

CONTENTS

| Particulars | Page No. |
|--|----------|
| 1. Corporate Information————— | 1 |
| 2. Managing Director’s review————— | 2 |
| 3. Notice————— | 3 |
| 5. Director’s Report————— | 6 |
| 6. Management Discussion and Analysis————— | 9 |
| 7. Report on Corporate Governance————— | 13 |
| 8. Annexure to report on Corporate Governance————— | |
| —CFO Certificate | 22 |
| —Auditor’s Certificate | 22 |
| 9. Auditor’s Report————— | 23 |
| 10. Annexure to the Auditor’s Report————— | 24 |
| 11. NBFC Auditor’s Report————— | 26 |
| 12. Financials and Notes on Accounts————— | 27 |
| 13. NBFC Schedule to the Balance-Sheet————— | 39 |



CORPORATE INFORMATION

BOARD OF DIRECTOR

| | |
|----------------------|-------------------|
| Kapil Aggarwal | Chairman |
| Rohit Gupta | Managing Director |
| Anil Kumar Chaddha | Director |
| Ashok Kumar Kathuria | Director |
| Anirudha Kumar | Director |

REGISTERED OFFICE

8/19, 3rd Floor, W.E.A.
Pusa Lane, Karol Bagh
New Delhi-110005
Tel: 011-42503441-444
Fax: 011-42503444
E-mail: csl@consolidatedsecurities.biz

AUDITORS

R. Mahajan & Associates
Chartered Accountants
402, Jain Bhawan, W.E.A
Karol Bagh
New Delhi-110005

BANKERS

HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS

MAS Services Limited
T-34, 2nd Floor,
Okhla Industrial Area Phase-2,
New Delhi-110020

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Anju Batra

CHIEF FINANCIAL OFFICER

Mr. Rohit Gupta



Dear Shareholders,

It has been a year of recovery for the world economies, the recovery being better than expected. However the strength of the recovery has been contrasting with advanced economies recovering tepidly in comparison to the strong recovery in emerging economies like India. Policy support was essential to trigger the same. Monetary policy has been highly expansionary and supported by unconventional liquidity provision. Fiscal policies provided a major stimulus in response to the deep downturn.

India, during this period has done extremely well and has managed to post an economic growth of 7.4%, in comparison to last year's corresponding figure of 6.7%. The fast-paced recovery of the economy highlights the effectiveness of the policy response of the Government in the wake of the financial crisis. Indian equity markets witnessed a revival in the secondary market segment, though; there are a few concerns also like the emergence of double-digit food inflation and uncertainty as regards the performance once the support is withdrawn.

In view of the dynamic and volatile environment prevailing, we have been focusing on consolidation and the main aim has been to preserve our capital. We have been following a conservative approach towards investing with the prime goal of lending stability to our Balance sheet. Although, uncertainty still rules the stock market, we are always on the lookout for growth opportunities.

We look forward to your continuing support.

Thanking You,

Rohit Gupta

Managing Director & CFO



NOTICE

NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of Consolidated Securities Limited will be held on Thursday, the 30th day of September, 2010 at 10.30 a.m. at Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Kumar Kathuria, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Kapil Aggarwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and in this regard to consider and if, thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. R. Mahajan & Associates, Chartered Accountants, New Delhi, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

5. To consider and pass with or without modifications, the following resolution as “Ordinary Resolution”

“RESOLVED THAT consent of the Company be and is hereby accorded to the Board of Directors under Section 293 (1)(d) and other applicable provisions, if any, of the Companies Act, 1956 to borrow any sum or sums from time to time for the business purpose of the Company, notwithstanding that the money or moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose provided however the total amount so borrowed shall not exceed Rs.500 Crores (Rupees Five Hundred Crores only).”

6. To consider and pass with or without modifications, the following resolution as “Ordinary Resolution”

“RESOLVED THAT Mr. Anirudha Kumar, who was appointed as Additional Director under Section 260 of the Companies Act, 1956 and Article 80 of the Articles of Association of the Company on 1st September 2010 and in respect of whom a notice proposing his name for the Directorship of the Company has been received together with a deposit of Rs. 500/- under Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

For and on behalf of the Board

Sd/-

Place: New Delhi
Date: 1st Sept. 2010

Rohit Gupta
Managing Director & CFO

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**
2. Corporate Members are requested to send a duly certified copy of the Board Resolution to the Registered Office of the Company, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 24th September 2010, to Thursday, 30th September 2010 (both days inclusive).
4. Members are requested to bring their own copies to the meeting.
5. Additional information, in terms of clause 49 of the Listing Agreement with Stock Exchanges, regarding appointment/reappointment of Directors as set out in Item no 2, 3 & 6 of the Notice is also annexed hereto separately and forms part of the Notice.
6. Members desirous of any information/clarification on the accounts are requested to write to the Company at least 10 days in advance so as to enable the management to keep the same ready at the Annual General Meeting.
7. Please send your requests for transfer/transmission/consolidation and demat of shares, change of address to our Registrar and Transfer Agents (RTA) - MAS Services Ltd. at T-34, 2nd Floor, Okhla Industrial Area Phase-2, New Delhi-110020
8. Members attending the meeting are requested to bring with them their Client ID and DP ID Numbers/Folio Numbers for identification. Further members/proxies should bring the attendance slip duly filled in for attending the meeting.
9. Members having multiple folios in identical names or in joint names in the same order are requested to send the share certificate(s) to the Company's Registrar & Transfer Agents, M/s. MAS Services Limited for consolidation of all such shareholding into one folio to facilitate better service.
10. Shareholders holding shares in certificate form are requested to de-materialize their holding in electronic form.
11. The Company has designated an exclusive email id viz investor@consolidatedsecurities.biz to enable the investors to post their queries/suggestions/grievances and monitor its redressal.

For and on behalf of the Board

Sd/-

Place: New Delhi

Rohit Gupta

Date: 1st Sept. 2010

Managing Director & CFO



Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 5

To meet the increased working capital requirements, the Company proposes to extend the Company's borrowing limits beyond the aggregate of the paid-up capital and free reserves but the same is not to exceed Rs. 500 Crores (Rupees Five Hundred Crores). Therefore, in accordance with Section 293(1)(d) and other relevant provisions of the Companies Act, 1956, the resolution set forth in Item No. 5 seeks the approval of shareholders by way of Ordinary Resolution.

None of the Directors of the Company are concerned or interested in this resolution.

Your Directors recommend the Ordinary Resolution for your approval.

Item No. 6

Mr. Anirudha Kumar was appointed as Additional Director of the Company on 1st September 2010 pursuant to Section 260 of the Companies Act, 1956 and Article 80 of the Articles of Association of the

Company. He will hold office only upto the date of the ensuing Annual General Meeting. The Company has received a notice pursuant to Section 257 of the Companies Act, 1956 in writing along-with the requisite deposit of Rs. 500/-, proposing him as a candidate for the office of Director of the Company, liable to retire by rotation. Your Directors recommend the appointment for your approval. The proposed resolution is to be passed as Ordinary Resolution.

Except Mr. Anirudha Kumar, no other Director is concerned or interested in this resolution.

For and on behalf of the Board
Sd/-

Place: New Delhi

Rohit Gupta

Date: 1st Sept. 2010

Managing Director & CFO

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment/re-appointment in the ensuing Annual General Meeting to be held on 30th September 2010 pursuant to the requirement of Clause 49 of the Listing Agreement

| Name of Director | Mr. Ashok Kumar Kathuria | Mr. Kapil Aggarwal | Mr. Anirudha Kumar |
|---|---|--|---|
| Date of Birth | 24.02.1959 | 14.06.1959 | 15.08.1966 |
| Nationality | Indian | Indian | Indian |
| Date of appointment | 29.10.2005 | 15.12.2005 | 01.09.2010 |
| Qualification | B.A. | B.Com (H), FCA | B.Sc, FCA |
| Expertise in specific functional areas | Having around 25 years of experience in the Administration. | He has more than 20 years experience in Audit, Taxation and legal matters. He is very renowned figure in taxation matters. | He has more than 20 years of rich experience in investment, corporate finance, audit, banking and taxation. |
| Shareholding in CSL | Nil | Nil | Nil |
| List of outside Directorships | Mundra Credit & Investment P Ltd | Nil | AGM Placement P Ltd |
| Chairmanship/member-ship of the committee of the Board of the Company | Member -Audit Committee Chairman-Investor Relations and Share Transfer Committee | Chairman -Audit Committee | Member-Audit Committee |
| Chairmanship/member-ship of the committee of the Board of other Company | NA | NA | NA |

*Dear Shareholders*

Your Directors take pleasure in presenting the 18th Annual Report together with the Audited Annual Accounts of your Company for the year ended 31st March, 2010 together with the Auditor's report thereon.

1. Financial Performance**(Rs.in crores)**

| Particulars | Current year ended 31.03.2010 | Previous year ended 31.03.2009 |
|----------------------------------|--|---|
| Total Income | 60.58 | 61.19 |
| Gross Profit | 8.15 | 8.45 |
| Less : Depreciation | 0.05 | 0.03 |
| Profit before Tax | 8.15 | 8.42 |
| Less: provision for Taxation | 1.42 | (1.03) |
| Add(less): Deferred tax | (2.01) | 2.00 |
| Add(less) MAT Credit entitlement | 1.86 | - |
| Profit After taxes | 6.58 | 9.39 |

2. Business Operations

The recessionary conditions world over have witnessed a phase of recovery and although the stock market conditions have improved, volatility and unpredictability still continue to be dominant forces. Your company's business is directly influenced by these stock market conditions and accordingly, we have focused on consolidation throughout the year and still managed to earn a good figure of Rs. 8.15 crores as profit before taxes.

3. Transfer to reserves

The Company transferred the profit after tax of Rs. 6,58,16,282.27 to the reserves & surplus of the company.

4. Dividend

In order to preserve its capital, your directors do not recommend any dividend for the year under review.

5. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company is not engaged in any activity related to conservation of energy or technology absorption. During the year under review, there were no foreign exchange earnings and outgo.

6. Particulars of Employees

No employee was in receipt of remuneration exceeding the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 & hence, no such statement is required to be furnished.

7. Director's Responsibility Statement

In pursuant to Section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, your directors hereby state and confirm:

- that in the preparation of the annual accounts for the financial year ended 31st March 2010, the applicable accounting standards has been followed
- that the Directors has selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profits or loss of the company for the year under review
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the



provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities

d. that the Directors had prepared the annual accounts for the financial year ending 31st March 2010 on a going concern basis.

8. Directors

In accordance with the provisions of the Companies Act, 1956 and Article 89 of the Articles of Association of the Company, Mr. Ashok Kumar Kathuria and Mr. Kapil Aggarwal, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The necessary resolutions with regard to above are being placed before the shareholders for their approval. The Board recommends their re-appointment as Directors on the Board of the Company in this Annual General Meeting.

Mr. Anirudha Kumar was appointed as Additional Director of the Company on 1st September 2010 pursuant to Section 260 of the Companies Act, 1956 and Article 80 of the Articles of Association of the Company. He will hold office only upto the date of the ensuing Annual General Meeting. The Company has received a notice pursuant to Section 257 of the Companies Act, 1956 in writing along-with the requisite deposit of Rs. 500/-, proposing him as a candidate for the office of Director of the Company, liable to retire by rotation. Your directors recommends his appointment as Director on the Board of the Company.

9. Audit Committee

The existing Audit Committee is in full compliance to Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement and its role and scope is in compliance to those prescribed by Clause 49 of the Listing Agreement.

The composition of Audit Committee as re-constituted by the Board is as given below:

Mr. Kapil Aggarwal -Chairman, Mr. Anirudha Kumar and Mr. Ashok Kumar Kathuria-Members

10. Public Deposits

The Company has neither invited nor accepted any deposits from the public during the year under review within the meaning of Section 58A, 58AA and other relevant provisions of the Companies Act, 1956, if applicable, and rules made there-under.

Further the board has also passed a resolution to this effect in its meeting in compliance to RBI Guidelines/provisions.

11. Auditor' Report and Auditors

The Auditors, M/s. R. Mahajan & Associates, Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

They have given a certificate that their appointment, if made, will be within the limits under Section 224(1-B) of the Companies Act, 1956. Necessary resolution in this regard is proposed at the forthcoming Annul General Meeting. The Board recommends their re-appointment.

The observations of the Auditors and notes on statement of accounts are self-explanatory.

12. Reserve Bank of India's Directions

The requirements prescribed by the Reserve Bank of India for Non-Banking Financial Companies (NBFCs), are being duly complied with by your Company.

13. Listing

The Equity shares of the company are listed at Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE).



14. Management Discussion and Analysis

The Management Discussion and Analysis Report is given separately and forms part of this report.

15. Corporate Governance

Your company is committed to maintain the higher standards of corporate governance and has been in full compliance with all the conditions of the Corporate Governance norms. As required under Clause 49 of the Listing Agreement, a report on Corporate Governance is given and forms part of this Annual Report. The Auditor's Certificate on compliance of the provisions of Corporate Governance as mentioned in the Listing Agreement is also given.

16. Compulsory De-mat

As per SEBI Guidelines, the shares of the Company are required to be compulsorily traded in dematerialized form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE 718F01018.

As on 31st March, 2010, a total of 36,34,280 Equity Shares of the Company, which translates to 90.77% of the Share Capital stand dematerialized.

Members are requested to dematerialize their shares for more convenience.

17. Buy-back of shares

The Company has sought the approval of shareholders by way of postal ballot for buy-back of company's own fully paid-up equity

shares. The company has obtained approval from shareholders for buy-back of a minimum of 2,00,000 equity shares and upto maximum of 6,25,000 Equity Shares, being within the limit of 25% of its total paid up equity capital, at a price not exceeding Rs. 133/- (Rupees one hundred thirty three only) per equity share to be financed out of Company's Free Reserves such that aggregate consideration for the shares to be bought back does not exceed Rs 8,31,25,000/- (Rupees Eight Crores Thirty One Lacs Twenty Five Thousand only) which is within the limit of 25% of the paid up capital and free reserves of the Company as on March 31, 2009.

18. Acknowledgment

Your directors take this opportunity to place their sincere thanks to the company's bankers, depositories, Government and all the regulatory authorities including SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies and Reserve Bank of India.

Further we highly appreciate the dedicated and sincere services rendered by all the employees of the Company at all levels.

And last but not the least we put our sincere thanks to the shareholders for the confidence reposed by them in the company.

Place: New Delhi For on & behalf of the Board
Date: 1st Sept. 2010

Rohit Gupta

Managing Director & CFO

Ashok Kumar Kathuria

Director



MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY OVERVIEW

Global Economy - During the better part of the year, recession continued for the developed world, which meant a sluggish export recovery and a slowdown in financial flows into the economy. Yet, over the span of the year, the economy posted a remarkable recovery, not only in terms of overall growth figures but, more importantly, in terms of certain fundamentals, which justify optimism for the Indian economy in the medium to long term. Money markets have stabilized. Corporate bond and equity markets have rebounded. In advanced economies, the tightening of bank lending standards is ending, and the credit crisis appears to be bottoming out. In many emerging and developing economies, credit growth is reaccelerating. For the world as a whole an output decline of 0.8 per cent in 2009 is projected to turn into a growth of 3.9 per cent in 2010.

Indian Economy - India, during this period has done extremely well and managed to post an economic growth better when compared to that in 2008-09.. The fast-paced recovery of the economy highlights the effectiveness of the policy response of the Government in the wake of the financial crisis. Moreover, the broad-based nature of the recovery creates scope for a gradual rollback, in due course, of some of the measures undertaken over the last fifteen to eighteen months, as part of the policy response to the global slowdown, so as to put the economy back on to the growth path of 9 per cent per annum.

The key aspects of India's performance during the year are as follows:

- ◆ To overcome liquidity constraints RBI had followed an accommodative monetary policy during 2009-10. The slew of measures introduced after September 2008 to enhance the liquidity in the system included a series of downward revisions in policy rates covering repo rate, reverse repo rate, CRR and SLR,
- ◆ Capital and commodity markets gained strength and the increased risk appetite of investors led to sharp rise in international capital flows,
- ◆ Several new commodities were introduced for futures trading in 2009 and total value of trades in commodity future market rose substantially,
- ◆ During fiscal 2009-10 foreign exchange reserve increased by USD 283.50 billion at the end of December 2009 from USD 252 billion at the end of March 2009,
- ◆ Emergence of double-digit food inflation, which is caused mainly by supply-side bottlenecks in some of the essential commodities, precipitated by the delayed and sub-normal southwest monsoons. Average food inflation increased to 19.77 percent in fiscal 2009-10, from 7.56 percent during fiscal 2008-09,
- ◆ In fiscal 2009-10 the rupee has strengthened against the USD on the back of significant turnaround in FII inflows, continued inflows under FDI and NRI deposits, better macro economic performance of the Indian economy and weakening of the USD in the international market,
- ◆ The country's public debt, according to the Reserve Bank of India (RBI), has zoomed to more than 50% of the total GDP and the RBI has started printing new currency notes.

For India, the industrial sector has emerged as one of the prime movers in the revival of Gross Domestic Product Growth (GDP) in second quarter of the year.

The key challenges for the Indian Economy are as follows:

- ◆ Challenges emanating from increased capital flows with ramifications for monetary growth, inflation and exchange rate uncertainty, along with policy implications for the capital account,
- ◆ Liberalizing FDI in services (like health insurance, rural banking and higher education), fine tuning trade strategies, harmonizing tariff



rates, rationalizing indirect tax structure, streamlining many domestic regulations which can help in growth and export of services, focus on services in multilateral and bilateral negotiations, etc,

- ◆ Sustaining the high growth in labour-intensive sectors along with erasing the skill deficit with a multi-faceted programme, controlling the inflation, removing infrastructural impediments etc.,
- ◆ Successful development of enabling tools to promote Public Private Partnerships (PPPs) which are vital to catalyze investments for building new infrastructure,
- ◆ Raising the capacity creation in some critical infrastructure sectors to the desired level is a major challenge and requires multifaceted initiatives,

INDUSTRY STRUCTURE & DEVELOPMENTS

NON-BANKING FINANCIAL COMPANIES (NBFCs)

Your Company is a Non-public deposit accepting Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India. A robust banking and financial sector is critical for activating the economy and facilitating higher economic growth. Financial intermediaries like NBFCs have a definite and very important role in the financial sector, particularly in a developing economy like ours. They are a vital link in the system.

NBFCs are characterized by their ability to provide niche financial services in the Indian economy. Because of their relative organizational flexibility leading to a better response mechanism, they are often able to provide tailor-made services relatively faster than banks and financial institutions. In the wake of recent global financial crisis and its fallout, the RBI undertook measures to preserve financial stability and arrest the moderation in the growth momentum. NBFCs ramped up their presence in

the structured finance market in 2009-10 while banks, cramped by RBI guidelines, fell behind.

NBFCs are very well regulated and supervised by RBI. The applicable guidelines, regulations and directions of the Reserve Bank of India have been duly complied with, by your company.

OPPORTUNITIES AND THREATS

Threats:

- ◆ At the peak of the last credit crunch, funding opportunities for NBFCs had nearly dried up since lenders were unsure whether the borrower NBFC could repay the loan.
- ◆ NBFCs are facing with increasing defaults.
- ◆ With RBI's aggressive monetary stance, the cost of borrowing is going up.

Opportunities:

- ◆ A consolidation process has been witnessed in the NBFC sector, wherein the weaker NBFCs are gradually exiting or being acquired, thus creating more business opportunities for stronger NBFCs.
- ◆ There is a strong recovery in the capital market which has created more opportunities for your company to invest in.
- ◆ The domestic consumption has been very strong in India. NBFCs are facing increased demand for their service offerings.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is engaged mainly in the business of investment activities and all other activities of the company revolve around this main business. Hence, there are no separate reportable segments.

BUSINESS OUTLOOK

The Indian Stock Market has done fairly well amidst the post-global crisis but still the conditions are not as conducive as they were 2 years ago. Over the last



year, we have laid major emphasis on consolidation of business. Owing to the global-crisis, the business environment has been even more dynamic and there has been increased uncertainty in the stock market. Accordingly, with a conservative approach, we have been focusing on consolidating the financial position of the company. Our first aim is to preserve and safeguard our capital and hence, we follow a multi-strategy approach to generate returns on capital with minimum risks. We look to maintain the liquidity of the balance sheet at all times. We keep a constant watch on the events occurring in domestic as well as global Market, so as to identify investment opportunities and to take corrective measures, if need be. We follow a flexible approach in investing and this has held us in good shape over the years.

OUTLOOK

The World Bank has forecast real GDP growth rate of 7.5 percent for India for 2010 as against global growth rate of 2.7 percent. The domestic economic outlook does look positive and can register GDP growth similar to that in 2009. Positive domestic factors that give hope for a better economic growth in future, namely performance of Corporate and banks and higher GDP growth are likely to support an uptrend in the Indian capital market. The Services sector will have to be a major contributor so as to ensure sustainable growth. Different industries have been showing different growth patterns and have contributed differently to economic growth. Auto and IT contributed a lot in 2009; this could be very different in 2010. Besides, banking and infrastructure will continue to be among the performing sectors. Corporate earnings estimates in India for 2010 seem positive and accordingly, have been revised upwards.

RISKS AND CONCERNS

Risk is an inherent part of any business and it plays an even more vital role where the business is directly related to the Indian Stock Market. Risks can be present in the form of market risk, economic cycle risk, operational, legal and regulatory risks. The Stock market operates in highly dynamic environment and is influenced largely by both

fundamentals as well as sentiments. Although, the Indian Stock Market has done fairly well amidst the global crisis and has continued the progress post global crisis, there still always vests substantial amount of risk in it.

The main aim of your Company is to make strategic investments only after thorough analysis of the prevailing conditions and making appropriate forecasts about the economy and stock market factors. With the help of its expertise and continued research work, the management tries to identify all the risks associated with a particular investment avenue, so as to arrive at a profitable investment decision.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Even though the company does not have formal inter audit system but the internal control system procedure in the Company is functioning properly and effectively, with well-defined organizational structures and authority-responsibility relationships. The levels and degree of control are commensurate with the nature and functioning of the organization. With the aid of this, the management aims to facilitate delivery of necessary financial information, research reports and other information as and when necessary, to the concerned personnel. Necessary records to ascertain the accountability of operations are also being maintained properly.

FINANCIAL PERFORMANCE

During the year under review, the Company's Profit before tax (PBT) stood at Rs. 8.15 crores as against Rs. 8.42 crores during the previous year 2008-09. The corresponding figures for Profit After Tax (PAT) are Rs. 6.58 crores and Rs. 9.39 crores for current year and previous year, respectively. The consolidation in the Indian Economy and revival of world economy from the clutches of Global crisis is the major influencing factor for the same.

HUMAN RESOURCES

In any organization, the most important resources,



those that hold the key to its success or failure, are the Human Resources. Your company appreciates the same and accordingly, has well defined job responsibilities for each employee which leads to a better work environment. We aim at maintaining healthy relations amongst the employees and employer by providing morale-boosting opportunities to the employees. We use human resources as a tool for better performance and satisfaction, at the organization as well the individual level. The remuneration and rewarding system followed by the company is in line with the industry levels and is updated as and when necessary.

CAUTIONARY STATEMENT

Statement in the Management Discussion and

Analysis of financial condition and result of operations of the Company, describing Company's objectives, expectations or predictions are "forward looking statements" within the meaning of applicable Securities Laws and Regulations. Investors are cautioned that actual results could differ materially from those express and implied. Important factors that could make a difference to the Company's operations include economic conditions, Government policies, taxation laws, market conditions, over which the Company does not have any control. This report must be read in conjunction with Company's financial statements and notes on accounts.



REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

Your Directors present the Company's Report on Corporate Governance.

I. Company's Philosophy on Code of Corporate Governance

The company believes that a well-defined and enforced corporate governance provides a structure that works for the benefit of everyone concerned by ensuring that the company adheres to accepted ethical standards and best practices as well as to all laws & regulations. Your company is focused to achieve the higher standards of corporate governance.

2. Board of Directors

A. Composition of Board

The Board has an optimum combination of Executive and Non-executive Directors, with the strength of latter being more than fifty percent of the

total strength of the Board. As on 31st March 2010, there are five (5) directors on the Board of the company, out of which three (3) directors are Non-executive and Independent directors. The size and composition of the Board confirms with the norms prescribed in Clause 49 of the Listing Agreement.

B. Board Meetings

During the year 2009-10, the Board of Directors met 12 (twelve) times. The dates of these meetings were: 24th April 2009, 30th June 2009, 28th July 2009, 31st July 2009, 4th September 2009, 31st October 2009, 17th December 2009, 20th January 2010, 30th January 2010, 16th February 2010, 1st March 2010 and 7th March 2010. The attendance at the Board Meetings during the financial year and the last Annual General Meeting as also the number of other Directorships and Committee memberships are given below:

| Name of Director | Category of Director | Attendance | |
|--------------------------|------------------------------------|---------------|----------|
| | | Board Meeting | Last AGM |
| Mr. Rohit Gupta | Executive Promoter Director | 12 | Yes |
| Mr. Ashok Kumar Kathuria | Non-Executive Promoter Director | 12 | Yes |
| Mr. Anil Kumar Chaddha | Non-Executive Independent Director | 9 | No |
| Mr. Kapil Aggarwal | Non-Executive Independent Director | 12 | Yes |
| Mr. Sanjeev Mahajan* | Non-Executive Independent Director | 9 | No |

* Resigned from directorship w.e.f. 1st September 2010



No. of other directorships and committee membership is as follows:

| Name of Director | No. of other Director-ships | No. of other Committee Memberships/Chairman-ships* |
|--------------------------|------------------------------------|---|
| Mr. Rohit Gupta | 7 | Member of Audit Committee-Samrat Forgings Limited |
| Mr. Ashok Kumar Kathuria | 1 | Nil |
| Mr. Anil Kumar Chaddha | 2 | Nil |
| Mr. Kapil Aggarwal | Nil | Nil |
| Mr. Sanjeev Mahajan** | Nil | Nil |
| Mr. Anirudha Kumar*** | 1 | Nil |

*represents Memberships/ Chairmanships of Audit Committees and Investor Grievance Committee.

** Resigned from directorship w.e.f. 1st September 2010

*** Appointed on the board w.e.f. 1st September 2010

C. Remuneration of Directors

Neither any sitting fee nor any other remuneration is paid to any Director during the financial year 2009-10. However the board has approved the payment of sitting fees payable to the non-executive directors for all the Board meetings to be held after 1st September 2010, which is well within the limits specified in the Act.

D. Code of Conduct

The company is committed to conduct business in accordance with the standards of business ethics and complying with the applicable laws, rules and regulation. The Board of Directors have adopted a code of conduct for directors and senior management personnel of the Company. The Code has been circulated to all the directors and senior personnels of the company who have affirmed compliance with this Code for the year ended 31st March 2010.

A declaration of compliance of this code signed by the Managing Director & CFO is given below:

“In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, I, Rohit Gupta, CFO & Managing Director of the Company, hereby declare that the all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2010.

Rohit Gupta
CFO & Managing Director”

3. Audit Committee

Your company has an Audit Committee consisting of three non-executive directors. The Audit Committee has been constituted as per the requirement under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Company Secretary acts as the Secretary of the Committee. The terms of reference, role and scope are in line with those prescribed by Clause 49 of the Listing Agreement.



The chairman of the Audit Committee was present in the last Annual General Meeting of the Company held on 30th September 2009.

During the year, the Audit Committee was re-constituted. During the year the committee met five (5) times on 23/04/2009, 30/06/2009, 31/07/2009, 31/10/2009 and 30/01/2010. The details of the composition, its meeting and attendance are given below:

| Name of Directors | Designation | Category | Attendance |
|--------------------------|--------------------|------------------------------------|-------------------|
| Mr. Kapil Aggarwal | Chairman | Non-Executive Independent Director | 5 |
| Mr. Sanjeev Mahajan* | Member | Non-Executive Independent Director | 5 |
| Mr. Ashok Kumar Kathuria | Member | Non-Executive Director | 5 |
| Mr. Anirudha Kumar** | Member | Non-Executive Independent Director | Nil |

* Resigned from directorship w.e.f. 1st September 2010

** Appointed on the board w.e.f. 1st September 2010

During these meetings, the committee, inter-alia, reviewed the financial statements before submission to the board, oversees the company's financial reporting process and the working of its internal control system.

4. Remuneration Committee

Since there is no managerial remuneration paid during the year, the Company has not constituted any Remuneration Committee.

5. Investor Relations & Share Transfer Committee

The Committee formed by the board of directors to oversee investor grievances and redress shareholder's grievances like non-receipt of balance-sheet/ annual report and other related matters and also for reviewing the matters connected with delay in transfer of securities is Investor Relations & Share Transfer Committee. The Committee comprises of two directors viz Mr. Ashok Kumar Kathuria and Mr. Rohit Gupta. Mr. Ashok Kumar Kathuria, a nonexecutive director has been appointed as the Chairman of the Committee. The Board has designated Ms. Anju Batra, Company Secretary & Manager (Legal) of the Company as the Compliance Officer.

During the year, 1 (one) meeting of the Committee was held. All the members of the Committee were present in the meeting.

During the year under review, no complaint was received from any shareholder/ investor. No complaint was pending at the beginning/end of the year



6. General Body Meetings

The last three annual general meetings were held as under:

| AGM | Year | Date | Venue | Time | Special Resolution(s) passed |
|------|---------|------------|---|-------------|------------------------------|
| 15th | 2006-07 | 29.09.2007 | Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005 | 09:30 am | Nil |
| 16th | 2007-08 | 30.09.2008 | Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005 | 10.:30 a.m. | Nil |
| 17th | 2008-09 | 30.09.2009 | Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005 | 09:30 a.m. | Nil |

Postal Ballot

No postal ballots were used for voting at these meetings in respect of the resolutions passed thereat. No special resolution is proposed to be conducted through postal ballot at the ensuing AGM also. During year 2009-10, pursuant to section 192A of the Companies Act read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, the shareholders have approved the special resolution for giving their consent under section 77A, 77B and other applicable provision of the Companies Act, 1956 for buy-back of equity shares of the company. The postal ballot process was conducting by Ms Anjali Yadav c/o Anjali Yadav & Associates, Practicing Company Secretaries, New Delhi who was appointed by the Board of directors of the company.

Results of the aforesaid Postal Ballot:

| S.No. | Particulars | No. of Postal ballot forms | No of Shares | % of total votes |
|-------|---|----------------------------|--------------|------------------|
| 1 | Total Postal Ballot Forms dispatched to all the shareholders | 1085 | 4003800 | 100 |
| 2 | Total number of Postal Ballot Forms received from the shareholders of the company till 22nd February, 2010 in respect of the above resolution | 22 | 3118500 | 77.89 |



| | | | | |
|---|---|------|---------|-------|
| 3 | Total number of Postal Ballot Forms not sent back by shareholders to the company till 22nd February,2010 in respect of the above resolution | 1063 | 885300 | 22.11 |
| 4 | Total number of Postal Ballot Forms found invalid | 0 | 0 | 0.00 |
| 5 | Total number of Postal Ballot Forms found valid | 22 | 3118500 | 77.89 |
| 6 | Total number of vote cast in favour of the resolution | 22 | 3118500 | 77.89 |
| 7 | Total number of vote cast against the resolution | 0 | 0 | 0 |
| 8 | Total number of vote cast neither in favour nor against resolution | 0 | 0 | 0.00 |

The entire postal ballot process was conducted in a fair and transparent manner in accordance with the relevant provisions of the Companies Act, 1956 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Extra-Ordinary General Meeting

During the year under review, the Company has conducted an Extra-Ordinary General Meeting on 15th January 2010 at 9.30 a.m. at its registered office to obtain the approval of shareholders by way of special resolution for alteration in the Articles of Association by inserting therein Article 6A relating to buy-back of shares.

7. Disclosures

- a) During the year 2009-10, other than the transactions entered in the normal course of the company, the Company has not entered any materially significant related party transaction with its Promoters/ Directors/ Senior Employees or relatives etc., which could have a potential conflict with the interest of the Company at large. The details of the related party transactions have been reported in Schedule 13 –notes to accounts in compliance with AS 18.
- b) During the year under review, the Company has duly complied with the requirements of the regulatory authorities on capital markets. No penalties have been imposed on the Company by the stock exchanges, SEBI or other statutory authorities during the year. However in the year 2008-09, the Company has paid an amount of Rs. 2,50,000/- towards settlement & administrative charges imposed by SEBI in its consent order dated 23rd October 2008 towards the delay in filing the disclosures under Regulation 6(2) & 6(4) for the year 1997 and Regulation 8(3) of SEBI (SAST) Regulations, 1997 for the years 1998-2003 & 2005. No other penalties have been imposed on the Company by the stock exchanges, SEBI or other statutory authorities.
- c) The Company does not have any Whistler Blower Policy. However, the Company promotes a favorable environment for employees and has never denied access to any personnel, to approach audit committee, so as to ensure ethical and fair conduct of the business of the company.
- d) In preparation of financial statements, the company has followed the Accounting Standards laid by the Institute of Chartered Accountants of India to the extent applicable and the significant accounting policies have been set out in the Notes to the Accounts.



- e) The Company is complying with all mandatory requirements on Corporate Governance as specified in Clause 49 of the Listing Agreement and has not adopted any non-mandatory requirement of Clause 49.

8. Means of Communication

Quarterly /Annual results

The quarterly/ annual financial results are usually published in 'The Financial Express/Business Standard (English) and in 'Jansatta'/'Amritvarsha' (Hindi)

All material information about the Company is promptly sent to the stock exchanges. The Annual Report of the Company is sent to all the shareholders at their registered address.

9. General Information for Shareholders

9.1 Annual General Meeting

The 18th AGM is scheduled as follows:

| | |
|--------------------|--|
| Date, Day & Time - | 30th September, 2010 (Thursday) at 10.30 am |
| Venue - | Hotel Swati Deluxe Banquet Hall 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi 110005 |

9.2. Financial Calendar 2010-II (tentative)

Approval of quarterly/Annual Results

| | |
|--|-----------------|
| For the quarter ending June, 2010 - | August 10 |
| For the quarter ending September, 2010 - | Oct./Nov.10 |
| For the quarter ending December, 2010 - | Jan./Feb.11 |
| For the quarter/year ended March, 2011 - | April 11/May 11 |

9.3 Book Closure dates

Friday, 24th September 2010 to Thursday, 30th September 2010.
(Both days inclusive).

9.4 The Company is listed at the following stock exchanges

The Delhi Stock Exchange Ltd. (DSE)
DSE House, 3/1 Asaf Ali Road, New Delhi-110002

The Bombay Stock Exchange Limited (BSE)
25th Floor, P. J. Towers, Dalal Street
Mumbai-400001

Annual Listing Fees for the Financial Year 2010-11 have been duly paid to DSE and BSE.



9.5 Stock Code

The Bombay Stock Exchange Limited : 530067

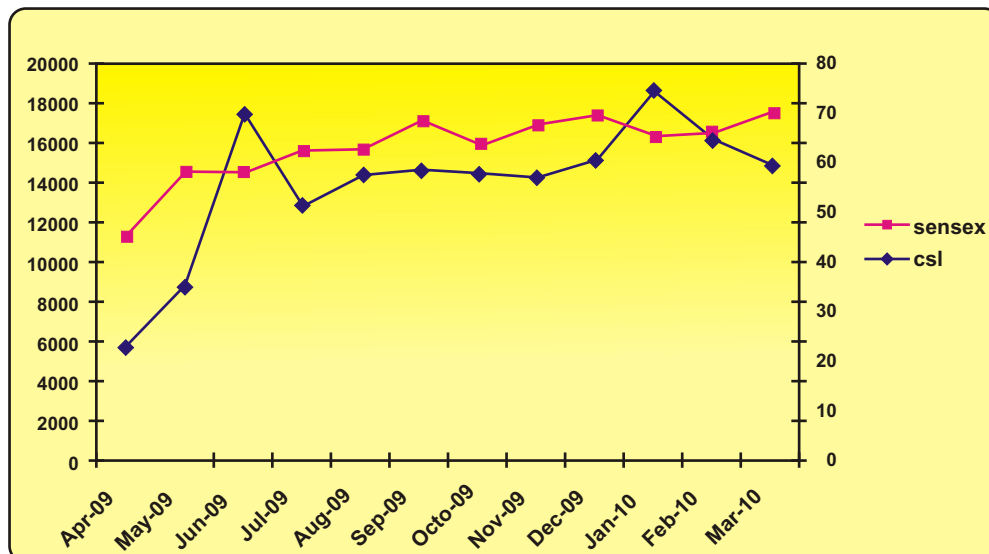
9.6 Stock Market Data

BSE Scrip Code: 530067

For the period: April 2009-March 2010

| Period | Open (Rs.) | High (Rs.) | Low (Rs.) | Close (Rs.) | Volume (Nos.) |
|----------------|------------|------------|-----------|-------------|---------------|
| April 2009 | 22.50 | 27.50 | 21.00 | 23.10 | 64,362 |
| May 2009 | 22.00 | 35.45 | 21.75 | 35.45 | 20,941 |
| June 2009 | 37.20 | 80.75 | 37.20 | 69.70 | 1,22,737 |
| July 2009 | 69.00 | 78.00 | 51.35 | 51.45 | 22,855 |
| August 2009 | 53.50 | 60.65 | 49.00 | 57.55 | 13,340 |
| September 2009 | 60.40 | 66.55 | 54.35 | 58.60 | 20,004 |
| October 2009 | 60.85 | 73.90 | 53.25 | 57.90 | 44,683 |
| November 2009 | 55.35 | 62.10 | 49.25 | 57.00 | 14,547 |
| December 2009 | 53.05 | 69.95 | 53.05 | 60.45 | 12,046 |
| January 2010 | 65.00 | 91.70 | 52.00 | 74.45 | 85,631 |
| February 2010 | 76.20 | 85.00 | 59.90 | 64.95 | 18,791 |
| March 2010 | 67.75 | 74.80 | 54.20 | 59.60 | 75,471 |

9.7 Performance in comparison with BSE



**9.8 Registrar and Share Transfer Agent**

M/s MAS Services Limited
T-34, 2nd Floor,
Okhla Industrial Area Phase-2,
New Delhi-110 020
Tel: 011-26387281, 82, 83
Fax: 011-26787384
Email: mas_serv@yahoo.com

9.9 Share Transfer System

The share transfer which are received in physical form are processed and share certificates are returned within a period of 10-15 days from the date of receipt subject to the documents being valid and complete in all respects. Further, the Company obtains six monthly certificate from practicing company secretary regarding the adherence to the timely transfer of shares as stipulated under clause 47 (c) of the Listing Agreement.

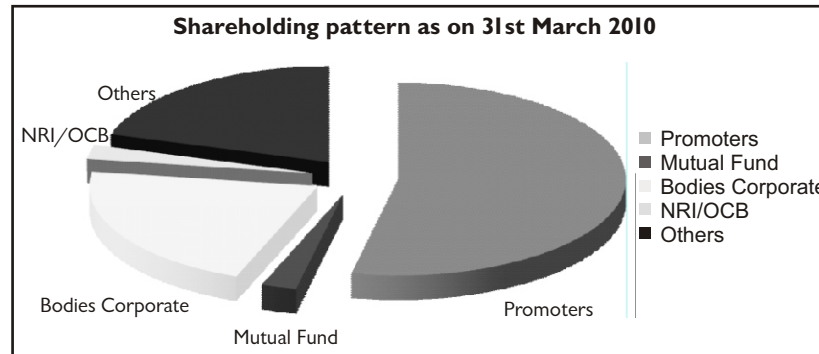
9.10 Distribution of shareholding

Distribution of shareholding as on 31st March, 2010 is as under:-

| Shareholding of Nominal Value of Rs. | No. of shareholders | | Number of Shares | Amount | |
|---|---------------------|------------|---------------------|-----------------|------------|
| | Number | % | | Rs. | % |
| Upto – 5,000 | 866 | 79.377 | 159776 | 1597760 | 3.991 |
| 5001-10,000 | 103 | 9.441 | 83426 | 834260 | 2.084 |
| 10,001-20,000 | 42 | 3.850 | 62678 | 626780 | 1.565 |
| 20,001-30,000 | 23 | 2.108 | 59262 | 592620 | 1.480 |
| 30,001-40,000 | 7 | 0.642 | 25563 | 255630 | 0.638 |
| 40,001-50,000 | 8 | 0.733 | 35303 | 353030 | 0.882 |
| 50,001-1,00,000 | 22 | 2.016 | 169204 | 1692040 | 4.226 |
| 1,00,001 & above | 20 | 1.833 | 3408588 | 34085880 | 85.134 |
| Total | 1091 | 100 | 4003800 | 40038000 | 100 |

Shareholding pattern of the Company as on 31st March 2010 was as under:

| Category | No. of shares held | % of Equity Capital |
|--------------------------|--------------------|---------------------|
| Promoters | 21,33,363 | 53.28 |
| Mutual Funds | 1,00,000 | 2.50 |
| Bodies Corporate | 8,64,667 | 21.60 |
| Non-Resident Indians/OCB | 92,436 | 2.31 |
| Others | 8,13,334 | 20.31 |
| Total | 40,03,800 | 100 |



9.11 Dematerialization of shares

The equity shares of the Company are compulsorily to be traded in electronic form through the stock exchanges. The equity shares of the company are actively traded in BSE thus ensuring liquidity to the investors. The International Securities Identification Number (ISIN) allotted to the Company is INE 718F01018. As on 31st March, 2010, a total of 36,34,280 Equity Shares of the Company, which translates to 90.77% of the Share Capital stand dematerialized.

9.12 Relationship between Directors inter-se

| Name of Director | Relationship with other directors on the Board | Remarks |
|--------------------------|--|---------|
| Mr. Kapil Aggarwal | Nil | Nil |
| Mr. Rohit Gupta | Nil | Nil |
| Mr. Anil Kumar Chaddha | Nil | Nil |
| Mr. Ashok Kumar Kathuria | Nil | Nil |
| Mr. Sanjeev Mahajan* | Nil | Nil |
| Mr. Anirudha Kumar** | Nil | Nil |

* Resigned from directorship w.e.f. 1st September 2010

** Appointed on the board w.e.f. 1st September 2010

9.13 Address for investor’s correspondence

For share transfer/transmission/
Dematerialization or other query relating
to the securities of the Company:

M/s MAS Services Limited
T-34, 2nd Floor, Okhla Industrial Area Phase-2
New Delhi-110 020
Tel: 011-26387281,82, 83 Fax: 011-26787384
Email: mas_serv@yahoo.com

For General Correspondence:

Secretarial Department Consolidated Securities Ltd
8/19, 3rd Floor, Pusa Lane, W.E.A., Karol Bagh,
New Delhi-110005
Tel: 011-42503441-44 Fax: 011-42503444

Email id for investor grievance:

investor@consolidatedsecurities.biz

Compliance Officer

Ms. Anju Batra, Company Secretary
& Manager (Legal)



CFO CERTIFICATION

The Board of Directors
Consolidated Securities Limited
8/19, 3rd Floor, Pusa Lane,
W.E.A., Karol Bagh,
New Delhi-110005

We, the undersigned, do hereby confirm and certify under Clause 49 of the Listing Agreement that:-

1. We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended March 31, 2010 and its schedule and notes on accounts, as well as the Cash Flow Statement and to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit material fact or contain statements that might be misleading.
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, that based on our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the Company's Code of Conduct.

3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee, as may be applicable significant changes in internal control during the year; if any, there were no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; if any, and there were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting system.

For Consolidated Securities Limited

Place: New Delhi
Date: 29th May 2010

Rohit Gupta
CFO & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Auditors' Certificate On Corporate Governance As Stipulated Under Clause 49 Of The Listing Agreement

To
The members of
Consolidated Securities Limited
New Delhi

We have examined the compliance of conditions of Corporate Governance by Consolidated Securities Limited for the year ended March 31, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges. 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 further 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 R. Mahajan & Associates
Chartered Accountants

Ratnesh Mahajan
Partner
Membership No.85484

Place : New Delhi
Date : 1st Sept. 2010



AUDITOR'S REPORT

The Shareholders,
CONSOLIDATED SECURITIES LIMITED
 New Delhi.

1. We have audited the attached Balance Sheet of **M/s. CONSOLIDATED SECURITIES LIMITED** as at 31st March 2010 and also the Profit & Loss Account and Cash Flow Statement of the company for the period on that date. The financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statement based on our audit.
2. We 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 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 the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, We enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the annexure referred in paragraph 3 above: -
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books of accounts.
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this

report are in agreement with the books of accounts.

- d. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement complied with the requirements of the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except AS-15 on Employee Benefits as the company has not provided the liability of gratuity since no employee has put in the qualified period of service.
- e. On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f. In our opinion and to the best of our information and according to the explanations given to us the accounts read with notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and also give a true and fair view: -
 - (I) In the case of Balance Sheet of the State of affairs of the company as at 31st March 2010.
 - (II) In the case of Profit & Loss Account of the Profit for the year ended on that date.
 - (III) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For R.MAHAJAN & ASSOCIATES
 Chartered Accountants

F. R. N. 011348N

Place: New Delhi
 Dated: 29.05.2010

[RATNESH MAHAJAN]
 Partner
 M.No. 085484



ANNEXURE TO THE AUDITOR'S REPORT

(Annexure Referred to in paragraph (3) of our Audit Report of even date on the Accounts of Consolidated Securities Ltd. for the year ended 31st March 2010)

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) During the year, the company has not disposed off substantial part of fixed assets.
2. a. The management has conducted physical verification of inventory of shares held as stock-intrade at reasonable intervals.
- b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. a. The Company has granted unsecured loan to one company covered in the register maintained under section 301 of the companies Act, 1956. and the amount involved is Rs. 7302 Lacs and the year end balance of such loan was Rs. 570.55 Lacs.
- b. In our opinion the rate of interest and other conditions of loans given by the company are prima facie not prejudicial to the interest of the Company.
- c. The receipt of principal amount and interest was regular.
- d. There is no overdue amount of the loan given to the companies.
- e. The Company had taken unsecured loan from one company covered in the register maintained under section 301 of the companies Act, 1956. The amount involved during the year was Rs. 713 Lacs and the year end balance of loan taken from such parties was Rs. Nil.
- f. In our opinion the rate of interest and other conditions of loans given by the company are prima facie not prejudicial to the interest of the Company.
- g. Payment of the principal & interest is also regular.
4. 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 the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods & services. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. a. Based on the audit procedures performed by us and according to the information, explanations and representation given to us, we are of the opinion that the particulars of the contracts or arrangement referred to in section 301 of the Act, have been entered in the register required to be maintained under that section.
- b. In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contract or arrangement have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58 A, 58 AA or any other relevant provision of the Companies Act, 1956 and rules made there under. Hence, the clause (vi) of the order is not applicable.
7. ~~In our~~ In our opinion the Company does not have a formal internal audit system which



- commensurate with its sizes and nature of its business.
8. We have been informed that the Central government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
 9.
 - a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues to the extent applicable have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanation given to us, there are no dues of Sales Tax, Custom Duty, Wealth Tax, cess which have not been deposited on account of any dispute.
 10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year and in the immediately preceding financial year.
 11. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. Company has not taken any loans from financial institutions and also not issued any debenture. Hence question of default does not arise.
 12. According to the information and explanations given to us, the company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and accordingly paragraph 4 (xii) of the order is not applicable
 13. In our opinion, considering the nature of activities carried on by the company during the year, the provisions of any special statute applicable to chit fund/ Nidhi/mutual benefit fund/societies are not applicable to the company.
 14. According to the information and explanations given to us, proper records have been maintained in respect of transaction and contracts in respect of shares, securities, debentures and other investments and timely entries have been made therein. The shares and other investment have been held by the company in its own name.
 15. As explained by the management, company has not given guarantee for loans taken by other from banks or financial institutions.
 16. Based on information and explanations given to us by the management, term loans were applied for the purpose for which loans were obtained.
 17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
 18. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
 19. According to the information and explanations given to us and the records examined by us, the company has not issued any debentures. Accordingly, the provisions of clause 4 (xix) issued are not applicable to the company.
 20. The company has not raised any money by public issues during the year.
 21. According to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For R.MAHAJAN & ASSOCIATES

Chartered Accountants

F. R. N. 011348N

Place: New Delhi

[RATNESH MAHAJAN]

Dated: 29.05.2010

Partner

M.No. 085484



To,

The Board of Director
Consolidated Securities Limited
8/19, 3rd Floor, Pusa Lane,
W.E.A., Karol Bagh,
New Delhi - 110005.

Dear Sir,

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1988 issued by Reserve Bank of India, on the matters specified in para 3 and 4 of the said Directions to the extent applicable to the Company, we report that:

1. The Company had applied for registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 and has been granted certificate of registration by Reserve Bank of India on 03rd March 2003 having Registration No. B-14.00652.

2. The Company has passed a resolution for non-acceptance of public deposits.

3. The Company has not accepted any public deposits during the year 2009-10.

4. For the financial year ended 31.03.2010, the Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to the Company.

For R.MAHAJAN & ASSOCIATES
Chartered Accountants
F. R. N. 011348N

Place: New Delhi
Dated: 29.05.2010

[RATNESH MAHAJAN]
Partner
M.No. 085484



BALANCE SHEET AS ON 31 MARCH 2010

27

(Amount in Rs.)

| PARTICULARS | SCHEDULE | AS ON 31st March 2010 | AS ON 31st March 2009 |
|---|----------|--------------------------|--------------------------|
| SOURCES OF FUNDS | | | |
| SHARE HOLDERS FUNDS | | | |
| Share Capital | 1 | 40,038,000.00 | 40,038,000.00 |
| Reserve & Surplus | 2 | 478,913,215.51 | 413,096,933.24 |
| LOAN FUNDS | | | |
| Secured Loan | 3 | 1,642,390.96 | 564,823.00 |
| Deferred Tax Liability (Net) | | 229,075.00 | - |
| | | 520,822,681.47 | 453,699,756.24 |
| APPLICATION OF FUNDS | | | |
| FIXED ASSETS | | | |
| Gross Block | 4 | 5,506,862.76 | 3,134,027.76 |
| Less : Depreciation | | 1,415,204.76 | 941,539.76 |
| NET BLOCK | | 4,091,658.00 | 2,192,488.00 |
| INVESTMENTS | 5 | 180,009,619.73 | 268,057,831.51 |
| DEFERRED TAX ASSETS (Net) | | - | 19,905,270.00 |
| CURRENT ASSETS LOANS & ADVANCES | | | |
| (a) Stock In Hand | 6 | 146,178,001.18 | 61,408,600.00 |
| (b) Sundry Debtors | 7 | - | 3,515.23 |
| (c) Cash & Bank Balances | 8 | 31,079,039.18 | 38,629,848.06 |
| (d) Loans & Advances | 9 | 159,689,042.34 | 69,328,867.39 |
| | | 336,946,082.70 | 169,370,830.68 |
| CURRENT LIABILITIES & PROVISIONS | | | |
| (a) Current Liabilities | 10 | 224,678.96 | 216,400.05 |
| (b) Provisions | | - | 5,610,263.90 |
| | | 224,678.96 | 5,826,663.95 |
| NET CURRENT ASSETS | | 336,721,403.74 | 163,544,166.73 |
| | | 520,822,681.47 | 453,699,756.24 |
| Significant Accounting Policies & Notes on Accounts | 13 | | |

As per our report of even date attached
For **R.MAHAJAN & ASSOCIATES**
CHARTERED ACCOUNTANTS

For & on behalf of the Board

[RATNESH MAHAJAN]

Partner

M.No.085484

Place : New Delhi

Date : 29.05.2010

(Rohit Gupta)
Managing Director & CFO

(Ashok K. Kathuria)
Director

(Anju Batra)
Company Secretary

**PROFIT AND LOSS ACCOUNT** FOR THE YEAR ENDED ON 31 MARCH 2010

(Amount in Rs.)

| PARTICULARS | SCHEDULE | AS ON | AS ON |
|--|----------|-----------------------|-----------------------|
| | | 31st March 2010 | 31st March 2009 |
| INCOME | | | |
| Profit on Sale of Investment | | 20,550,282.51 | 168,996,107.33 |
| Sale of Shares | | 422,783,105.71 | 370,270,561.79 |
| Closing Stock | | 146,178,001.18 | 61,408,600.00 |
| Interest | | 10,220,221.33 | 7,805,898.04 |
| (Including T.D.S of Rs.1065890.85/- Previous year Rs.1602287.10/-) | | | |
| Income From Share Trading /Derivative/Mutual Fund | | 5,558,480.69 | 2,245,153.95 |
| Dividend Income | | 510,997.80 | 984,919.08 |
| Other Income | | 873.541 | 50,000.00 |
| | | 605,801,962.76 | 611,861,240.16 |
| EXPENDITURE | | | |
| Opening Stock | | 61,408,600.00 | 40,824,128.00 |
| Purchase of shares | | 449,218,818.42 | 473,806,464.24 |
| Administrative & Office Expenses | 11 | 7,065,603.49 | 11,977,802.99 |
| Interest & Financial Charges | 12 | 6,130,218.58 | 790,272.71 |
| Depreciation | | 473,665.00 | 280,178.00 |
| | | 524,296,905.49 | 527,678,845.94 |
| Profit before taxes | | 81,505,057.27 | 84,182,394.22 |
| Less : Provision for Tax Expenses | | | |
| (a) Current Tax | | 14,144,279.00 | 10,207,245.00 |
| (b) Fringe Benefit Tax | | - | 80,306.00 |
| Add (Less) Deferred Tax | | (20,134,345.00) | 19,986,022.00 |
| Add (less) MAT Credit Entitlement | | | |
| Current Year | | 10,073,118.00 | - |
| Previous Year | | 8,516,731.00 | - |
| Profit After taxes | | 65,816,282.27 | 93,880,865.22 |
| Less Transferred to Statutory Reserves | | - | 18,776,173.00 |
| | | 65,816,282.27 | 75,104,692.22 |
| Profit / (Loss) Brought Forward | | 328,775,573.24 | 253,670,880.99 |
| Profit / (Loss) carried over to Balance Sheet | | 394,591,855.51 | 328,775,573.21 |
| Earning Per share | | 16.44 | 23.45 |

As per our report of even date attached
For **R.MAHAJAN & ASSOCIATES**
CHARTERED ACCOUNTANTS

For & on behalf of the Board

[RATNESH MAHAJAN]

Partner

M.No.085484

Place : New Delhi

Date : 29.05.2010

(Rohit Gupta)
Managing Director & CFO

(Ashok K. Kathuria)
Director

(Anju Batra)
Company Secretary


SCHEDULES TO THE BALANCE SHEET

(Amount in Rs.)

| PARTICULARS | AS ON 31st March 2010 | AS ON 31st March 2009 |
|---|--------------------------|--------------------------|
| SCHEDULE - 1 SHARE CAPITAL | | |
| AUTHORISED SHARE CAPITAL | | |
| 4500000 Equity Shares of Rs.10/- each | 45,000,000.00 | 45,000,000.00 |
| ISSUED SUBSCRIBED AND PAID UP | | |
| (40,03,800 Equity Shares of Rs.10/- each fully paid up) | 40,038,000.00 | 40,038,000.00 |
| | 40,038,000.00 | 40,038,000.00 |

| | | |
|---|-----------------------|-----------------------|
| SCHEDULE - 2 RESERVE & SURPLUS | | |
| General Reserve : | | |
| Balance as per last Balance Sheet | 400,000.00 | 400,000.00 |
| | 400,000.00 | 400,000.00 |
| STATUTORY RESERVES | | |
| Opening Balance | 83,921,360.00 | 65,145,187.00 |
| Addition during the year | - | 18,776,173.00 |
| Balance | 83,921,360.00 | 83,921,360.00 |
| PROFIT & LOSS ACCOUNT | | |
| Opening Profit & Loss A/c | 328,775,573.24 | 253,670,880.99 |
| Net Profit / (Loss) during the year | 65,816,282.27 | 75,104,692.25 |
| | 394,591,855.51 | 328,775,573.24 |
| | 478,913,215.51 | 413,096,933.24 |

| | | |
|--|---------------------|-------------------|
| SCHEDULE - 3 SECURED LOANS | | |
| HDFC BANK LTD. (Ag. Hypothecation of Car) | 1,202,158.96 | - |
| ICICI BANK LTD. (Ag. Hypothecation of Car) | 440,232.00 | 564,823.00 |
| | 1,642,390.96 | 564,823.00 |

| SCHEDULE - 4 FIXED ASSETS | | | | | | | | | | |
|----------------------------------|--------------------------------|-------------------|-------------------|------------------------------|---------------------|--------------------|---------------------|------------------------------|---------------------|---------------------|
| Particulars (Assets) | Gross Block | | | | Depreciation | | | | Net Block | |
| | Balance As on 01.04.2009 | Addition | Sale/ Transfer | Total as on 31.03.2010 | As on 01.04.2009 | During the year | Sale/ Adjustment | Total As on 31.03.2010 | As on 31.03.2010 | As on 31.03.2009 |
| Fur. & Fixture | 296998.76 | 64752.00 | 0.00 | 361750.76 | 264055.76 | 20934.00 | 0.00 | 284989.76 | 76761.00 | 32943.00 |
| Car | 1951411.00 | 1968968.00 | 0.00 | 3920379.00 | 436306.00 | 343225.00 | 0.00 | 779531.00 | 3140848.00 | 1515105.00 |
| Mobile | 27170.00 | 17800.00 | 0.00 | 44970.00 | 2301.00 | 1673.00 | 0.00 | 3974.00 | 40996.00 | 24869.00 |
| Office Equipment | 228018.00 | 29000.00 | 0.00 | 257018.00 | 156748.00 | 11334.00 | 0.00 | 168082.00 | 88936.00 | 71270.00 |
| Scooter | 91185.00 | 0.00 | 0.00 | 91185.00 | 13862.00 | 8663.00 | 0.00 | 22525.00 | 68660.00 | 77323.00 |
| LCD Television | 124500.00 | 0.00 | 0.00 | 124500.00 | 9236.00 | 5914.00 | 0.00 | 15150.00 | 109350.00 | 115264.00 |
| Airconditioner | 43500.00 | 0.00 | 0.00 | 43500.00 | 2098.00 | 2066.00 | 0.00 | 4164.00 | 39336.00 | 41402.00 |
| Computer | 308105.00 | 292315.00 | 0.00 | 600420.00 | 53897.00 | 76857.00 | 0.00 | 130754.00 | 469666.00 | 254208.00 |
| Photocopy Machine | 40740.00 | 0.00 | 0.00 | 40740.00 | 1829.00 | 1935.00 | 0.00 | 3764.00 | 36976.00 | 38911.00 |
| Invertor | 22400.00 | 0.00 | 0.00 | 22400.00 | 1207.00 | 1064.00 | 0.00 | 2271.00 | 20129.00 | 21193.00 |
| TOTAL RS. | 3134027.76 | 2372835.00 | 0.00 | 5506862.76 | 941539.76 | 473665.00 | 0.00 | 1415204.76 | 4091658.00 | 2192488.00 |
| Pr.Year | 2962637.76 | 182140.00 | 10750.00 | 3134027.76 | 662190.76 | 280178.00 | 829.00 | 941539.76 | 2192488.00 | 2300447.00 |



SCHEDULES TO THE BALANCE SHEET

(Amount in Rs.)

| PARTICULARS | NO.OF SHARES | NO.OF SHARES | AS ON | AS ON |
|------------------------------------|---------------------|---------------------|-----------------------|-----------------------|
| | AS ON 31.03.2010 | AS ON 31.03.2009 | 31st March, 2010 | 31st March 2009 |
| SCHEDULE - 5 INVESTMENTS | | | | |
| | QUOTED | QUOTED | | |
| LONG TERM INVESTMENTS | | | | |
| INVESTMENT IN SHARES | | | | |
| Asian Oilfield Services Ltd. | 0 | 1649216 | - | 61,746,579.51 |
| Moving Picture Co.(India) Ltd. | 0 | 3500000 | - | 35,790,458.00 |
| | UNQUOTED | UNQUOTED | | |
| DSE Association Ltd. | 200000 | - | 8,000,000.00 | - |
| CURRENT INVESTMENTS | | | | |
| INVESTMENT IN MUTUAL FUND | | | | |
| RELIANCE LIQUID FUND TREASURY PLAN | 801799.595 | 467,733.117 | 1 8,000,000.01 | 10,022,164.27 |
| RELIANCE MONEY MANAGER FUND | 122856.262 | 134,789.207 | 154,009,619.72 1 | 60,498,629.73 |
| | | | 180,009,619.73 | 268,057,831.51 |

Aggregate value of quoted Investment in shares NIL (Pr. Year Rs.97537037.51/-)

Aggregate market value of quoted Investment in shares NIL (Pr. Year Rs.65168941/-)

Aggregate value of unquoted Investment in shares Rs. 8000000/- (Pr. Year NIL)

(Amount in Rs.)

| PARTICULARS | AS ON | AS ON |
|---|-----------------------|----------------------|
| | 31st March 2010 | 31st March 2009 |
| CURRENT ASSETS, LOANS AND ADVANCES | | |
| SCHEDULE - 6 STOCK IN HAND | | |
| Stock in hand | 146,178,001.18 | 61,408,600.00 |
| (As taken valued & certified by the management) | | |
| | 146,178,001.18 | 61,408,600.00 |

| SCHEDULE - 7 SUNDRY DEBTORS | | |
|---|---|-----------------|
| (Unsecured considered good by the management) | | |
| Debts outstanding for a period exceeding Six months | - | - |
| Other debts | - | 3,515.23 |
| | - | 3,515.23 |

| SCHEDULE - 8 CASH & BANK BALANCES | | |
|--|----------------------|----------------------|
| Cash in Hand | 43,910.50 | 54,725.00 |
| Balance with Scheduled Banks in Current Accounts | 31,035,128.68 | 28,575,123.06 |
| Fixed deposits with Scheduled Banks | - | 10,000,000.00 |
| | 31,079,039.18 | 38,629,848.06 |



| PARTICULARS | Amount in Rs. | |
|--|--------------------------|--------------------------|
| | AS ON 31st March 2010 | AS ON 31st March 2009 |
| SCHEDULE - 9 LOANS & ADVANCES | | |
| Loans | 114,607,402.00 | 44,313,209.59 |
| MAT Credit Entitlement | 18,589,849.00 | - |
| Advance for Purchase of Property | 24,568,304.00 | 23,386,055.00 |
| Interest accrued on FDR | - | 3,97,697.03 |
| Staff Advance | 60,000.00 | 123,000.00 |
| Prepaid Expenses | 15,113.00 | 23,246.00 |
| Advance to Parties | 660.00 | - |
| Income Tax refund | 1,762,626.62 | 841,014.77 |
| Security Deposits | 85,087.72 | 244,645.00 |
| | 159,689,042.34 | 69,328,867.39 |

CURRENT LIABILITIES & PROVISIONS

| | | |
|--|-------------------|---------------------|
| SCHEDULE - 10 CURRENT LIABILITIES | | |
| Sundry Creditors | - | - |
| Other Liabilities | 224,678.96 | 216,400.05 |
| | 224,678.96 | 216,400.05 |
| PROVISIONS | | |
| Provision for Income Tax | - | 5,604,957.90 |
| Provision for Fringe Benefit Tax | - | 5,306.00 |
| | - | 5,610,263.90 |
| | 224,678.96 | 5,826,663.95 |

SCHEDULE - 11 ADMINISTRATIVE AND OFFICE EXPENSES

| | | |
|------------------------------|--------------|--------------|
| Salary & Bonus | 1,457,725.00 | 2,187,092.00 |
| Bad Debts | 1,856,229.59 | - |
| Prior period Exp | 31,991.00 | - |
| Stipend | - | 26,660.00 |
| Printing & Stationery | 119,903.00 | 69,458.00 |
| Travelling & Conveyance | 208,980.00 | 385,943.00 |
| Business Promotion | 386,288.37 | 151,087.89 |
| Courier Charges | 46,813.00 | 46,133.00 |
| Publishing Expenses | 264,002.00 | 134,411.00 |
| Demat Expenses | 7,116.97 | 4,406.00 |
| Postage, Telegram Expenses | 28,557.00 | 13,101.00 |
| Telephone Expenses | 287,275.51 | 247,465.31 |
| Meeting & Conference Exp. | 8,580.00 | 7,410.00 |
| Annual Listing Fees | 19,303.00 | 31,456.00 |
| Rent | 198,000.00 | 1,063,770.00 |
| EDP Expenses | 274,417.06 | 87,596.44 |
| Legal & Professional Charges | 139,410.00 | 5,470,848.00 |



SCHEDULES TO THE PROFIT AND LOSS ACCOUNT

(Amount in Rs.)

| PARTICULARS | AS ON 31st March 2010 | AS ON 31st March 2009 |
|--|--------------------------|--------------------------|
| SCHEDULE - 11 ADMINISTRATIVE AND OFFICE | | |
| Annual Custody Charges | 13,236.00 | 8,990.00 |
| Books & Periodicals | 4,696.00 | 0.00 |
| Auditor's Remuneration | 110,300.00 | 110,300.00 |
| Filing Fees | 4,000.00 | 2,500.00 |
| Donation | 1,100.00 | 0.00 |
| Repair & Maintenance (Others) | 108,951.00 | 78,408.00 |
| Income Tax | - | 38,825.19 |
| Website Designing Charges | - | 5,462.00 |
| Electricity Expenses | 174,565.00 | 184,335.00 |
| Generator Repair & Maintenance | 22,170.00 | 153,226.00 |
| Vehicle Running Expenses | 148,935.63 | 302,468.43 |
| Office Expenses | 66,103.00 | 42,282.00 |
| Diwali Expenses | 16,548.00 | 0.00 |
| Staff Welfare | 181,856.50 | 56,922.00 |
| Insurance Expenses | 71,704.00 | 11,647.00 |
| STT | 769,734.13 | 988,922.67 |
| Loss on Assets | - | 9,921.00 |
| Misc. Expenses | 37,112.73 | 56,756.06 |
| | 7,065,603.49 | 11,977,802.99 |

| | | |
|---|---------------------|-------------------|
| SCHEDULE - 12 INTEREST & FINANCIAL CHARGES | | |
| Interest Paid | 5,937,972.01 | 715,911.48 |
| Car Interest | 190,033.96 | 73,208.18 |
| Bank Charges | 2,212.61 | 1,153.05 |
| | 6,130,218.58 | 790,272.71 |

SCHEDULE - 13 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**I. SIGNIFICANT ACCOUNTING POLICIES****a) System of Accounting:**

- (i) The books of accounts are maintained on mercantile basis except where otherwise stated.
- (ii) The financial statements are prepared under the historical cost convention in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India and as per the relevant representational requirements of the Companies Act, 1956.
- (iii) Accounting policies not specifically referred to are consistent with generally accepted accounting practices, except where otherwise stated.

b) Revenue Recognition:

- i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can reliably measured.



- ii) Interest income is recognized on time proportion basis.
- iii) Dividend income is recognized on receipt.
- iv) Profit / Loss on sale of investments is accounted on the trade dates.

c) Valuation of Investment:

Investments are classified into long term investments and current investments. Long term investments are stated at cost and provision wherever required, made to recognize any decline, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and provision wherever required, made to recognize any decline in carrying value.

d) Valuation of Fixed Assets:

Fixed Assets are stated in books at historical cost inclusive of all incidental expenses. Cost comprises the purchase price and any attributable cost of bringing the assets to working condition for its intended use.

e) Depreciation:

- i) Depreciation on the assets has been provided on SLM basis at the rates prescribed by schedule XIV of the Companies Act, 1956.

f) Retirement Benefits:

- i) Leave encashment benefits are charged to Profit & Loss Account in each year on the basis of actual payment made to employee. There are no rules for carried forward leave. ii) No provision has been made for the retirement benefits payable to the employees since no employee has yet put in the qualifying period of service & the liability for the same will be provided when it becomes due.

g) Inventories

Inventories are valued at cost (using FIFO method) or net releasable value, whichever is lower.

h) Accounting for Taxes on Income

- i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- ii) Deferred Tax is recognized subject to the consideration of prudence on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates.

II. NOTES TO ACCOUNTS

1. Contingent Liability:

- | | | |
|---|-----|-------|
| a) Unpaid liability on partly paid up shares- | Nil | (Nil) |
| b) Estimated amount of contract remaining to be executed on capital accounts- | Nil | (Nil) |
| 2. Claim against the company not acknowledged as debts- | Nil | (Nil) |
| 3. In the opinion of Board of Directors & best of their knowledge & belief the provisions of all known liabilities are adequate. | | |
| 4. In the opinion of Board of directors, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. | | |



5. None of the employees was in receipt of annual remuneration as prescribed under the provision of section 217(2A) of the Companies Act, 1956.
6. CIF value of Imports: Nil (Nil)
7. Earning & Expenditure in Foreign Currency: Nil (Nil)
8. The activities of the company do not involve conservation of energy or absorption of technology.
9. The figures of the previous years have been regrouped and rearranged wherever it considered necessary.
10. Payments to Auditor's includes:

| | 2009-10 | 2008-09 |
|----------------|-------------------|-------------------|
| Audit Fee : | 82,725.00 | 82,725.00 |
| Tax Audit Fees | 27,575.00 | 27,575.00 |
| | <u>110,300.00</u> | <u>110,300.00</u> |

11. Director's remuneration: NIL (NIL)
12. Amount due to / from the parties are subject to confirmation.
13. Company is dealing in shares. So the closing stock of shares has been shown as Stock-in-Trade but some shares purchased during the year by the company for earning income by way of dividends and for long term purposes being strategic investments are shown under investments.
14. Deferred Tax Liabilities/Assets have been provided in accordance with AS-22. The break up of the deferred tax assets & liabilities are as under :

| Nature of Timing Difference | Deferred Tax Assets / (Liabilities) as at 01st April, 2009. | Adjustment for the Current Year | Deferred Tax Assets / (Liabilities) as at 31st March, 2010. |
|-----------------------------|---|---------------------------------|---|
| Depreciation | 20441 | 249516 | (229075) |
| Business Loss | 19884829 | 19884829 | Nil |
| Total | 19905270 | 20134345 | (229075) |

15. **Provisions:**

Provisions are recognized where the company has present legal or constructive obligation, as a result of past event, for which it is probable that an outflow of economic benefits will be required to settle the obligation and the reliable estimate can be made for the amount of the obligation.

16. **Impairment of Assets:**

The carrying amounts of assets are reviewed at the balance sheet date to determine whether there are any indications of impairment. If the carrying amount of the fixed assets exceeds the recoverable amount at the reporting, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use, the value in use determined by the present value estimated future cash flows. Here carrying amounts of fixed assets are equal to recoverable amounts.



SCHEDULES TO THE ACCOUNTS

17. AS per Accounting Standard (AS-20) on Earning per share (EPS) issued by the ICAI, the particulars of EPS for the equity shareholders are as below:

| S. No. | Particulars | Current year 2010 | Previous Year 2009 |
|--------|--|-------------------|--------------------|
| 1 | Net Profit (loss) as per P/L A/c | 65816282 | 93880865 |
| 2 | Average No. of equity shares used as denominator for calculating EPS | 4003800 | 4003800 |
| 3 | EPS (Basic & Diluted) (Rs.) | 16.44 | 23.45 |
| 4 | Face value of each equity share (Rs.) | 10 | 10 |

18. **Related Party Disclosure:**

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are disclosed below:

(A) Name of related parties and description of relationship:

- (1) Holding Company :
 - a) Mundra Credit & Investment (P) Ltd
- (2) Other related parties where the Directors / Relatives have significant influence
 - a) Rajasthan Global Securities Ltd.
 - b) Deep Deposits & Leasing (P) Ltd.
- (3) Key Management Personal:
 - a) Mr. Rohit Gupta
- (4) Relatives of Key Management Personnel.
 - a) Mr. Satpaul Gupta

(B) Transaction during the year and balances outstanding at the year end in respect of transactions entered into during the year with the related parties.

| Nature of transactions | Refer to (A) (1) | Refer to (A) (2) | Refer to (A) (3) | Refer to (A) (4) |
|--------------------------------|------------------|--------------------------|--------------------|--------------------|
| Advance | | 730200000 (408700000) | | |
| Unsecured Loan | | 71300000 (2000000) | | |
| Rent | | | 180000 (118800) | |
| Salary | | | | 120000 (130000) |
| Balances as on 31st March,2010 | Nil | 57055599 | | |

() Indicates figures of Previous year.



SCHEDULES TO THE ACCOUNTS

19. As per information available with the company, no amount is due to any Undertaking/ Enterprise covered under the Micro, Small and Medium Enterprise Development Act, 2006.
20. Since the Company is dealing in one segment, No separate Segment reporting is given.
21. Quantitative Information regarding Opening Stock, Purchase, Sale and Closing Stock of Shares.

| | As on 31st March 2010 | | As on 31st March 2009 | |
|----------------------|-----------------------|--------------|-----------------------|--------------|
| | No. of Shares | Value | No. of Shares | Value |
| Opening Stock | 1030538 | 61408600.00 | 1572640 | 40824128.00 |
| Purchase | 4755382 | 449218818.42 | 4125525 | 473806464.24 |
| Sales | 3818639 | 422783105.71 | 4667627 | 370270561.79 |
| Closing Stock | 1967281 | 146178001.18 | 1030538 | 61408600.00 |

22. The figure in the brackets pertains to the previous year.



BALANCE SHEET ABSTRACT

23. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details:

Registration No.

| | | | | |
|---|---|---|---|---|
| 5 | 1 | 4 | 6 | 2 |
|---|---|---|---|---|

 State Code

| | |
|---|---|
| 5 | 5 |
|---|---|

 Balance Sheet

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 3 | 1 | 0 | 3 | 2 | 0 | 1 | 0 |
|---|---|---|---|---|---|---|---|

 Day Month Year

II. Capital raised during the year (Amount in Rupees Thousands)

Public Issue

| | | | | | | | | |
|--|--|--|--|--|--|---|---|---|
| | | | | | | N | I | L |
|--|--|--|--|--|--|---|---|---|

 Right Issue

| | | | | | | | | |
|--|--|--|--|--|--|---|---|---|
| | | | | | | N | I | L |
|--|--|--|--|--|--|---|---|---|

 Bonus Issue

| | | | | | | | | |
|--|--|--|--|--|--|---|---|---|
| | | | | | | N | I | L |
|--|--|--|--|--|--|---|---|---|

 Private Placement

| | | | | | | | | |
|--|--|--|--|--|--|---|---|---|
| | | | | | | N | I | L |
|--|--|--|--|--|--|---|---|---|

III. Position of mobilization and deployment of funds (Amount in Rupees in Thousands)

Total Assets

| | | | | | | | |
|--|--|---|---|---|---|---|---|
| | | 5 | 2 | 0 | 8 | 2 | 3 |
|--|--|---|---|---|---|---|---|

 Total Liabilities

| | | | | | | | |
|--|--|---|---|---|---|---|---|
| | | 5 | 2 | 0 | 8 | 2 | 3 |
|--|--|---|---|---|---|---|---|

Sources of Funds (Amount in Rupees in Thousands)

Paid up Capital

| | | | | | | | |
|--|--|--|---|---|---|---|---|
| | | | 4 | 0 | 0 | 3 | 8 |
|--|--|--|---|---|---|---|---|

 Secured Loans

| | | | | | | | | | |
|--|--|--|--|--|--|---|---|---|---|
| | | | | | | 1 | 6 | 4 | 3 |
|--|--|--|--|--|--|---|---|---|---|

 Reserve & Surplus

| | | | | | | | | |
|--|--|--|---|---|---|---|---|---|
| | | | 4 | 7 | 8 | 9 | 1 | 3 |
|--|--|--|---|---|---|---|---|---|

 Unsecured Loans

| | | | | | | | | |
|--|--|--|--|--|--|---|---|---|
| | | | | | | N | I | L |
|--|--|--|--|--|--|---|---|---|

 Deferred Tax Liability

| | | | | | | | | |
|--|--|--|--|--|--|---|---|---|
| | | | | | | 2 | 1 | 9 |
|--|--|--|--|--|--|---|---|---|

Application of Funds (Amount in Rupees in Thousands)

Net Fixed Assets

| | | | | | | | |
|--|--|--|--|---|---|---|---|
| | | | | 4 | 0 | 9 | 2 |
|--|--|--|--|---|---|---|---|

 Investments

| | | | | | | | | |
|--|--|--|---|---|---|---|---|---|
| | | | 1 | 8 | 0 | 0 | 1 | 0 |
|--|--|--|---|---|---|---|---|---|

 Net Current Assets

| | | | | | | | |
|--|--|---|---|---|---|---|---|
| | | 3 | 3 | 6 | 7 | 2 | 1 |
|--|--|---|---|---|---|---|---|

 Deferred Tax Assets

| | | | | | | | | |
|--|--|--|--|--|--|---|---|---|
| | | | | | | N | I | L |
|--|--|--|--|--|--|---|---|---|

 Accumulated Losses

| | | | | | | | | |
|--|--|--|--|--|--|---|---|---|
| | | | | | | N | I | L |
|--|--|--|--|--|--|---|---|---|

IV. Performance of company (Amount in Rupees Thousands):

Turnover

| | | | | | | | | |
|--|--|--|---|---|---|---|---|---|
| | | | 4 | 5 | 9 | 6 | 2 | 4 |
|--|--|--|---|---|---|---|---|---|

 Total Expenditure

| | | | | | | | | |
|--|--|--|---|---|---|---|---|---|
| | | | 3 | 7 | 8 | 1 | 1 | 9 |
|--|--|--|---|---|---|---|---|---|

 Profit/Loss before tax

| | | | | | | | |
|--|--|--|---|---|---|---|---|
| | | | 8 | 1 | 5 | 0 | 5 |
|--|--|--|---|---|---|---|---|

 Profit/Loss after tax

| | | | | | | | |
|--|--|--|---|---|---|---|---|
| | | | 6 | 5 | 8 | 1 | 6 |
|--|--|--|---|---|---|---|---|

 Earning per share in Rupees

| | | | | | | | |
|--|--|--|---|---|---|---|---|
| | | | 1 | 6 | . | 4 | 4 |
|--|--|--|---|---|---|---|---|

 Dividend rate %

| | | | | | | | | |
|--|--|--|--|--|--|---|---|---|
| | | | | | | N | I | L |
|--|--|--|--|--|--|---|---|---|

V. Generic Names of Three Principal Products/Services of company (as per monetary terms):

Item Code no. Production Description

| | | | | | |
|--|---|---|---|---|-------------------------|
| <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td>1</td></tr></table> | | | | 1 | Sale Purchase of Shares |
| | | | 1 | | |
| <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>N</td><td>I</td><td>L</td></tr></table> | | N | I | L | NIL |
| | N | I | L | | |
| <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>N</td><td>I</td><td>L</td></tr></table> | | N | I | L | NIL |
| | N | I | L | | |

As per our report of even date attached
 For R.MAHAJAN & ASSOCIATES
 CHARTERED ACCOUNTANTS

For & on behalf of the Board

[RATNESH MAHAJAN]

Partner

M.No.085484

Place : New Delhi

Date : 29.05.2010

(Rohit Gupta)
 Managing Director & CFO

(Ashok K. Kathuria)
 Director

(Anju Batra)
 Company Secretary

**CASH FLOW STATEMENT**

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

(Amount in Rs.)

| PARTICULARS | AS ON 31ST MARCH, 2010 | AS ON 31ST MARCH, 2009 |
|---|---------------------------|---------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit / (Loss) before Tax & Extraordinary items | 81,505,057.27 | 84,182,394.25 |
| Adjustment for : | | |
| Depreciation | 473,665.00 | 280,178.00 |
| Loss on sale of Assets | - | 9,921.00 |
| Profit / Loss on sale of investment | (20,550,282.51) | (168,996,107.33) |
| Operating Profit before Working Capital changes | 61,428,439.76 | (84,523,614.08) |
| Adjustment for Current Assets & Loans & Advances | | |
| 1) Sundry Debtors | 3,515.23 | 41,404,989.33 |
| 2) Loans & Advances | (71,770,325.95) | (44,816,764.62) |
| 3) Stock In Hand | (84,769,401.18) | (20,584,472.00) |
| Current Liabilities | 8,278.91 | (949,194.30) |
| Cash generated from operations | (95,099,493.23) | (109,469,055.67) |
| Direct Taxes Paid | 19,754,542.90 | 5573864.91 |
| | (114,854,036.13) | (115,042,920.58) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Profit on Sale of Investments | 20,550,282.51 | 168,996,107.33 |
| Sale / Purchase of share investments (net) | 88,048,211.78 | (43,658,924.51) |
| Purchase of Fixed Assets | (2,372,835.00) | (182,140.00) |
| | 106,225,659.29 | 125,155,042.82 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Short Term Borrowings | 1,077,567.96 | (307,644.82) |
| Net Decrease in cash & cash equivalents | (7,550,808.88) | 9,804,477.42 |
| Cash & cash equivalents at the beginning of period | 38,629,848.06 | 28,825,370.64 |
| Cash & cash equivalents at the end of period | 31,079,039.18 | 38,629,848.06 |

As per our report of even date attached
For R.MAHAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS

For & on behalf of the Board

[RATNESH MAHAJAN]

Partner

M.No.085484

Place : New Delhi

Date : 29.05.2010

(Rohit Gupta)
Managing Director & CFO

(Ashok K. Kathuria)
Director

(Anju Batra)
Company Secretary



SCHEDULES TO THE BALANCE SHEET

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(As required in terms of paragraph 13 of Non - Banking financial (Non deposit Accepting or holding)
Companies Prudential Norms (Reserve bank) Directions, 2007

(Amount in Lacs)

| PARTICULARS | Amount Outstanding | Amount Overdue |
|--|-------------------------------|-------------------|
| Liabilites side | | |
| 1 Loan and advances availed by the non - banking financial company inclusive of intrest accrued thereon but not paid: | Nil | Nil |
| (a) Debentures | | |
| Secured | Nil | Nil |
| Unsecured (other than falling within the meaning of public deposits*) | Nil | Nil |
| (b) Deferred Credits | Nil | Nil |
| (c) Terms Loans | 16.42 | Nil |
| (d) Inter-corporate loans and borrowing | Nil | Nil |
| (e) Commercial Paper | Nil | Nil |
| (f) Other Loans (specify nature) | Nil | Nil |
| * Please see Note 1 below | | |
| Assets side | Amount outstanding | |
| 2 Break-up of Loans and advances including bills receivables [other than those including in (4) below] : | | |
| (a) Secured | Nil | |
| (b) unsecured | 1,146.07 | |
| 3 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities | | |
| (i) Lease assets including lease rentals under sundry debtors : | Nil | |
| (a) Financial lease | | |
| (b) Operating lease | | |
| (ii) Stock on hire including hire charges under sundry debtors | Nil | |
| (a) Assets on hire | | |
| (b) Repossessed Asserts | | |
| (iii) Others loans counting towards AFC activities | Nil | |
| (a) Loans where assets have been repossessed | | |
| (b) Loans other than (a) above | | |



SCHEDULES TO THE BALANCE SHEET

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(Amount in Lacs)

| Particulars | Amount outstanding | Amount Overdue |
|-----------------------------------|--------------------|----------------|
| 4 Break-up of investments: | | |
| Current Investments: | | |
| I. Quoted : | | |
| (I) Shares : | | |
| (a) Equity | 1461.78 | |
| (b) Preference | Nil | |
| (ii) Debentures and Bonds | Nil | |
| (iii) Units of mutual funds | Nil | |
| (iv) Government Securities | Nil | |
| (v) Others (please specify) | Nil | |
| 2. Unquoted : | | |
| (i) Shares : | | |
| (a) Equity | Nil | |
| (b) Preference | Nil | |
| (ii) Debentures and Bonds | Nil | |
| (iii) Units of mutual funds | Nil | |
| (iv) Government Securities | Nil | |
| (v) Others (Building) | Nil | |
| Long Term investments : | | |
| I. Quoted: | | |
| (i) Shares : | | |
| (a) Equity | Nil | |
| (b) Preference | Nil | |
| (ii) Debentures and Bonds | Nil | |
| (iii) Units of Mutual Funds | Nil | |
| (iv) Government Securities | Nil | |
| (v) Others -warrants | Nil | |
| 2. Unquoted : | | |
| (i) Shares : | | |
| (a) Equity | 80.00 | |
| (b) Preference | Nil | |
| (ii) Debentures and Bonds | Nil | |
| (iii) Units of mutual funds | 1720.10 | |
| (iv) Government Securities | Nil | |
| (v) Otherts (please specify) | Nil | |



SCHEDULE TO THE BALANCE SHEET

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

5 Borrower group-wise classification of assets financed as in (2) and (3) above :

(Amount in Lacs)

| Category | Amount net of provisions | | Total |
|---------------------------------|--------------------------|-----------|--------|
| | Secured | Unsecured | |
| Please see note 2 below | | | |
| 1. Related Parties ** | | | |
| (a) Subsidiaries | Nil | Nil | Nil |
| (b) companies in the same group | Nil | Nil | Nil |
| (c) other related parties | Nil | 570.55 | 570.55 |
| 2. Other than related parties | Nil | Nil | Nil |
| Total | Nil | 570.55 | 570.55 |

6 Investor Group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

| Category | Market Value/Break up or fair value or NAV | Book Value (Net of Provisions) |
|--|--|--------------------------------|
| Please see note 3 below | | |
| 1. Related Parties ** | | |
| (a) Subsidiaries | Nil | Nil |
| (b) Companies in the Same Group | Nil | Nil |
| (c) Other related parties | Nil | Nil |
| 2. Other than related parties | Nil | Nil |
| Total | Nil | Nil |
| * Market rate is not available hence cost has been taken. | | |
| ** As per Accounting Standard of ICAI (Please see Note 3) | | |

| Particulars | Amount |
|---|--------|
| 7 Other information | |
| (i) Gross Non-Performing Assets | Nil |
| (a) Related Parties | |
| (b) Other than related parties | |
| (ii) Net Non-Performing Assets | Nil |
| (a) related Parties | |
| (b) Other than related parties | |
| (iii) Assets acquired in satisfaction of debt Nil | Nil |

**SCHEDULE TO THE BALANCE SHEET****Schedule to the Balance Sheet of a non-deposit taking non-banking financial company****Note**

1. As defined in paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
3. All Accounting Standards and guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets required in satisfaction of debt. However, market value in respect of quoted in respect quoted investments and and break up/fair value/ Nav in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

As per our report of even date attached

For R. Mahajan & Associates
Chartered Accountants

Ratnesh Mahajan
Partner

M.No. 085484
Place: New Delhi
Date: 29.05.2010

For and on behalf of the Board of Directors

Rohit Gupta
(Managing Director & CFO)

Ashok Kumar Kathuria
(Director)

Anju Batra
(Company Secretary)



CONSOLIDATED SECURITIES LIMITED

Regd. Office: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh,
New Delhi 110005

ATTENDANCE SLIP

Please fill Attendance Slip and Hand it over at the entrance of the Meeting Hall

| | |
|----------|--|
| D.P. Id* | |
|----------|--|

| | |
|-----------|--|
| Folio No. | |
|-----------|--|

| | |
|------------|--|
| Client Id* | |
|------------|--|

Name and address of the Shareholder _____

Number of Share(s) held : _____

I/We hereby record my presence at the 18th ANNUAL GENERAL MEETING of the Company to be held on Thursday, 30th day of September, 2010 at 10.30 A.M. At Hotel Swati Deluxe Banquet Hall, 17A/32 Gurudwara Road, W.E.A., Karol Bagh, New Delhi 110 005.

Signature of the shareholder(s) or Proxy

Name of the Proxy in Block Letters _____
(in case a proxy attends the meeting)



CONSOLIDATED SECURITIES LIMITED

Regd. Office: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh,
New Delhi 110005

PROXY FORM

| | |
|----------|--|
| D.P. Id* | |
|----------|--|

| | |
|-----------|--|
| Folio No. | |
|-----------|--|

| | |
|------------|--|
| Client Id* | |
|------------|--|

I/We _____ of _____

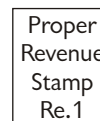
being a member/members of the Company hereby appoint Shri/Smt. _____

_____ of _____ or falling him/her

_____ of _____ as my/our Proxy to vote for me/us on my/our behalf at the 18th ANNUAL GENERAL MEETING of the Company to be held on Thursday, 30th day of September, 2010 at 10.30 A.M. At Hotel Swati Deluxe Banquet Hall, 17A/32 Gurudwara Road, W.E.A., Karol Bagh, New Delhi 110 005 and at any adjournment thereof.

Signed _____ day of _____ 2010

* Applicable for investor holding shares in electronic form



Note: 1. The Proxy need not be a member

2. The Proxy form duly signed and stamped should reach the Company's Registered Office atleast 48 hours before the time of meeting.

