

**Sixteenth
Annual Report
2010-2011**

SAI CAPITAL LIMITED

SAI CAPITAL LIMITED
Sixteenth Annual Report 2010-2011

BOARD OF DIRECTORS	Dr. Niraj Kumar Singh Mrs. Juhi Singh Shri K. P. Mukerjee Shri N P. Sharma	Chairman & Managing Director Director (Non Executive) Director (Non Executive, Independent) Director (Non Executive, Independent)
BANKERS	Indian Bank Aurobindo Place, Hauz Khas, New Delhi - 110 016	
AUDITORS	M/s. A K G & Co. Chartered Accountants E-10, KAILASH COLONY, NEW DELHI-110048	
REGISTRAR & SHARE TRANSFER AGENT	M/S. BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD. Beetal House 3rd Floor, 99, Madangir, New Delhi - 110062	
REGISTERED OFFICE	204, Aurobindo Place Hauz Khas, New Delhi - 110 016	

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SAI CAPITAL LIMITED

NOTICE FOR ANNUAL GENERAL MEETING

Notice is hereby given that the Sixteenth Annual General Meeting of the Company will be held as scheduled below :

Day and Date	Friday, 30th September, 2011
Time	10.00 A.M.
Place	2nd Floor, Aurobindo Place, Hauz Khas, New Delhi-110016

The agenda for the meeting will be as follows:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Balance Sheet as on 31st March 2011 and Profit & Loss Account for the year ended as on date and reports of the Auditor's and Director's thereon.
- 2 To appoint a Director in place of Mr. N.P. Sharma, who retires by rotation and being eligible offers himself for re-appointment.
- 3 To appoint a Director in place of Mrs. Juhi Singh, who retires by rotation and being eligible offers herself for re-appointment.
- 4 To appoint Auditors who shall hold office, if appointed from the conclusion of this Annual General Meeting until the conclusion of 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 the following resolution as an ordinary resolution :

"RESOLVED that M/s. A K G & Co., Chartered Accountants be and are hereby appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the company on such remuneration as shall be fixed by the Board of Directors exclusive of travelling and other out of pocket expenses"

SPECIAL BUSINESS

- 5 To consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:
Resolved that approval of the Company be and is hereby accorded to the reappointment of Dr. Niraj Kumar Singh as Chairman & Managing Director for a further period of 5 years with effect from October 01, 2011. Dr. Singh will not draw any remuneration from the Company in view of his appointment as Chairman & Managing Director in Sai Industries Limited and drawing Salary.

NOTES :

- 1 The register of members and share transfer books of the company will remain closed from 16-09-2011 to 30-09-2011 (Both days inclusive).
- 2 A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the company not less than 48 hours before the time of holding meeting.
- 3 Members desiring any information of the accounts at the Annual General Meeting are requested to write to the Company at its registered office atleast 10 days in advance so as to enable the Company to keep the information ready.
- 4 As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring the copy of the Annual Report with them at the Meeting.
- 5 In terms of Clause 49 of the Listing Agreement information on Directors seeking appointment at

SAI CAPITAL LIMITED

this Annual General Meeting is as under:

Name of Director	Mrs Juhi Singh	Mr. N. P. Sharma
Date of Birth & age	11-05-1965/46yrs	30-06-1954/57yrs
Appointed on	14-Jun-1995	30-Jun-2009
Qualifications	B.A.,P.G.D.B.M	B.A., M.A.
Expertise in specific professional areas	20 Yrs. rich exp in Marketing & General Administration.	Rich corporate experience in construction & exports.

Directorship held in other

Public Companies

(excluding Foreign

Companies)

Sai Industries Ltd.

Nil

Membership/Chairmanships

of Committees across

Public Companies

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ANNEXURE TO NOTICE OF ANNUAL GENERAL MEETING

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

Item No. 5

The existing term of appointment of Dr. Niraj Kumar Singh, Chairman & Managing Director expires on September 30, 2011. The Board of Directors has at a meeting held on May 28, 2011 passed a resolution approving the reappointment of Dr. Niraj Kumar Singh as Chairman & Managing Director for a further period of 5 years w.e.f. October 01, 2011 on the existing terms and conditions. Dr. Singh will not draw any remuneration, however he will be entitled to reimbursement of expenses incurred in connection with the work of the company viz:

- i out of pocket expenses incurred in discharge of his general duties as Chairman & Managing Director of the Company
- ii Telephone calls made on behalf of the Company.
- iii Travelling Expenses
- iv Local/Conveyance Expenses, etc.

The proposed resolution under item No.5 and this explanatory statement may be treated as abstract of the terms and conditions of the reappointment of Dr. Niraj Kumar Singh as Chairman & Managing Director pursuant to Sec. 198, 269 and 309 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956.

Dr. Niraj Kumar Singh is a Promoter Director of the Company and has been involved with the Company since inception.

The Board recommends his reappointment and remuneration by way of ordinary resolution in terms of Schedule XIII of the Companies Act, 1956.

None of the Directors of the Company except Dr. Niraj Kumar Singh and Mrs. Juhi Singh may be considered as concerned or interested in the resolution.

BY ORDER OF THE BOARD OF DIRECTORS

PLACE : NEW DELHI

DATED : 28TH MAY, 2011

Sd/-

DR. NIRAJ K. SINGH

Chairman & Managing Director

SAI CAPITAL LIMITED

DIRECTORS' REPORT

To the Shareholders of SAI CAPITAL LIMITED

The Directors take pleasure in presenting the Sixteenth Annual Report of your Company and the audited Statement of Accounts for the year ended on March 31, 2011.

The financial results of your Company for the year ended on March 31, 2011 are as follows:

	2010 - 11	2009 - 10
Gross Income	3.38	5.15
Profit/Loss before Depreciation and Tax	(3.40)	(4.27)
Depreciation	0.16	0.16
Profit/Loss before Tax	(3.56)	0.43
Provision for Income Tax (FBT)	0.00	0.00
Net Profit/Loss	(3.56)	0.43
Profit(+)/Loss(-) brought forward	(278.88)	(279.32)
Accumulated Loss	(282.45)	(278.88)

PERFORMANCE REVIEW & OUTLOOK

The Company turned in a loss of Rs. 3.56 lacs as against a profit of Rs. 0.43 lacs in the previous year. The Management is making efforts to improve the profitability of the Company and hopes to report a better performance in the years to come.

DIVIDEND : Due to loss during the year, your Directors do not recommend payment of dividend for the year under report.

CORPORATE GOVERNANCE REPORT

A Separate Section on Corporate Governance forming part of the Director's Report and the certificate from the Company's Auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement is included in the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Trends and Business Analysis : The economy and Capital Markets both domestic and global remain cautious due to fears of recession, persistent high inflation and increase in prices of Crude & Commodities. This has led to policy action on the interest rate front. It is, however, hoped that India will emerge as a resilient global economy and will continue to be a favoured destination for investors. The Company is expected to immensely benefit from the opportunities arising from the growth in the economy.

OPPORTUNITIES AND THREATS

Opportunities: The globalisation of the economy has vastly increased the opportunities available to Indian Companies. There is significant potential for providing services in niche areas. The Company hopes to capitalise on its experience and turn in a better performance in the future years.

Threats : The valuations of the Capital Markets pose significant risk and could lead to losses in the event of a fall. Small mid-sized NBFC's remain marginalised due to lack of economies of scale.

Segment wise performance: The Company is engaged primarily in the business of Investments & Finance and accordingly there are no separate reportable segment as per Accounting Standard 17.

Future Prospects and Outlook: With retail financial services almost having been monopolised by Public & Private Sectors Banks, the Company will have to develop niche areas for itself and explore means to substantially increase its investible funds to participate in the growth of the economy. The Company hopes to forge partnership with larger players in other fields to increase its presence and achieve profitability in its operations. The Company also hopes to raise resources to increase its investment operations.

Risks and Concerns: The performance of the Company is very closely linked with the conditions of the economy (both domestic & global) and is also very sensitive to the fluctuations in the Capital Markets, interest rates fluctuations, inflation and credit risks.

Internal Control Systems and Their Adequacy: The Company has put in place an adequate system

SAI CAPITAL LIMITED

of internal controls which are monitored on a regular basis, commensurate with the nature of its business. All activities are monitored to prevent any unauthorised transactions or misuse of any assets. The Audit committee of the Board oversees and reviews the adequacy of internal controls at regular intervals.

Financial Performance: The Company reported a Loss of Rs.3.56 Lacs during the year under review as against a Profit of Rs. 0.43 Lacs during the previous year. The Issued & Subscribed Capital of the Company stood at Rs. 550.37 Lacs. The Paid up Capital is Rs. 363.11 Lacs. Allotment money due but not received is Rs. 187.26 Lacs.

Human Resources: The management of the Company maintains cordial relations with the employees and considers human capital as one of the most valuable resources.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the directors have prepared the annual accounts on going concern basis.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

As the Company is not engaged in manufacturing/processing, it is not in a position to undertake any measure for energy conservation or technology absorption.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no income or expenditure in Foreign Exchange during this period.

DEPOSITS : The Company has no public deposits and has neither invited nor accepted any deposit from the public during this period.

DIRECTORS

Mr. N.P. Sharma and Mrs. Juhi Singh, Directors retire by rotation and being eligible, offer themselves for re-appointment. The Company proposes the re-appointment of Mr. N. P. Sharma and Mrs. Juhi Singh as Directors.

LISTING OF EQUITY SHARES

The Equity Shares of your company are listed on Delhi, Mumbai and Chennai Stock Exchanges. Your company has paid the Listing Fee up to and including the financial year 2011-12 to the Bombay Stock Exchange Limited, Mumbai. The listing fee due to Delhi and Chennai Stock Exchanges is being reconciled and will be paid as soon as the amount to be paid is determined.

EMPLOYEES During the year, there was no employee, whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956.

AUDITORS In accordance with the provisions of Companies Act, 1956, M/s. A K G & Co., Chartered Accountants, statutory auditors, retire at the conclusion of the Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received the certificate from A K G & Co. to the effect that their appointment, if made, would be within the prescribed limit U/s 224(1-B) of the Companies Act, 1956.

ACKNOWLEDGMENTS Your Directors take this opportunity of expressing their gratitude to M/s. Sai Agencies (P) Ltd. & M/s. Indian Bank, Hauz Khas, New Delhi for the cooperation and assistance extended to your Company.

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-

DR. NIRAJ K. SINGH

Chairman & Managing Director

PLACE : NEW DELHI
DATED : 28TH MAY, 2011

SAI CAPITAL LIMITED

REPORT ON CORPORATE GOVERNANCE

In line with the requirement for providing a "Report on Corporate Governance" as per Clause 49 of the Listing Agreement with the Stock Exchanges, given below is the report on the Company's Corporate Governance norms.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages transparency, accountability and propriety in the functioning of the Company and in the conduct of its business both internally and externally, including its interactions with employees, shareholders, creditors and other lenders.

BOARD OF DIRECTORS

During the year under review, 4 (Four) Board Meetings were held on May 28, 2010, August 13, 2010, November 12, 2010 and February 11, 2011. The composition of the Board, attendance at Board Meetings held during the financial year under review and at the last Annual General Meeting, number of Directorships and memberships/chairmanships in public companies (including the Company) are given below:

Name of Director	Category	FY 2010 - 11		As on date	
		Attendance at		No. of Directorships	Committee Members
BM	Last AGM				
Dr. Niraj Kumar Singh	Chairman & Managing Director	4	Yes	5	8
Mrs. Juhi Singh	Director	4	Yes	3	2
Mr. K. P. Mukherjee	Director	3	Yes	0	4
Mr. N. P. Sharma	Director	3	No	1	3

Change in Directorship

Mr. N. P. Sharma and Mrs. Juhi Singh, Directors retire by rotation and being eligible offers themselves for re-appointment

AUDIT COMMITTEE

The Audit Committee consists of three directors including two independent directors and one non-executive director. The Chairman of the committee is an Independent Director. The committee provides direction to audit functions, reviews the financial accounts, interacts with statutory auditors and reviews matters of special interest. The quorum for a meeting of audit committee is any two directors personally present at the meeting. The Committee meets regularly to carry out its functions. Members of the Audit Committee are Mr. K. P. Mukherjee, Mr. N. P. Sharma and Mrs. Juhi Singh. The meetings are generally chaired by Mr. K. P. Mukherjee.

In terms of the requirements under corporate governance practices, arrangements for presence of Mr. K. P. Mukherjee at the forthcoming AGM in September, 2011 are being made.

REMUNERATION COMMITTEE

The Company has constituted a Remuneration Committee consisting of two Independent, Non-Executive Directors, Mr. K. P. Mukherjee and Mr. N. P. Sharma.

REMUNERATION TO DIRECTORS

Sitting Fee of Rs.15,000/- was paid to the Directors for attending Board Meetings or Sub-committee Meetings during the year under review:

Mr. N. P. Sharma	Rs7,500.00
Mr. K. P. Mukherjee	Rs7,500.00

SAI CAPITAL LIMITED

Remuneration paid to Dr. Niraj Kumar Singh as Managing Director during the year is as follows:

Salary	Nil
Perquisites	Nil
Contribution to PF	Nil

No bonus, pension, commission, incentive perks have been paid. The Company has not issued any stock options. For termination of employment, the company and the Managing Director are required to give a notice of three months or salary in lieu thereof.

DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS

Year	Location	Date	Day	Time
2008	2nd Floor, Aurobindo Place, Hauz Khas, New Delhi-110016	30/09/2008	Tuesday	10.00 AM
2009	2nd Floor, Aurobindo Place, Hauz Khas, New Delhi-110016	9/30/2009	Wednesday	10.00 AM
2010	2nd Floor, Aurobindo Place, Hauz Khas, New Delhi-110016	9/30/2010	Thursday	10.00 AM

Whether Special Resolution were put through Postal Ballot, last year? No

Is voting proposed to be conducted through postal ballot, this year? No

DISCLOSURES

- The Company has complied with various rules and regulations prescribed by Stock Exchanges, SEBI or any other Statutory Authorities relating to the Capital Markets during the last three years. No penalties or strictures have been imposed by them on the Company.
- During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoters, directors, management and associate companies.

SHAREHOLDERS INFORMATION

- a) Annual General Meeting
Date and Time Friday, 30th September, 2011 at 10.00 A.M
Venue 2nd Floor, Aurobindo Place, Hauz Khas, New Delhi-110016
- b) Book Closure Date 16-09-2011 to 30-09-2011 (Both days inclusive)
- c) Financial Calendar
Financial Reporting for the Quarter ending June 30, 2011 Second week of August 2011
Financial Reporting for the Quarter ending Sept. 30, 2011 Second week of Nov 2011
Financial Reporting for the Quarter ending Dec. 31, 2011 Second week of Feb 2012
Financial Reporting for the Quarter ending March 31, 2012 Last week of May 2012
AGM for the year ended March 31, 2012 Last week of Sept., 2012
- d) Dividend Payment Date Not Applicable
- e) Stock Exchange Listing Mumbai, Delhi and Chennai
- f) Stock Exchange Code
Bombay Stock Exchange Limited 531931
Delhi Stock Exchange 19586
Madras Stock Exchange SCPT

SAI CAPITAL LIMITED

MARKET PRICE DATA (RS.)

Bombay Stock Exchange

Month	High	Low
Apr-10	-	-
May-10	-	-
Jun-10	-	-
Jul-10	-	-
Aug-10	-	-
Sep-10	-	-
Oct-10	-	-
Nov-10	-	-
Dec-10	-	-
Jan-11	-	-
Feb-11	-	-
Mar-11	-	-

REGISTRARS AND SHARE TRANSFER AGENT

The Company has appointed M/s Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, New Delhi-110062 as Registrar and Share Transfer Agent. Share transfers and shareholder queries/complaints are handled by the Share Transfer Agent.

E-mail ID for Investor Grievance

sai@vsnl.com

MEANS OF COMMUNICATIONS

- | | |
|--|--|
| i) Half yearly report sent to each household of shareholder | No |
| ii) Quarterly results sent to each shareholder | No |
| iii) In which News Papers the results are normally published | The Poineer
Hari Bhumi |
| iv) Any website, where results are displayed | www.saicapital.net |
| v) Whether MD & A are part of Annual Report | Yes |
| vi) Whether shareholders information system is part of Annual Report | Yes |

SHARE TRANSFER COMMITTEE

The share transfer committee considers and approves share transfers in the physical form.

SHAREHOLDER & INVESTOR GRIEVANCE COMMITTEE

Shareholders/Investor Grievance Committee consists of Mr. K. P. Mukherjee, Mr. N. P. Sharma and Mrs. Juhi Singh. The Committee is chaired by Mr. K. P. Mukherjee. Share Transfer Committee deals with approval of issue of duplicate share certificates and reviews all matters connected with the security transfer and redressal of Shareholders and Investor Grievance like transfer of shares, non-receipt of Balance Sheet etc. No shareholders investor grievance is pending for a period exceeding one month against the Company.

The Board has designated Mr. Ved Prakash as the Compliance Officer.

ADDRESS FOR CORRESPONDENCE

All queries of investors may be sent at the following address:

204, Aurobindo Place, Hauz Khas, New Delhi-110016 or M/s Beetal Finance and Computer Service Pvt. Ltd., Beetal House, 3rd Floor, 99, Madangir, New Delhi-110062.

SAI CAPITAL LIMITED

LISTING ON STOCK EXCHANGE

Bombay Stock Exchange Limited
Delhi Stock Exchange
Madras Stock Exchanges**SHAREHOLDING PATTERN OF THE COMPANY AS ON 31ST MARCH, 2011**

Sl. No.	Category	No. of Shares	% of Shareholding
1	Promoters Holding		
	i) Indian Promoters	1886200	34.27
	ii) NRI Promoters	326500	5.93
2	Non-Promoters Holding		
	i) Banks	84300	1.53
	ii) Corporate Bodies	496900	9.03
	iii) Indian Public	2690100	48.88
	iv) NRI's	19700	0.36
	Total	5503700	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2011

Share or Debenture holding of nominal value		Share/Debenture holders		Share/Debenture Amount	
Rs.	Rs.	Number	% of total	Rs.	% of total
(1)		(2)	(3)	(4)	(5)
Upto 5000		1494	70.46	7393000	13.43
5001 10000		365	17.22	3569000	6.48
10001 20000		69	3.26	1220000	2.22
20001 30000		13	0.61	333000	0.60
30001 40000		115	5.43	3960000	7.20
40001 50001		2	0.09	92000	0.17
50001 100000		27	1.27	1914000	3.48
100001 and above		35	1.65	36556000	66.42
Total :		2120	100	55037000	100.00

SHARE TRANSFER SYSTEM

Share transfer in physical area registered by the Company and returned to transferees within period ranging from fifteen days to one month, provided the documents lodged are clear in all respects.

UNCLAIMED DIVIDEND

Not Applicable

BANK DETAILS

Shareholders are requested to notify/send the following to the Company to facilitate better service:

- any change in their address/bank details, and
- particulars of their bank account, in case the same have not been sent earlier.

DEPOSITORY SERVICES

The Company's securities have not yet been dematerialised

NOMINATION FACILITY

Shareholders desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956 are requested to submit the same to the Company in the prescribed Form 2B.

Sd/-

DR. NIRAJ K. SINGH
Chairman & Managing Director

PLACE : NEW DELHI
DATED : 28TH MAY, 2011

SAI CAPITAL LIMITED

AUDITORS CERTIFICATE

To the Members of Sai Capital Limited

We have examined the report of Corporate Governance presented by the Board of Directors of Sai Capital Limited for the year ended 31st March, 2011 as stipulated in clause 41 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 according to the information and explanations given to us the Company has taken step to comply with the conditions of corporate governance, to the extent applicable and as stipulated in the aforesaid listing agreement.

We state that no investor grievance is pending for the period exceeding one month against the Company as per records maintained by the Shareholder's Grievance Committee.

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

For A K G & Co.

CHARTERED ACCOUNTANTS

Sd/-

(ANIL K. GOEL)

PARTNER

PLACE : NEW DELHI

DATED : 28TH MAY, 2011

CEO CERTIFICATION

I, Dr. Niraj Kumar Singh, in my capacity as Chairman & Managing Director do hereby confirm and certify that:

- a) have reviewed the financial statements and the cash flow statement of the year and that to the best of my knowledge and belief, I state that:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) During the year under reference:
 - i) There were no significant changes in the internal control over financial reporting;
 - ii) No significant changes in accounting policies were made that require disclosure in the notes to the financial statements; and
 - iii) No instances of significant fraud and the involvement therein, if any, of the Management or employee having a significant role in the Company's internal control system over financial reporting has come to my knowledge.

PLACE : NEW DELHI

DATED : 28TH MAY, 2011

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Sd/-

DR. NIRAJ K. SINGH

Chairman & Managing Director

SAI CAPITAL LIMITED

TO THE MEMBERS

SAI CAPITAL LIMITED

- 1 We have audited the attached Balance Sheet, of SAI CAPITAL LIMITED as at 31st March, 2011 Profit and Loss Account & Cash Flow Statement for the year ended on that date annexed thereto for the year ended on that date. These financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with Auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4 Further to our comments in the annexure referred to in paragraph 3 above, we report that:-
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit & Loss Account & Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion the Balance Sheet, Profit & Loss Account & Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (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, 2011 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 said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2011; and
 - (ii) In so far as it relates to the Profit and Loss Account, of the Loss of the company for the year ended on that date.
 - (iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For A K G & Co.
Chartered Accountants
Sd/-
(ANIL K. GOEL)
PARTNER
M. NO. 83454
Firm Regn. No.: 004924N

PLACE : NEW DELHI
DATED : 28TH MAY, 2011

SAI CAPITAL LIMITED

Annexure to the Auditors' report

[Referred to in Paragraph 3 of our report of even date]

(i) In respect of fixed assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the fixed assets have been physically verified by the Management during the year in a periodical manner, 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 verification.
- (c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year, which may have affected the going concern status of the company.

(ii) In respect of inventories:

- (a) The company has no any inventory, accordingly clause (a) of paragraph 4(ii) of the Order is not applicable.
- (b) Since the company has no any inventory, the clause (b) of paragraph 4(ii) of the Order is not applicable.
- (c) Since the company has no any inventory, the clause (c) of paragraph 4(ii) of the Order is not applicable.
- (iii) In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :

- (a) The company has not granted loans to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 during the year. However, outstanding balance of loan granted to one parties was Rs. 5.10 Lacs at the end of the year.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other the terms and conditions are not prima-facie prejudicial to the interest of the company.
- (c) The loans granted by the company is interest free and the principal amount is repayable on demand.
- (d) Since the loans taken and granted by the company are repayable on demand, no question of overdue amounts arises.
- (e) The company has taken loans from Three Parties for which aggregating year end outstanding balances is Rs. 10.46 lacs for this year
- (f) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
- (g) In our opinion and according to the information and explanations given to us the loans taken by the company is repayable on demand.

- (iv) 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. During the course of our audit, we have not observed any major weaknesses in internal controls.

(v) In respect of transactions covered under Section 301 of the Companies Act, 1956:

- (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- (Rupees Five Lacs only) or more in respect of any party have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

SAI CAPITAL LIMITED

- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the company has an internal audit system commensurate with size and nature of its business.
- (viii) The Central government has not prescribed maintenance of Cost Records under section 209(1)(d) of the Companies Act, 1956 in respect of manufacturing activities of the Company.
- (ix) In respect of statutory dues :
- (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 other statutory dues, whichever 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, 2011 for a period of more than six months from the date of become payable.
- (b) According to the information & explanation given to us, there are no dues of sales tax, income tax customs duty, wealth tax service tax or excise duty & cess have not been paid or deposited on account of dispute
- (x) Accumulated losses of the Company are more than fifty percent of its net worth. The company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions, banks or debenture holders.
- (xii) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- (xiv) The company has maintained proper records of transactions and contracts in respect of trading in shares and timely entries have been made therein. The investments of the company are held in its own name except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
- (xv) According to the information and explanations given to us, we are of the opinion that the company has not given guarantees for loans taken by others from banks or financial institutions the terms and conditions whereof are not prima facie prejudicial to the interest of the Company.
- (xvi) The Company has not raised any term loans during the year under report.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilised any funds raised from short term sources towards long term investment or vice-versa.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, no debentures have been issued by the company
- (xx) According to the information and explanations given to us, the company has not raised any money by public issues during the year, except receipt of some Call in arrears.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For A K G & Co.
Chartered Accountants
Sd/-
(ANIL K. GOEL)
PARTNER
M. NO. 83454
Firm Regn. No.: 004924N

PLACE : NEW DELHI
DATED : 28TH MAY, 2011

SAI CAPITAL LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2011**

PARTICULARS	Schedule No.	Current Year 31.03.2011	Previous Year 31.03.2010
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	1	36311000	36011000
LOAN FUNDS			
a) Unsecured Loans	2	1045968	1496602
TOTAL		37356968	37507602
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	3	332071	332071
Less: Depreciation		275492	259142
Net Block		56579	72929
INVESTMENTS (At Cost)	4	5866924	6232089
CURRENT ASSETS, LOANS & ADVANCES			
a) Sundry Debtors	5	2457643	1078069
b) Cash & Bank Balances		75651	1055450
c) Loans & Advances		1410527	1615920
Sub-total		3943821	3749439
LESS: CURRENT LIABILITIES & PROVISIONS			
CURRENT LIABILITIES	6	754919	435276
PROVISIONS		-	0
		754919	435276
Net Current Assets		3188902	3314163
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
PROFIT & LOSS ACCOUNT (Dr. Balance)		28244563	27888421
Notes On Account & Contingent Liabilities 9			
TOTAL		37356968	37507602

SCHEDULE 1 TO 6 AND 9 REFERRED TO ABOVE FORM PART OF THE BALANCE SHEET

Sd/-
DR. NIRAJ K. SINGH
Chairman & Managing Director

Sd/-
JUHI SINGH
Director

SUBJECT TO OUR SEPARATE REPORT OF EVEN DATE
For A K G & Co.
CHARTERED ACCOUNTANTS
Sd/-
(ANIL K. GOEL)
PARTNER

PLACE : NEW DELHI
DATED : 28TH MAY, 2011

SAI CAPITAL LIMITED**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED WITH 31ST MARCH 2011**

PARTICULARS	Schedule No.	Current Year	Previous Year
		31.03.2011	31.03.2010
INCOME			
Profit on Sale of Shares		338444	394110
Misc Income		0	120513
		<u>338444</u>	<u>514,623</u>
EXPENDITURE			
Loss on Trading of Shares & Derivatives		0	136911
Establishment	7	139100	0
Selling Administrative and General Expenses	8	539136	804529
		<u>678236</u>	<u>941440</u>
Profit/(Loss) for the year before Depreciation		(339792)	(426817)
Depreciation during the year		16350	16350
Excess Provision for decline in Investments W/ Back		0	486400
Profit/(Loss) for the year before Tax		(356142)	43233
Provision for I. Tax		0	0
Profit/(Loss) for the year after Tax		(356142)	43233
Balance brought forward from Previous Year		(27888421)	(27931654)
Balance Profit/(Loss) Carried Over to Balance Sheet		(28244563)	(27888421)
Notes On Account & Contingent Liabilities	9		

SCHEDULE 8 & 9 REFERRED TO ABOVE FORM PART OF THE PROFIT & LOSS ACCOUNT
SUBJECT TO OUR SEPARATE REPORT OF EVEN DATE

sd/-
DR. NIRAJ K. SINGH
Chairman & Managing Director

sd/-
JUHI SINGH
Director

SUBJECT TO OUR SEPARATE REPORT OF EVEN DATE
For A K G & Co.
CHARTERED ACCOUNTANTS
sd/-
(ANIL K. GOEL)
PARTNER

PLACE : NEW DELHI
DATED : 28TH MAY, 2010

SAI CAPITAL LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT (LOSS) BEFORE TAX AND EXTRA ORDINARY ITEMS	(356142)	43233
Adjusted for : Depreciation	16350	16350
	16350	16350
Operating profit before working capital changes	(339792)	59583
Adjusted for :		
Trade and other receivable	(1174181)	1854899
Investment (Net)	365165	(370789)
Trade Payables	319643	(373706)
Cash flow before taxation and extra ordinary items	-489373	1110404
Cash Generated from Operations	(829165)	1169987
NET CASH FLOW FROM OPERATING ACTIVITIES	(829165)	1169987
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	0	(20500)
NET CASH FLOW FROM INVESTING ACTIVITIES	0	(20500)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Capital	300000	303750
Increase/(Decrease) in Unsecured Loans	(450634)	(461181)
NET CASH FLOW FROM FINANCING ACTIVITIES	(150634)	(157431)
Net Increase in Cash and Cash equivalent	(979799)	992056
Opening Cash and Cash equivalent	1055450	63394
Closing Cash and Cash equivalent	75651	1055450
Sd/- DR. NIRAJ K. SINGH Chairman & Managing Director	Sd/- JUHI SINGH Director	

SUBJECT TO OUR SEPARATE REPORT OF EVEN DATEPLACE : NEW DELHI
DATED : 28TH MAY, 2011For A K G & Co.
CHARTERED ACCOUNTANTS
Sd/-
(ANIL K. GOEL)
PARTNER

SAI CAPITAL LIMITED

SCHEDULES ANNEXED TO AND FORMING AN INTEGRAL PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

SCH. PARTICULARS NO.	Current Year 31.03.2011	Previous Year 31.03.2010
1 <u>SHARE CAPITAL</u>		
a) <u>Authorised</u>		
6000000 Equity Shares of Rs. 10/- each	60000000	60000000
b) <u>Issued</u>		
5503700 Equity Shares of Rs. 10/- each	55037000	55037000
c) <u>Subscribed & Paid up</u>		
5503700 Equity Shares of Rs.10/- each fully called up	55037000	55037000
Less : Calls in Arrears	18726000	19026000
TOTAL	<u>36311000</u>	<u>36011000</u>
2 <u>LOAN FUNDS</u>		
i) <u>Unsecured Loans</u>		
Interest Free Loans from Directors & their Relatives	1045968	1365927
Interest Free Loans from Others	0	130675
	<u>1045968</u>	<u>1496602</u>
	<u>1045968</u>	<u>1496602</u>

SCHEDULE OF FIXED ASSETS FOR THE YEAR ENDED 31.03.2011

PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK					NET BLOCK	
	Opening Balance	Addition	SALE/ TFR	Closing Balance	Up to 31.3.10	On Sold Assets	Rate of Depr.	for the Year	AS ON 31.03.11	AS AT 31.03.11	AS AT 31.3.10
Office Equip.	179285	0.00	0.00	179285	115396.59	0.00	13.91	12016.63	127413.22	51871.78	63888.41
Computer	152786	0.00	0.00	152786	143745.52	0.00	40.00	4333.13	148078.65	4707.35	9040.48
Total	332071	0.00	0.00	332071	259142.11	0.00		16349.76	275491.87	56579.13	72928.89
Previous Year	311571	20500	0.00	332071	242792.37	0.00		16349.76	259142.13	72928.87	68778.63

SAI CAPITAL LIMITED**4 INVESTMENTS (AT COST)****I LONG TERM QUOTED INVESTMENTS**

Market Value Rs. 98,87,500

a) Fully Paid Equity Shares of Rs. 10/- each

	CURRENT YEAR		PREVIOUS YEAR	
	No. of Shares/ Debentures	Value Rs.	No. of Shares/ Debentures	Value Rs.
Amarjothi Spinning Mills Ltd.	0	0	100	11114
Gujarat Refractories Ltd.	0	0	14500	7975
Hindustan Foods Ltd.	0	0	2000	9000
Janak Intermediates Ltd.	0	0	300	975
Kareems Spun Silk Ltd.	0	0	35500	166985
Kothari Fermentation and Biochem Ltd.	0	0	500	7580
Maharashtra Glass & Agro Ltd.	0	0	200	3603
PVD Plast Mould Industries Ltd.	0	0	1500	4125
Sri Simhadri Cements Ltd.	0	0	900	2745
Shimoga Forge Ltd.	11000	5179	11000	5179
S I Property Development Ltd.	0	0	8100	128101
Sai Industries Ltd.	972800	12739995	972800	12739995
(a Company under the same Management)				
Travancore Chemical & Manufacturing Co. Ltd.	0	0	600	22662
Williard India Ltd.	0	0	100	300
		<u>12745174</u>		<u>13110339</u>

SAI CAPITAL LIMITED

II LONG TERM UNQUOTED INVESTMENTS				
Fully paid Equity Shares of Rs. 10/- each				
a) Companies under the same management				
Sai Enterprises Pvt. Ltd.	34000	340000	34000	340000
b) Others				
Singh Fin lease Pvt. Ltd.	120000	1200000	120000	1200000
		<u>1540000</u>		<u>1540000</u>
Total Investments (I+II)		<u>14285174</u>		<u>14650339</u>
Less: Provision for permanent decline in Investments		<u>8418250</u>		<u>8418250</u>
		<u>5866924</u>		<u>6232089</u>
5 CURRENT ASSETS, LOANS & ADVANCES				
CURRENT ASSETS				
a) Sundry Debtors				
(Unsecured, Unconfirmed, Considered good)				
Outstanding for a period exceeding six months	0		0	
Other	<u>2457643</u>	<u>2457643</u>	<u>1078069</u>	<u>1078069</u>
TOTAL		<u>2457643</u>		<u>1078069</u>
b) Cash & Bank Balance				
Cash in Hand	32594		35359	
Balance with Scheduled Banks in current A/c	<u>43057</u>	75651	<u>1020091</u>	1055450
LOANS & ADVANCES				
(Unsecured, Unconfirmed, Considered good)				
Share Application Money Paid	50000		50000	
Advance recoverable in cash or in kind or value to be received	1360527		1565920	
		<u>1410527</u>		<u>1615920</u>
		<u>1410527</u>		<u>1615920</u>
6 CURRENT LIABILITIES & PROVISIONS				
CURRENT LIABILITIES				
a) Sundry Creditors & Expenses Payable		754919		435276
b) PROVISIONS				
Provision for Income Tax	<u>0</u>		<u>0</u>	
		<u>754919</u>		<u>435276</u>
7 ESTABLISHMENT				
Salary		133,000		0
Medical Re-imbursement		<u>6100</u>		<u>0</u>
		<u>139100</u>		<u>0</u>

SAI CAPITAL LIMITED

8 SELLING, ADMINISTRATIVE & GENERAL EXP.

Auditor's Remuneration	27575	19303
Business Promotion	106254	48525
Bank Charges	51	960
Books and Periodicals	12889	5572
Brokerage	56388	0
Compliance Advertisement	32169	30874
Conveyance & Vehicle Maintenance	12605	4660
Demat Charges	1213	662
Filing Fees	8020	10000
Professional Expenses	32575	39368
Printing & Stationery	10116	9820
Water & Electricity Charges	66810	66611
Postage, Telegram & Telephone	109489	51078
Repair & Maintenance (Others)	368	0
Sitting Fees	15000	12500
STT Paid	21119	0
Travelling Allowance	0	6368
Fees & Subscription	9950	0
Listing Fees	16545	498228
	<u>539136</u>	<u>804529</u>

Sd/-
DR. NIRAJ K. SINGH
Chairman & Managing Director

Sd/-
JUHI SINGH
Director

SUBJECT TO OUR SEPARATE REPORT OF EVEN DATE

PLACE : NEW DELHI
DATED : 28TH MAY, 2011

For A K G & Co.
CHARTERED ACCOUNTANTS
Sd/-
(ANIL K. GOEL)
PARTNER

SAI CAPITAL LIMITED

9 Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directors

(Rs. in Lacs)

	Amount Outstanding	Amount Overdue
LIABILITIES SIDE		
i) Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid		
a) Debentures : Secured	-	-
Unsecured (Other than falling within the meaning of Public deposits)	-	-
b) Deferred Credits	-	-
c) Term Loans	-	-
d) Inter-Corporate loans and borrowing	0.00	0.00
e) Commercial Paper	-	-
f) Public Deposits	-	-
g) <u>Other loans (Specify nature)</u>		
- Unsecured Loans from Directors	10.46	14.97
ii) Break-up of (i) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)		
a) In the form of Unsecured debentures	-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
c) Other public deposits	-	-
ASSETS SIDE		
iii) Break-up of loans and advances including bills receivables (other than those included in (iv) below:		
a) Secured	-	-
b) Unsecured	14.11	16.16
iv) Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities		
a) Leased assets including lease Rentals under Sundry debtors		
1) Financial Lease	-	-
2) Operating Lease	-	-
b) Stock on hire including hire charges under Sundry debtors		
1) Assets on hire	-	-
2) Repossessed Assets	-	-
c) Hypothecation Loans counting towards EL/HP activities		
1) Loans where assets have been repossessed	-	-
2) Loans other than (1) above	-	-
v) Break-up of Investments		
Current Investments		
1) <u>Quoted</u>		
a) Shares : i) Equity	-	-
ii) Preference	-	-
b) Debentures and Bonds	-	-
c) Units of Mutual Funds	-	-
d) Government Securities	-	-
e) Others (Please specify)	-	-

SAI CAPITAL LIMITED

2) <u>Unquoted</u>			
a) Shares :			
i) Equity	-	-	-
ii) Preference	-	-	-
b) Debentures and Bonds	-	-	-
c) Units of Mutual Funds	-	-	-
d) Government Securities	-	-	-
e) Others (Please specify)	-	-	-
Long Term Investments			
1) <u>Quoted</u>			
a) Shares :			
i) Equity	43.27	46.92	
ii) Preference	-	-	
b) Debentures and Bonds	-	-	
c) Units of Mutual Funds	-	-	
d) Government Securities	-	-	
e) Others (Please specify)	-	-	
2) <u>Unquoted</u>			
a) Shares :			
i) Equity	15.40	15.40	
ii) Preference	-	-	
b) Debentures and Bonds	-	-	
c) Units of Mutual Funds	-	-	
d) Government Securities	-	-	
e) Others (Please specify)	-	-	
v) Borrower group-wise classification of all leased assets and stock on hire and loans and advances			
		Amount of	Net of Provision
Category	Secured	Unsecured	Total
i) Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the Group	-	5.10	7.15
c) Other Related Parties	-	0	0
ii) Other than Related Parties		9.01	9.01
Total	<u>-</u>	<u>14.11</u>	<u>16.16</u>
vii) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			
Category		Market Value	Book Value
		Break up or fair	(Net of Provisions)
		Value of NAV	
i) Related Parties			
a) Subsidiaries		-	-
b) Companies in the Group		97.62	-
c) Other Related Parties		-	-
ii) Other than Related Parties		1.26	-
Total		<u>98.88</u>	<u>58.67</u>
viii) Other Information		Amount	
Particulars			
i) Gross Non-Performing Assets			
a) Related Parties		-	
b) Other than Related Parties		-	
ii) Net Non-Performing Assets			
a) Related Parties		-	
b) Other than Related Parties		-	
iii) Assets acquired in satisfaction of debt		-	

NOTES TO ACCOUNT

1 Significant Accounting Policies

a) Accounting Convention

These accounts are prepared under the historical cost convention and evaluated on a going concern basis. The financial statements materially comply with and are in conformity with the mandatory accounting standards issued by The Institute of Chartered Accountants of India and the standards and the presentation requirements of the Companies Act, 1956.

b) Borrowing Costs

Borrowing Costs attributable to the acquisition and construction of asset are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are treated as revenue.

c) Valuation of Investments

At Cost. Provision is made for permanent diminution in value of investments.

d) Valuation of Fixed Assets

At Cost less accumulated depreciation.

e) Depreciation has been provided on Written Down Value Method at the rates specified in Schedule XIV of the Companies Act, 1956 on pro-rate basis on existing assets with quarterly rest of additions.

2 In the opinion of the Board of Directors, the investments made by the Company are intended to be held for more than one year from the date on which such investment is made and have therefore been valued at cost. However, provision is made for provision for permanent diminution in value of investments.

3 Contingent liability in respect of unpaid liability on partly paid shares/debentures is Nil (Previous year Rs. Nil)

4 In the opinion of the Board of Directors, there is no tax effect of timing differences based on the estimated computation for a reasonable period, therefore, no provision for deferred tax in terms of accounting standard (AS 22) "Accounting for taxes on income" issued by the Institute of Chartered Accountants in India is made.

5 A) Related Party Disclosures

i) Associates

Sai Agencies Pvt. Ltd.
Sai Industries Limited
Sai Enterprises Pvt Ltd

ii) Key Management

Dr. Niraj Kumar Singh

Personnel & Relatives

Mrs. Juhi Singh

Mr. Bhoj Raj Singh

SAI CAPITAL LIMITED

B) Transactions with related Parties

The following related party transactions were carried out during the year ended on 31.03.2011
(Rs. In Lacs)

Name of Related Party	Relationship	Nature of Transaction	Bal on 31.3.11 (Rs.)	Amt Recd. (Rs.)	Amount Paid (Rs.)
Dr. Niraj Kumar Singh	Key Management Personnel	Unsecured Loans	4.91	13.85	13.80
		Re-imbusement Payable	0.96	2.23	1.27
Mrs. Juhi Singh	Key Management Personnel	Unsecured Loans	3.99	0.20	2.60
		Re-imbusement Payable	0.16	0.60	0.50
Sai Industries Limited	Associates	Unsecured Loans	0.00	0.00	1.31
Bhoj Raj Singh	Relative of Key Management Personnel	Unsecured Loans	1.56	0.00	0.00
Sai Agencies Pvt. Ltd.	Associates	Amount Recievable	0.00	2.05	0.00
Sai Enterprises Pvt Ltd	Associates	Amount Recievable	5.10	0.00	0.00

6 As per information and explanations given to us the company does not owe any amount more than Rs. 1.00 Lac and outstanding for more than 30 days as at 31.03.2011 to any Small Scale Industries.

7 Earning Per Share	2010-11	2009 - 10
a) No. of Equity Shares	5503700	5503700
b) Paid up Share Capital (Rs. In Lacs)	363.11	360.11
c) Profit/(Loss) (Rs. In Lacs)	(3.56)	0.43
d) Basic & Diluted EPS (Rs.)	0.10	0.01

8 Additional Information pursuant to paragraph 3 and 4D of part-II to Schedule VI of the Companies Act, 1956

	Current Year	Previous Year
a) Value of Imports on CIF basis	Nil	Nil
b) Expenditure in Foreign Currency	Nil	Nil
c) Earnings in Foreign Exchange	Nil	Nil

11 Balance Sheet Abstract and Company's General Business Profile Schedule pursuant to Part - IV of Schedule VI of the Companies Act, 1956.

1. Registration Details

Registration No. : U74899DL1995PTC069787	Stage Code : 55
Balance Sheet date	31.03.2011

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

Public Issue : Nil	Rights Issue : Nil
Bonus Issue : Nil	Private Placement : Nil

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

Total Liabilities : 37357	Total Assets : 37358
---------------------------	----------------------

Source of Funds

Paid up Capital : 36311	Reserves & Surplus : Nil
Secured Loans : 0	Unsecured Loans : 1046

Application of Funds

Net Fixed Assets : 57	Investment : 5867
Net Current Assets : 3189	Misc. Expenditure : Nil
Accumulated Losses : 28245	

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

Turnover : 338	Total Expenditure : 678
Profit/Loss before Tax - (356)	Profit / Loss after Tax : - (356)
Earning Per Share in Rs. : - 0.10	Divident Rate % : Nil

V. Generic Names of Three Products/ Services of Company (As per monetary terms)

Item Code No. (ITC Code)	:	N.A.
Product Description	:	Investment
Item Code No. (ITC Code)	:	Not Applicable
Product Description	:	Finance

Signature to schedule 1 to 9

Sd/-
(DR. NIRAJ K. SINGH)
Chairman & Managing Director

Sd/-
(JUSHI SINGH)
Director

SUBJECT TO OUR SEPARATE REPORT OF EVEN DATE

For A K G & Co.
CHARTERED ACCOUNTANTS

Sd/-

(ANIL K. GOEL)
PARTNER

PLACE : NEW DELHI
DATED : 28th May, 2011

SAI CAPITAL LIMITED

204, Aurobindo Place, Hauz Khas, New Delhi - 110016

ATTENDANCE SLIP

Members are requested to bring their copy of the Annual Report alongwith them to the Annual General Meeting, Please complete this attendance Slip and had it over a the Entrance. Members or their Proxies are entitled to be present at the meeting.

Name & Address of the Shareholder/ Proxy	Folio No.
	No. of Shares held :

I hereby record my presence at the Sixteenth Annual General Meeting held at 2nd Floor, Aurobindo Place, Hauz Khas, New Delhi-16 on Friday the 30th Sept., 2011 at 10.00 a.m.

SIGNATURE OF THE SHAREHOLDER PROXY*

* Strike out whichever not applicable.

SAI CAPITAL LIMITED

204, Aurobindo Place, Hauz Khas, New Delhi - 110016

PROXY FORM

I/We of in this district
of being a Member/members
of the above named Company hereby appoint Mr./Mrs./Miss
..... of
in the district of or failing him/her/Mr./Mrs./
Miss of in the
district as my/our Proxy and to vote for me/
us on my/our behalf at the 16th Annual General Meeting of the Company to be held on
Friday the 30th September, 2011

Signed this day of 2011

Signature

Folio No.

No. of Share Held :

Note :

1. The Proxy need not be a Members
2. The form of Proxy, duly signed across Rs. 1.00 revenue stamp should reach the company not less than 48 hours before the time fixed for the meeting.

Rs. 1.00 revenue stamp

BOOK - POST

If underdelivered please return to :

SAI CAPITAL LIMITED
204, Aurobindo Place, Hauz Khas, New Delhi - 110016