicable to the Company.
- xiv) In our opinion and according to the information and explanation given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to information and explanations given to us, the Company has not granted any loan and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xvi) In our opinion and according to information and explanations given to us, no guarantees have been given by the Company for loans taken by others from banks or financial institution.
- xvii) According to cash flow statements and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment and vice versa, other than temporary deployment pending application.
- xviii) The Company has made preferential allotment of 950,000 equity shares to two parties covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) According to information and explanations given to us, the Company has not issued any debentures and hence clause xix is not applicable.
- xx) The Company has raised money during the year and on the basis of examination and according to the information & explanation given to us, we are of the opinion that the said funds have been utilized for financing the working capital requirement of the Company and its subsidiary.

- xxi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practice in India and to the best of our knowledge and belief and according to the information and explanation given to us, we have neither come across any material fraud on or by the Company was noticed or reported during the year nor have we been informed of any such cases by the management.

Place: Mumbai
Date : 7th July,2010

For Shabbir S Bagasrawala
Chartered Accountants

Sd/-
Proprietor
M.No. 39865

BALANCE SHEET AS AT 31ST MARCH, 2010 [Consolidated]

PARTICULARS	SCHEDULE	AS AT 31st March, 10	AS AT 31st March, 09
		Rs	Rs
<u>SOURCES OF FUNDS</u>			
SHARE CAPITAL	1	24,210,000	9,960,000
SHARE APPLICATION MONEY		-	20,000,000
<u>RESERVES & SURPLUS</u>			
PROFIT & LOSS ACCOUNT	2	785,560,465	17,838,434
<u>LOAN FUNDS</u>			
SECURED LOANS	3	59,427,373	947,953
UNSECURED LOANS	4	433,500	38,921,500
<u>DEFERRED TAX LIABILITY</u>		9,466,798	2,606,654
TOTAL		879,098,136	90,274,541
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>	5	85,169,926	31,513,644
<u>INVESTMENTS</u>	6	2,900,000	-
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
CASH & BANK BALANCES	7	84,252,026	3,966,961
DEPOSITS LOANS AND ADVANCES	8	242,124,222	26,849,875
SUNDRY DEBTORS	9	626,603,508	247,376,788
INVENTORY		853,468	831,269
TOTAL CURRENT ASSETS (A)		953,833,224	279,024,893
<u>LESS : CURRENT LIABILITIES & PROVISIONS</u>			
SUNDRY CREDITORS	10	160,610,943	220,089,404
PROVISIONS	11	2,847,077	900,155
TOTAL CURRENT LIABILITIES (B)		163,458,020	220,989,559
NET CURRENT ASSETS (A-B)		790,375,204	58,035,334
<u>MISC EXPENSES</u>			
MISCELLANEOUS EXPENSES	12	653,006	725,562
(To the extent not w/off or adjusted)			
TOTAL		879,098,136	90,274,541
NOTES FORMING PART OF THE ACCOUNTS	17		

As per our report of even date
FOR SHABIR S BAGASRAWALA
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-
PROPRIETOR
M.NO : 39865
PLACE : MUMBAI
DATED : 07/07/2010

Sd/-
VITIN KUMAR
DIRECTOR

Sd/-
ALPA PAREKH
DIRECTOR

Sd/-
SAURABH SANGHVI
DIRECTOR

Sd/-
RATAN MOONDRA
DIRECTOR

Sd/-
S S. PARKAR
DIRECTOR

Sd/-
HANOZ CHINOY
COMPANY SECRETARY

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

PARTICULARS	SCHEDULE	YEAR ENDED 31st March, 10	YEAR ENDED 31st March, 09
		Rs	Rs
INCOME			
SALES AND OTHER INCOME		2,202,177,029	771,036,442
TOTAL		2,202,177,029	771,036,442
EXPENDITURE			
DIRECT EXPENSES	13	2,101,061,745	747,907,537
ADMINISTRATIVE & GENERAL EXPENSES	14	8,281,806	4,234,067
FINANCIAL EXPENSES	15	2,766,810	119,369
SELLING & DISTRIBUTION EXPENSES	16	14,830,694	1,360,462
DEPRECIATION		3,214,261	121,858
TOTAL		2,130,155,315	753,743,293
PROFIT BEFORE TAX		72,021,714	17,293,149
PROVISION FOR INCOME TAX		2,050,000	640,000
DEFERRED TAX LIABILITIES		6,860,144	2,590,042
PROVISION FOR FRINGE BENEFIT TAX		-	53,195
PROFIT AFTER TAX		63,111,569	14,009,912
Add : Profit brought forward		16,352,885	2,342,973
AMOUNT AVAILABLE FOR APPROPRIATION		79,464,454	16,352,885
BALANCE CARRIED TO BALANCE SHEET		79,464,454	16,352,885
NOTES FORMING PART OF THE ACCOUNTS	17		
EPS - Basic [On Rs. 10/- per share]		62.15	14.07
EPS - Diluted [On Rs. 10/- per share]		62.15	14.07

As per our report of even date
FOR SHABBIR S BAGASRAWALA
 CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-
PROPRIETOR
 M.NO : 39865
 PLACE : MUMBAI
 DATED : 07/07/2010

Sd/-
NITIN KUMAR
 DIRECTOR

Sd/-
ALPA PAREKH
 DIRECTOR

Sd/-
SAURABH SANGHVI
 DIRECTOR

Sd/-
RATAN MOONDRA
 DIRECTOR

Sd/-
S S. PARKAR
 DIRECTOR

Sd/-
HANOZ CHINOY
 COMPANY SECRETARY

SCHEDULES FORMING PART OF THE BALANCE SHEET
(Consolidated Financial Statement)

AS AT	AS AT
31st March, 10	31st March, 09
Rs	Rs

Schedule 1
AUTHORISED SHARE CAPITAL

10,000,000 Equity shares of Rs 10/- each
(P.Y. 10,000,000 Equity shares of Rs 10/- each)

100,000,000	100,000,000
-------------	-------------

ISSUED, SUBSCRIBED & PAID UP

(2,421,000 Equity shares of Rs 10/- each)
(P.Y. 996,000 Equity shares of Rs 10/- each)

24,210,000	9,960,000
------------	-----------

24,210,000	9,960,000
-------------------	------------------

Schedule 2
RESERVES AND SURPLUS
Profit and loss Account

Amount available for appropriation

79,464,454	16,352,885
------------	------------

Foreign Exchange Reserve

(8,403,989)	1,485,549
-------------	-----------

71,060,465	17,838,434
-------------------	-------------------

General Reserve

Share Premium Account

714,500,000	-
-------------	---

TOTAL

785,560,465	17,838,434
--------------------	-------------------

Schedule 3
SECURED LOANS

Kotak Mahindra Prime Ltd
(Against hypothecation of motor car)
Term Loan from Punjab National Bank
(Secured against Wind mills)

592,623	947,953
---------	---------

58,834,750	
------------	--

TOTAL

59,427,373	947,953
-------------------	----------------

Schedule 4
UNSECURED LOANS

Loans from Director

433,500	38,921,500
---------	------------

TOTAL

433,500	38,921,500
----------------	-------------------

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2010 [Consolidated]

Schedule 5 : FIXED ASSETS

Figures in Rupees											
Gross Block				Depreciation			Net Block				
Sr. No.	Particulars	Rate %	As at 1.4.2009	Addition	Deduction	As at 31.3.2010	for the year	Deduction	Upto 31.3.2010	As on 31.3.2010	As on 31.3.2009
1	Land	-	600,000	1,200,000	-	1,800,000	-	-	-	1,800,000	600,000
2	Plant & Machinery	5.28%	29,050,000	55,200,000	-	84,250,000	2,987,127	-	2,991,329	81,258,671	29,045,798
3	Computer System	16.21%	253,525	376,072	-	629,597	54,262	-	91,308	538,289	216,479
4	Furniture & Fixture	6.33%	126,780	12,470	-	139,250	8,786	-	16,016	123,234	119,550
5	Motor Car - Toyota	9.50%	1,515,480	-	-	1,515,480	143,971	-	218,520	1,296,960	1,440,931
6	Office Equipment	4.75%	-	82,000	-	82,000	3,185	-	3,185	78,815	-
7	FZE fixed assets Office Equipment	20.00%	94,376	-	-	94,376	16,930	-	20,419	73,957	90,887
Total			31,640,161	56,870,542	-	88,510,703	3,214,261	-	3,340,777	85,169,926	31,513,645
Previous year			273,568	31,366,593	-	31,640,161	121,858	-	126,517	31,513,644	268,909

SCHEDULES FORMING PART OF THE BALANCE SHEET
(Consolidated Financial Statement)

AS AT	AS AT
31st March, 10	31st March, 09
Rs	Rs

Schedule 6
INVESTMENT

Other- Quoted
 DB International Stock Brokers Ltd
 Market value 1,29,25,000/-

2,900,000

-

2,900,000
-
Schedule 7
CASH & BANK BALANCES

Cash In Hand
 Bank Balances

439,669

826,208

83,812,357

3,140,754

TOTAL
84,252,026
3,966,962
Schedule 8
LOANS AND ADVANCES

(Unsecured, considered good)
 Advances recoverable in cash or in kind or for value
 to be received
 Advance for Land
 Deposits & Advances
 Advances Tax & TDS
 Advances to Suppliers
 Prepaid Expenses

350,000

350,000

9,681,208

2,000,796

2,724,644

1,382,035

229,269,099

23,117,044

99,271

-

TOTAL
242,124,222
26,849,875
Schedule 9
SUNDRY DEBTORS

Unsecured considered Good

626,603,508

247,376,788

626,603,508
247,376,788
Schedule 10
SUNDRY CREDITORS

For Goods
 For Expenses

149,011,467

219,120,644

11,599,476

968,760

160,610,943
220,089,404
Schedule 11
PROVISIONS

Provisions for Taxation
 Provision for FBT

2,777,782

830,860

69,295

69,295

2,847,077
900,155
Schedule 12
MISC EXPENSES

Miscellaneous Expenses
 (To the extent not w/off or adjusted)

653,006

725,562

TOTAL
653,006
725,562

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT (Consolidated Financial Statement)	YEAR ENDED 31st March, 10	YEAR ENDED 31st March, 09
---	--------------------------------------	--------------------------------------

	Rs	Rs
Schedule 13		
Opening Stock	831,269	1,390,028
Add-Purchases	2,047,784,671	746,267,709
	2,048,615,940	747,657,737
Less-Closing Stock	853,468	831,269
	2,047,762,472	746,826,468
Clg Forwarding,Frieght & Transportation Charges	35,116,449	88,138
Foreign Exchange Loss	2,441,202	20,883
Loading & Unloading Charges	179,272	174,780
Packing & Slitting Charges	442,735	349,905
Warehousing/ Wharfage Charges	15,119,615	447,362
TOTAL	2,101,061,745	747,907,536

Schedule 14
ADMINISTRATIVE EXPENSES

Audit Fees	220,600	207,650
Computer Expenses	188,599	59,426
Legal & Professional Fees	568,900	304,896
Membership & Subs, Listing Fees,Books & Periodicals	213,087	106,326
Postage, Telephone & Courier Charges	594,494	280,058
Miscellaneous Expenses w/off	72,556	80,618
Printing & Stationary	223,242	144,601
Rent , Rates & Taxes	965,942	285,743
Repairs & Maintenance	169,139	78,242
Salaries & Staff Welfare Expenses	3,733,018	1,782,082
Service Charges Paid	137,899	28,359
Insurance Premium	62,746	-
Miscellaneous Expenses	1,131,584	876,067
TOTAL	8,281,806	4,234,068

Schedule 15
FINANCIAL EXPENSES

Bank Charges & Commissions	478,938	52,916
Processing Fees & Stamp Duty	502,398	-
Interest on Car Loan	106,670	66,453
Interest on Term Loan	1,678,804	-
TOTAL	2,766,810	119,369

Schedule 16
SELLING & DISTRIBUTION EXPENSES

Advertising & Business Promotion Expenses	471,567	291,211
Distribution Expenses	1,849,665	-
Travelling & Conveyance Expenses	2,630,833	1,069,251
Commission Expenses	9,878,629	-
TOTAL	14,830,694	1,360,462

SCHEDULE :17**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 31, 2010****A. SIGNIFICANT ACCOUNTING POLICIES****BASIS OF ACCOUNTING**

The Company follows mercantile system of accounting. financial statements are prepared as per historical cost convention in accordance with the Generally Accepted Accounting Principles (GAPP) in India including mandatory accounting standards and statements issued by the Institute of Chartered Accountants of India/ Notify by the government of India, as appropriate and relevant provision of the Companies Act, 1956.

SUBSIDIARY

Principles of consolidation:

The consolidated financial statements relate to Veritas (India) Limited and its subsidiary. The consolidated financial statements have been prepared on the following basis:

- a) In case of foreign subsidiary, being Non-Integral Foreign Operation, revenue items are consolidated at the average rate prevailing during the year. All asset and liabilities are converted at the rate prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the exchange reserve. In case of foreign operation, monetary items denominated in foreign currency are translated into the reporting currency at the exchange rate in effect at the balance sheet date and non- monetary items are translated at rates of exchange in effect when the assets were acquired or obligation incurred. The resultant translation exchange gain/loss have been included in profit and loss account.
- b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the manner as the Company's separate financial statements.

USE OF ESTIMATES

The preparation of financial statements are in conformity with generally accepted accounting principles, All standards requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses including provision of taxes during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known to materialize. Management believes that the estimates used on the preparation of the financial statements are prudent and reasonable. Further results may vary from these estimates.

FIXED ASSETS

The Fixed Assets are stated at Cost of acquisition or construction including taxes (net of refundable) installation and commissioning cost and pre-operative expenses incurred on the project are capitalized.

DEPRECIATION

Depreciation on fixed assets is provided pro rata for the period of use on straight line basis over the estimated useful life or in accordance with the rate and rules prescribed under Schedule XIV to the Companies Act, 1956.

INVESTMENTS

The Company has invested in Shares during the year and the value of the investment is stated at cost with provision where necessary for diminution, other than temporary in the value of investments wherever applicable.

INVENTORIES

Stock (including transit) of traded goods is valued at FIFO method at cost. The valuations of wastage / packing materials are valued at nil.

FOREIGN CURRENCY TRANSACTIONS

Foreign Currency transactions are converted at the exchange rates prevailing on the date of transactions. Expenditure on account of Imports are accounted for at the exchange rates prevailing on the date of transactions and necessary Forex difference on realization is recognize as income or expense. Transactions remaining unsettled at the year end are translated at the year end rate and the difference is charged to Profit & Loss Account. In the case of forward contract the difference between the forward rate and the exchange rate on the date of transactions is recognized in the profit & Loss Account. Profit or Loss arising on the cancellation or renewal of contract is recognized as income or expense in the year in which, such cancellation or renewal is made.

RETIREMENT BENEFIT SCHEME

The Company is at present not covered by the provision of the Provident Fund and Miscellaneous Provisions Act 1952. Gratuity benefits are accounted on Cash Basis. No provision is made for Gratuity since the company has no employees covered under the provisions of the Gratuity Act.

PRELIMINARY EXPENSES

Preliminary Expenses are written off over a period of ten years.

REVENUE RECOGNITION

Sales are being recognized as and when goods are dispatched / billed to the customers. Exports sales are accounted on the basis of date of bill of lading, Sales comprises of amount

invoiced Excluding Sales Tax/Vat, recoverable thereon. It further includes revenue generated from the supply of energy from the windmill installed in the state of Maharashtra & Tamil Nadu states.

BORROWING COST

Borrowing Cost that is attributable to the acquisition, construction or production of qualifying assets is capitalized as part of the cost of such assets till such time as the asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing cost are recognized as an expense in the period in which they are incurred.

INCOME TAX

The provision for tax for the year comprises current income tax determined to be payable in respect of the taxable income.

DEFERRED TAX

In accordance with Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has Deferred tax liability resulting from timing difference between book and taxable profit for the year.

PROVISIONS FOR CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized, when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

EARNING PER SHARE

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year. Diluted EPS is computed by dividing the net Profit or Loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential equity Shares, except where the results are anti dilutive.

Particulars	Rs	
	2009-2010	2008-2009
Profit after tax	63,111,569	14,009,912
Outstanding number of shares	1,015,521	996,000
Earning per share (Basic & Diluted)	62.15	14.07

CASH & CASH EQUIVALENTS

Cash and Cash equivalents in the cash flow statement comprise Cash at Bank, Cash on hand and liquid investment as per accounting standard -3 on cash flow statements.

B. NOTES TO THE ACCOUNTS**1. DESCRIPTION OF BUSINESS**

The Company is in the business of Imports, Trading and Distribution of Chemicals, Metals and Machinery The Company is also engaged in generation of wind energy in the State of Maharashtra & Tamil Nadu States.

2. CONTINGENT LIABILITIES

There are no liabilities of contingent nature and hence not disclosed.

3. Sundry Debtors, Sundry Creditors and Loans and Advances are subject to conclusion by the respective parties. Necessary adjustments in accounts will be made in the year in which discrepancy if any may be noticed.
4. Sundry Loans and Advances and other Assets are in the opinion of the management stated at the amount realizable in the ordinary course of the business and provisions for all known and determined liabilities are adequate and not in excess of amount reasonably required.
5. Previous Year figures have been regrouped or reclassified wherever necessary.
6. Term Loan availed from Punjab National Bank for Wind Mill Power Project is secured by way of creation of first charge on it and car loan availed from Kotak Mahindra Prime Limited.
7. During the year sundry balances written off consists of items of discounts & differences which are irrecoverable /not payable in the opinion of management.
8. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil. (P.Y. Rs. 22.125 Million).
9. Other information required by the schedule VI to the Companies Act 1956 has been given only to the extent applicable.

10. Quantitative details of Stock**Quantitative details of Stock as at 31st March, 2010**

Sr. No.	Product	Unit	Op. Stock	Purchase Mfg/Dev't	Sales	Cl. Stock	Value of Cl. Stock in Rs
1	Machinery	Pcs	3	Nil	Nil	3	121,865
2	Metals	Mts	Nil	3882.14	3882.14	Nil	-
3	Metals	Set	5	Nil	Nil	5	709,404
4	Chemicals	Mts	Nil	11,300.958	11,299.393	1.645	22,199
	TOTAL						853,468

11. Auditors Remuneration**Rs**

Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
Audit Fees	147,100	55,150
Tax Audit Fees	73,500	27,575
TOTAL	220,600	82,725

12. Expenditure in Foreign Currency**Rs**

a) CIF Value of Imports	Year Ended 31.03.10	Year Ended 31.03.09
i) Traded Goods	NIL	NIL
Total	NIL	NIL
b) Expenditure in Foreign Currencies on		
i) Traveling	NIL	NIL
ii) Imports of Goods	NIL	NIL
Total	NIL	NIL
c) Income in foreign exchange on		
i) FOB Value of Exports	157,286,437	2,591,166
ii) Freight, Insurance, Commission	NIL	NIL
Total	157,286,437	2,591,166

13. Accounting standard - 17 on segment reporting is applicable to the Company, as it is engaged in Trading & Distribution business and Wind Power Generation activity

Business wise Segment Reporting		
Particulars	2009-2010	2008-2009
Segment Revenue		
Trading and Distribution	2,199,288,393	771,035,899
Wind Power Generation	2,888,636	543
	2,202,177,029	771,036,442
Segment Profit or Loss		
Trading and Distribution	74,348,804	17,296,809
Wind Power Generation	(2,327,090)	(3,660)
	72,021,714	17,293,149
Other Information		
<u>Trading and Distribution</u>		
Segment Fixed Assets	2,111,255	1,867,846
Segment Net Current Assets	785,347,365	54,663,141
<u>Wind Power Generation</u>		
Segment Fixed Assets	83,058,671	29,645,798
Segment Net Current Assets	5,027,839	3,372,194

14. A statement pursuant to Section 212 of the Companies Act, 1956 related to the subsidiary Company is annexed. The audited statements of accounts, along with the report of the Board of Directors relating to the Company's subsidiary and the Auditor's report thereon for the year ended 31st March, 2010 are annexed.

15. Major components of Deferred Tax Assets and Liabilities as at 31.03.2010 arising on Account of timing differences are;

Rs

Particulars	Closing as at 31st March 2010	Closing as at 31st March 2009
Deferred Tax Liability	9,466,798	2,606,654

As per our report of even date
For Shabbir S Bagasrawala
Chartered Accountants

For and on behalf of the Board

Sd/-
Proprietor
Place: Mumbai
Date: 7th July, 2010

Sd/-
Nitin Kumar
Director

Sd/-
Alpa Parekh
Director

Sd/-
Saurabh Sanghvi
Director

Sd/-
Ratan Moondra
Director

Sd/-
S S. Parker
Director

Sd/-
Hanoz Chinoy
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010 [Consolidated]

[Figures in Rupees]

PARTICULARS	For the year ended 31st March, 2010	For the year ended 31st March, 2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxes and extraordinary items.	72,021,714	17,293,149
Depreciation	3,214,261	121,858
Financial charges [Interest paid]	1,785,474	66,453
Operating profit before working capital changes	77,021,448	17,481,460
Adjustment for :		
Increase in Trade Receivables	(379,226,720)	(233,031,711)
Increase/(Decrease) in Inventories	(22,199)	558,759
Increase in Loans & Advances	(215,274,347)	(25,508,838)
Decrease in Current Liabilities	(57,531,539)	215,579,944
Cash generated from / [used in] operations	(575,033,357)	(24,920,386)
Direct taxes paid [Including FBT & TDS]	(2,050,000)	(693,195)
Financial charges [Interest paid]	(1,785,474)	(66,453)
Net Cash from Operating Activities	(578,868,831)	(25,680,034)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets	(56,870,542)	(31,366,593)
Additions to Misc Expenses	72,556	(725,562)
Additions to Investments	(2,900,000)	
Net Cash used in investing Activities	(59,697,986)	(32,092,155)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Secured term loans [net of repayments]	58,479,420	947,953
Foreign Exchange Reserve	(9,889,538)	1,485,549
Unsecured loans	(38,488,000)	38726500
Convertible Preferential Warrants issued	708,750,000	20,000,000
Net cash available from financial activities	718,851,882	61,160,002
Net increase / [decrease] in cash & cash equivalents [A+B+C]	80,285,064	3,387,814
Operating balance of cash and cash equivalents	3,966,962	579,148
Closing balance of cash and cash equivalents	84,252,026	3,966,961

Notes :

- 1 The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard -3 on "Cash Flow Statement" issued by The Institute of Chartered Accountants of India

As per our report of even date
FOR SHABBIR S BAGASRAWALA
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Sd/-
PROPRIETOR
M.NO : 39865
PLACE : MUMBAI
DATED : 07/07/2010

Sd/-
NITIN KUMAR
DIRECTOR

Sd/- Sd/-
ALPA PAREKH SAURABH SANGHVI
DIRECTOR DIRECTOR

Sd/-
RATAN MOONDRA
DIRECTOR

Sd/- Sd/-
S.S. PARKAR HANOZ CHINOV
DIRECTOR COMPANY SECRETARY



VERITAS (INDIA) LIMITED

Regd Office: 701, Embassy Centre, Nariman Point, Mumbai-400 021

ATTENDANCE SLIP

25th ANNUAL GENERAL MEETING, 25TH SEPTEMBER, 2010

Regd. Folio No..... No. of Shares held.....

DP. ID No.* Client ID No.*

No. of shares held.....

* Applicable for Member holding shares in electronic form.

I certify that I am a registered member/ proxy for the registered member of the Company.

I hereby record my presence at the 25th Annual General Meeting of the Company at
Kilachand Conference Room, Indian Merchants' Chamber, IMC Building, IMC Marg,
Churchgate, Mumbai-400 020 at 3.45 p.m. on Saturday, 25th September, 2010.

.....
Member's/Proxy's name in Block Letters

.....
Member's/Proxy's Signature

Note:

Please fill up this attendance slip and hand over at the entrance of the meeting hall.



VERITAS (INDIA) LIMITED

Regd Office: 701, Embassy Centre, Nariman Point, Mumbai-400 021

PROXY FORM

Regd. Folio No..... DP ID No.*..... Client ID No.*.....

* Applicable for Member holding shares in electronic form.

I/ We.....
.....of.....being a
Member/Members of Veritas (India) Limited hereby
appoint.....of.....
..... or failing
him.....of.....
..... as
my/ our proxy to vote for me/us on my/our behalf at the 25th Annual General Meeting of
the Company to be held on Saturday, 25th September, 2010 and at any adjournment thereof.

Signed this Day of.....2010.

Signature



Notes:

1. A Proxy need not be a member of the Company.
2. The Proxy Form in order to be effective should be duly completed, stamped and signed and must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

BOOK - POST

If undelivered, please return to:

Mondkar Computers Pvt. Ltd.
UNIT: VERITAS (INDIA) LIMITED
21, Shakil Niwas,
Opp. Satya Saibaba Temple,
Mahakali Caves Road,
Andheri (E), Mumbai- 400 093