

# SPECULAR MARKETING AND FINANCING LIMITED

Registered Office:  
Office No. 12, 27, Tamarind Lane,  
Mumbai-400 023.

## NOTICE

**NOTICE** is hereby given that the **Twenty Seventh Annual General Meeting** of the members of **SPECULAR MARKETING & FINANCING LIMITED** shall be held on 30th August, 2011 at the Registered Office of the Company. 12,27, Tamarind Lane, Mumbai - 400 023, at 2.30 p.m. to transact the following ordinary business :

1. To receive, consider and adopt the Profit and Loss Account and the Balance Sheet for the year ended on 31 st of March, 2011 together with Auditors' Report and Directors' Report thereon.
2. To appoint a director in place of Shri Dilip N. Dalal who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Shri Shreyas R. Mehta, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors.



S.R. MEHTA  
Director

Place : Mumbai  
Date : 28-07-2011

**Registered Office :**  
Office No. 12,27, Tamarind Lane,  
Mumbai-400 023.

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 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. And such proxies must be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Annual General Meeting.
2. Shareholders are requested to bring their copies of Annual Report and Accounts alongwith them as extra copies will not be supplied due to high cost of paper and printing.
3. The Register of the members and Share Transfer Books of the Company will remain closed from 25th August, 2011 to 30th August, 2011. (both days inclusive.)
4. Members are requested to intimate the change of address, if any, at the Registered Office of the Company.

# SPECULAR MARKETING AND FINANCING LIMITED

Registered Office:  
Office No. 12, 27, Tamarind Lane,  
Mumbai-400 023.

## DIRECTORS' REPORT

The Members ,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report of the Company together with the Audited Statement of Accounts for the year ended on 31 st March, 2011.

<b>FINANCIAL RESULTS :</b>	<b>2010-2011</b>	<b>2009-2010</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Profit before Taxes	<b>118771</b>	3577146
Less : Provision of Taxes for the year	--	560000
	<hr/>	<hr/>
Profit after Taxes	<b>118771</b>	3017146
	<hr/>	<hr/>
Add : Balance of Profit & Loss Account from previous year	<b>3747188</b>	730042
	<hr/>	<hr/>
Balance carried to Balance Sheet	<b>3865959</b>	3747188
	<hr/> <hr/>	<hr/> <hr/>

### **OPERATIONS :**

During the year under review the Company restricted its major activities to investments activities only. The Directors do not recommend any dividend for the financial year under review.

### **DIRECTORS :**

Shri Dilip N. Dalal and Shri Shreyas R. Mehta directors of the company, retire by rotation by virtue of the provisions of the Companies Act, 1956 and the Articles of Association of the Company but being eligible offer themselves for re-appointment.

### **COMPLIANCE CERTIFICATE :**

In accordance with Section 383A of the Companies Act, 1956, and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a certificate from a Secretary in the whole time practice and a copy of such certificate is attached to this Report.

**PERSONNEL :**

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

Your Directors are happy to place on record their high appreciation of the contribution made by the employees at all levels through their sense of duty, dedication and devotion towards the operations of the Company.

**DEPOSITS :**

The Company has not accepted any deposits from the Public.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibilities Statement, it is hereby confirmed,

- i. that in the preparation of the annual accounts for the financial year ended 31 st March, 2011, the applicable accounting standards had been followed along with proper explanation relating to material departures ;
- ii. that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year under review; and of the profit of the Company for the financial year ended 31st March, 2011;
- iii. 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, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. that the directors had prepared the accounts for the financial year ended 31st March, 2011, on a going concern basis.

**AUDITORS :**

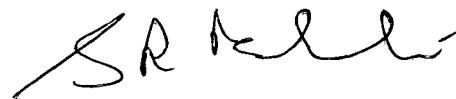
The Auditors, M/s. H. Diwan & Associates, Chartered Accountants, will retire at the forthcoming Annual General Meeting and are eligible for re-appointment. They have furnished a certificate to the effect that proposed re-appointment, if made, will be in accordance with Section 224(1)(B) of the Companies Act, 1956.

**INFORMATION AS PER SECTION 217(1)(E) :**

Information as per Section 217(1)(e) of the Companies Act 1956 and the Disclosure of particulars in the report of the Board of Directors Rules, 1988. The following information is furnished for the year ended 31st March, 2011.

Particulars with respect to Conservation to Energy	-	Not Applicable
Particulars with respect to Absorption of Technology	-	Not Applicable
Foreign Exchange Earnings and Outgoings	-	Nil

By Order of the Board of Directors,



Place : Mumbai  
Date : 28-07-2011

S.R. MEHTA  
Director



**COMPLIANCE CERTIFICATE OF SPECULAR MARKETING AND FINANCING LTD.  
FOR THE YEAR ENDED 31.03.2011**

7. No Extra-Ordinary General Meeting was held during the financial year under review.
8. The Company has not advanced any loans to its Directors or Persons or Firms or Companies referred under Section 295 of the Companies Act, 1956.
9. During the financial year under review, the Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling under the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government as the case may be.
12. The Company has not issued any duplicate Share Certificate(s) during the financial year.
13. The Company has :
  - (i) not allotted/transferred/transmitted any securities during the financial year.
  - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - (iii) not posted any warrants to any member of the Company as no dividend was declared during the financial year.
  - (iv) not transferred any amount to Investor Education and Protection Fund, as there was no unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid.
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of additional directors, alternate directors and directors to fill casual vacancy.
15. The Company has not appointed any managing director/whole-time director/manager during the financial year.
16. The Company has not appointed any sole selling agents during the year.



**COMPLIANCE CERTIFICATE OF SPECULAR MARKETING AND FINANCING LTD.  
FOR THE YEAR ENDED 31.03.2011**

17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of the transfer of shares in compliance with the provisions of the Act.
23. The Company has not accepted / invited any deposits including any unsecured loans falling within the purview of Section 58A of the Act, during the financial year.
24. The Company has not made any borrowings during the financial year.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate, however the Company has made investment and hence necessary entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company during the financial year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.





**PRASHANT DIWAN**  
Practicing Company Secretary

**COMPLIANCE CERTIFICATE OF SPECULAR MARKETING AND FINANCING LTD.  
FOR THE YEAR ENDED 31.03.2011**

31. There was no prosecution initiated against or show cause notices received by the Company during the financial year, for the offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted a Provident Fund u/s 418 of the Act.

The above report is based on the information/records and registers made available to me as were found, to the best of my knowledge, to be necessary for the purpose of Audit.

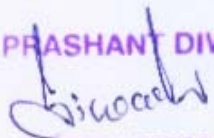
Place: Mumbai

Date: 28.07.2011

Signature:

Name of the Company Secretary: Prashant Diwan

C.P. No: 1979

**PRASHANT DIWAN**  
  
**COMPANY SECRETARY**  
**FCS : 1403 / CP : 1979**

**COMPLIANCE CERTIFICATE OF SPECULAR MARKETING AND FINANCING LTD.  
FOR THE YEAR ENDED 31.03.2011**

**ANNEXURE 'A'**

**Registers as maintained by the Company.**

1. Register of Investment u/s 49 of the Act.
2. Register of Members u/s 150 of the Act.
3. Minutes Book u/s 193 of the Act.
4. Register of Directors u/s 303 of the Act.
5. Register of Directors' Shareholding u/s 307 of the Act.
6. Register of Transfer

**ANNEXURE 'B'**

**Forms and Returns as filed by the Company with the Ministry of Corporate Affairs,  
during the financial year ended on 31<sup>st</sup> March, 2011.**

1. **Form 66** in respect of submission of **Compliance Certificate** for the year ended 31<sup>st</sup> March, 2010 filed on **23<sup>rd</sup> September, 2010** vides Challan No. **P52445418**.
2. **Form 23AC & Form 23ACA** in respect of filing of **Balance Sheet** as at 31<sup>st</sup> March, 2010 & **Profit and Loss Account** for the year ended on that date as adopted by the members at the Annual General Meeting of the Company held on 31<sup>st</sup> August, 2010 were filed on **23<sup>rd</sup> September, 2010** vide Challan No. **P52524964**.
3. **Form 20B** in respect of filing of **Annual Return** made up to 31<sup>st</sup> August 2010 filed on **28<sup>th</sup> September, 2010** vide Challan No. **P52959855**.

Place: Mumbai

Date: 28.07.2011

Signature:

**PRASHANT DIWAN**

**COMPANY SECRETARY**

**FCS : 1403 / CP : 1979**

Name of the Company Secretary: Prashant Diwan

C.P. No. : 1979



## AUDITORS' REPORT

To,

**THE MEMBERS OF  
SPECULAR MARKETING & FINANCING LIMITED**

We have audited the attached Balance Sheet of **SPECULAR MARKETING & FINANCING LIMITED**, as at 31<sup>st</sup> March, 2011, the Profit and Loss Account and the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditors Report) (Amendment) Order, 2004 (the "Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of "The Companies Act, 1956 (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
- (e) On the basis of 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 31<sup>st</sup> March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (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 notes thereon, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011;
  - (b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date;
  - (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Mumbai  
Date : 28-07-2011



**For H. DIWAN & ASSOCIATES**  
Chartered Accountants

**HITESH DIWAN**  
Proprietor  
Membership No. 35079

## ANNEXURE TO THE AUDITORS' REPORT\*

(Referred to in our Report of even date on the accounts of Specular Marketing & Financing Limited for the year ended 31st March, 2011)

1. (a) The Company has maintained its fixed assets register to show full particulars including quantitative details and situation of fixed assets.  
(b) The Company has carried out physical verification of its fixed assets during the year. No discrepancy has been found.  
(c) During the year, the Company has not disposed off any part of the fixed assets.
2. The Company did not have any inventory during the year. Accordingly, provisions of clauses 4(ii)(a), 4(ii)(b) and 4(iii)(c) of the Companies (Auditor's Report) Order, 2003, in respect of physical verification of inventory, procedure of physical verification followed by the Company and maintenance of proper records of inventory are not applicable to the Company.
3. The Company has not granted or taken any loans, secured or unsecured, to or from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly provisions of clauses 4(iii) (a), 4(iii) (b), 4(iii) (c), and 4(iii) (d) of the Companies (Auditors Report) Order, 2003, in respect of loans are not applicable to the Company.
4. There were no purchases of inventory and fixed assets and the sale of any goods during the year and hence, the question of reporting on the adequacy of the internal control procedure with regards to the purchase or sale of the aforesaid items does not arise. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
5. (a) In our opinion and according to the information and explanations given to us, all transactions that need to be entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956 have been so entered.  
(b) There are no transactions exceeding the value of rupees five lacs in respect of any party, made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, and accordingly, the question of reporting whether these transactions have been made at the prices which are reasonable having regard to prevailing market price at the relevant time does not arise.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. The Company does not have any formal internal audit system. However it has adequate internal control procedure commensurate with the size of the Company and the nature of its business.
8. We have been informed that Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 for any of the products of the Company.
9. (a) The Company has been regular in depositing with the appropriate authorities undisputed statutory dues including income-tax and other dues. According to the information and explanations given to us, the provisions of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 are not applicable to the Company. The Company is also not liable to pay wealth-tax. There are no dues payable to the credit of Investor Education and Protection Fund by the Company. According to the records of the Company, there were no arrears of the aforesaid statutory dues outstanding as on 31st March, 2011, for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there are no dues of income tax which have not been deposited on account of any dispute.
10. The Company has no accumulated losses as at year-end and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.



11. The Company has not borrowed any amounts from any financial institutions or banks or by way of debentures and accordingly, clause (xi) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 in respect of default in repayment of dues to a financial institution or bank or debenture holders is not applicable to the Company.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund company or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not taken any term loan during the year.
17. During the year, the Company has not raised short-term / long-term funds, and accordingly, the question whether funds raised on short-term basis have been used for long-term investment and *vice-versa* does not arise.
18. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year and accordingly, the question of creating security in respect thereof does not arise.
20. The Company has not made any public issues during the year, and accordingly, the question of disclosing the end use of money raised by public issue does not arise.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

**For H. DIWAN & ASSOCIATES**  
Chartered Accountants



**HITESH DIWAN**  
Proprietor  
Membership No. 35079

Place : Mumbai  
Date : 28-07-2011



**SPECULAR MARKETING & FINANCING LIMITED**

**BALANCE SHEET AS ON 31 ST MARCH - 2011**

	<u>Schedule</u>	AS ON <u>31-03-2011</u> Rs.	AS ON <u>31-03-2010</u> Rs.
<b>SOURCES OF FUNDS :</b>			
SHAREHOLDERS' FUNDS :			
Share Capital	"A"	2480000	2480000
Reserve & Surplus		3865959	3747188
TOTAL		<u>6345959</u>	<u>6227188</u>
<b>APPLICATION OF FUNDS</b>			
FIXED ASSETS "B"			
Gross Block		37852	37852
Less : Depreciation		36980	36787
Net Block of Assets		<u>872</u>	<u>1065</u>
INVESTMENTS "C"		5957650	6337553
CURRENT ASSETS AND LOANS AND ADVANCES :			
a) Cash and Bank Balance	"D"	396269	455355
b) Sundry Loans & Advances	"E"	565680	8000
		<u>961949</u>	<u>463355</u>
Less : CURRENT LIABILITIES & PROVISIONS : "F"		574512	574785
NET CURRENT ASSETS		<u>387437</u>	<u>(-) 111430</u>
TOTAL		<u>6345959</u>	<u>6227188</u>

NOTES ON ACCOUNTS "T"

In the opinion of the Board, the Current Assets, Loans and Advances are of the value stated, if realised in the ordinary course of business of the company. The provisions for all known liabilities is adequate and not in excess of what is reasonably necessary.

As per our report of even date :

For H. DIWAN & ASSOCIATES  
Chartered Accountants



HITESH DIWAN  
Proprietor  
Membership No. 35079  
Place : Mumbai  
Date : 26 JUL 2011



For and on behalf of the board of Directors

SHREYAS MEHTA

SAMIR MEHTA

KIRIT MEHTA  
Directors

Place : Mumbai

Date : 28 JUL 2011

**SPECULAR MARKETING & FINANCING LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011**

	<u>Schedule</u>	Rs.	<u>2010-2011</u> Rs.	<u>2009-2010</u> Rs.
<b>INCOME</b>				
Investment & Operating Income	“G”		307752	3732598
			<u>307752</u>	<u>3732598</u>
<b>EXPENDITURE</b>				
Trading & Operating Expenses	“H”		188788	155217
Depreciation			193	235
			<u>188981</u>	<u>155452</u>
Profit (Loss) before taxes			118771	3577146
Less: Provisions of Taxes For the year			--	560000
Profit (Loss) after taxes			<u>118771</u>	<u>3017146</u>
Add: Balance of Profit & Loss Account from Previous Year			<u>3747188</u>	<u>730042</u>
Balance carried to Balance Sheet			<u>3865959</u>	<u>3747188</u>

NOTES ON ACCOUNTS “I”

As per our report of even date :

For and on behalf of the board of Directors

For H. DIWAN & ASSOCIATES  
Chartered Accountants



HITESH DIWAN  
Proprietor  
Membership No. 35079

Place : Mumbai

Date : 28 JUL 2011



SHREYAS MEHTA

SAMIR MEHTA

KIRIT MEHTA  
Directors

Place : Mumbai

Date : 28 JUL 2011



**SPECULAR MARKETING & FINANCING LIMITED**

**SCHEDULES FORMING PART OF THE ACCOUNTS**

	<b>AS ON <u>31-03-2011</u> Rs.</b>	<b>AS ON <u>31-03-2010</u> Rs.</b>
<b>SCHEDULE 'A'</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED:</b>		
2,50,000 Equity Shares of Rs. 10/- each	<b>2500000</b>	2500000
<b>ISSUED &amp; SUBSCRIBED:</b>		
2,48,000 Equity shares of Rs. 10/- each called up in full	<b>2480000</b>	2480000

**SCHEDULE 'B'**

**FIXED ASSETS**

S. No.	Particulars	Gross Block			Depreciation			Net Block	
		Balance as on 1-4-2010	Additions during the year	Balance as on 31-3-2011	Upto 31-03-2010	Provided during the year	Balance as on 31-3-2011	As on 31-03-2011	As on 31-3-2010
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	Furniture & Fixture	37852	--	<b>37852</b>	36787	193	36980	872	1065
	<b>TOTAL</b>	37852	--	<b>37852</b>	36787	193	36980	872	1065
	Previous Year	37852	--	<b>37852</b>	36552	235	36787	1065	



**SCHEDULE 'C'****INVESTMENT (AT COST):****QUOTED:**

S.NO.	NAME OF THE COMPANY	KIND	AS ON 31-03-2011			AS ON 31-03-2010		
			FACE VALUE Rs.	NOS.	RS.	FACE VALUE Rs.	NOS.	RS.
1	Tata Iron & Steel Ltd	Equity	10	1821	213546	10	1821	213546
2	Tata Iron & Steel Co. Ltd. (Pref Conversion) Equity	-do-	10	250	150000	10	250	150000
3	Larsen & Toubro Ltd.	-do-	2	150	5138	2	150	5138
4	Kosha Cubidor Ltd.	-do-	--	--	--	10	1000	10000
5	Punjab & Sind Bank	-do-	10	50	6000	--	--	--
6	LIC MF Savings Plus Fund	Unit	10	558296	5582966	100	595887	5958869
					<u>5957650</u>	<u>6337553</u>		
Aggregate Market value of Quoted Investment					<u>7491826</u>	<u>7522473</u>		



	<b>AS ON 31-03-2011 Rs.</b>	<b>AS ON 31-03-2010 Rs.</b>
<b>SCHEDULE "D"</b>		
<b>CASH &amp; BANK BALANCE :</b>		
a) Cash on Hand	41633	21879
b) Balances with Schedule Banks in current accounts	354636	433476
	<u>396269</u>	<u>455355</u>

**SCHEDULE 'E'**

**SUNDRY LOANS & ADVANCES**

a) Other loans & Advancess	6000	8000
b) Income Tax Paid	559680	--
	<u>565680</u>	<u>8000</u>

**SCHEDULE "F"**

**CURRENT LIABILITIES & PROVISIONS**

a) Current liabilities : Sundry Creditors for Expenses & Services.	14511	14785
b) Provisions for Taxes	560000	560000
	<u>574512</u>	<u>574785</u>

**SCHEDULE "G"**

**INVESTMENT AND OPERATING INCOME :**

Profit on Sale of shares	14306	3477348
Dividend	293446	255250
	<u>307752</u>	<u>3732598</u>



## SCHEDULE "H"

### TRADING AND OPERATING EXPENSES

	2010-2011	2009-2010
	Rs.	Rs.
Salaries	70000	40000
Conveyance & Travelling Expenses	-	850
Legal & Professional Expenses	38753	35305
Stock Exchange Listing fee	10000	10000
Printing & Stationary	3596	3500
Office Expenses	14200	14626
Advertisement	29411	28342
Other expenses	22828	22594
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	188788	155217
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## SCHEDULE "I"

### NOTES ON ACCOUNTS :

#### 1. SIGNIFICANT ACCOUNTING POLICIES :

i) Basis of Accounting

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956 read with the Companies (Accounting Standards) Rules, 2006. The accounts reflect historical costs.

ii) Fixed Assets

All fixed assets are stated at cost of acquisition, less accumulated depreciation and includes adjustment attributable to fixed assets.

iii) Depreciation

Depreciation on fixed assets has been provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956.

Depreciation on additions / deletions of assets during the year is provided on a pro-rata basis.

iv) Investments

Long term investments are valued at cost with an appropriate provision for permanent diminution in value.

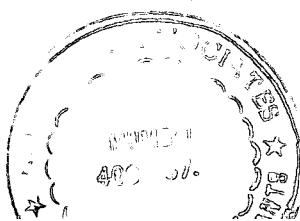
v) Income tax

Current Tax

Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred Taxation

The deferred tax charge or credit is recognised using current tax rates. Where there is unabsorbed



depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets / liabilities are reviewed as at each balance sheet date based on development during the year and available case law, to reassess realisation/liabilities.

vi Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 2. PAYMENTS TO AUDITORS

	2010-2011 Rs.	2009-2010 Rs.
Audit Fees	13000	13000
Certification Fees	7000	3750
	20000	16750
	20000	16750

## 3. Transaction with Related Party

Related party	Description of transaction	Rs.	O/S as on 31-3-2011
<b>A. With Directors</b>			
1. Shri K. P. Mehta	Payment of Professional Fees	6618/-	-
<b>B. With Relatives of Directors</b>			
	None	--	--

4. The balance of Sundry Loans and Advances, Receivables, Creditors etc. are subject to confirmation.





## 5. CASH FLOW STATEMENT

	Rs.	2010-2011 Rs.	Rs.	2009-2010 Rs.
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit / (Loss) before tax	118771		3577146	
Add : Financial Expenses	--		--	
Depreciation	193		235	
Provision against non - performing assets	-		--	
Less : Interest / Dividend received	293446		255250	
Profit on sale of investments	14306		3477348	
Provision for Taxes	--	<b>(188788)</b>	560000	(715217)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :</b>				
(Increase) Decrease in trade receivables	--	--	--	
(Increase) Decrease in loans and advances	<b>(557680)</b>		(8000)	
Increase (Decrease) in current Liabilities	<b>(273)</b>	<b>(557953)</b>	564680	556680
<b>CASH GENERATED FROM OPERATIONS</b>				
Financial Expenses		<b>(746741)</b>		(158537)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>				
		<b>(746741)</b>		(158537)
<b>B) CASH FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets		--		--
Profit on Sale of Investments		14306		3477348
(Increase) Decrease in Investments		379903		(5644834)
Interest received		--		--
Dividend received		293446		255250
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)</b>				
		<b>687655</b>		(1912236)



C) CASH FLOW FROM FINANCING  
ACTIVITIES :

Increase in long terms borrowings -- --

NET CASH FLOW FROM FINANCING  
ACTIVITIES (C) -- --

D) NET INCREASE IN CASH &  
CASH EQUIVALENTS (A+B+C) **(59086)** (2070773)

CASH & CASH EQUIVALENTS AT  
THE BEGINNING OF THE  
YEAR **455355** 2526128

CASH & CASH EQUIVALENTS AT  
THE END OF THE YEAR **396269** 455355

6. Additional Information pursuant to the Government of India's Notification No. GSR 388 (E) dated 15-05-1995. Balance Sheet Abstract and Company's Business Profile.

I. Registration Details

a) Registration No. : 34994  
b) State Code : 11  
c) Balance Sheet Date : 31-03-2011

II. Capital raised during the year

Public Issue : NIL  
Rights Issue : NIL  
Bonus Issue : NIL  
Private Placement : NIL

III. Position of Mobilisation and Deployment of Funds

a) Total Liabilities : Rs. 6345959  
b) Total Assets : Rs. 6345959  
c) Sources of Funds  
Paid up Capital : Rs. 2480000  
Reserves & Surplus : Rs. 3865959  
Secured Loans : NIL  
Unsecured Loans : NIL  
d) **Application of Funds**  
Net Fixed Assets : Rs. 872  
Investments : Rs. 5957650  
Net Current Assets : Rs. 387437  
Miscellaneous Exp. : NIL  
Accumulated Losses : NIL



e) **Performance of Company**

Turnover	:	Rs. 307752
Total Expenditure	:	Rs. 188981
Profit / (Loss) Before taxes	:	Rs. 118771
Profit / (Loss) After taxes	:	Rs. 118771
Earnings per share	:	Rs. 0.48
Dividend Rate (%)	:	NIL

f) **Generic Names of Three Principal Product / Services of Company**

Item Code No. : N. A.  
(ITC Code)

Product Description : 1. Investment Banking  
2. Gems Assortment

7. Previous year's figures have been regrouped and/or reclassified wherever necessary to make them comparable with those of the current year.

**SIGNATURE TO SCHEDULES "A" TO "I"**

As per our report of even date :

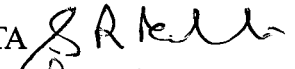
For and on behalf of the board of Directors

For H. DIWAN & ASSOCIATES  
Chartered Accountants



HITESH DIWAN  
Proprietor  
Membership No. 35079

SHREYAS MEHTA



SAMIR MEHTA



KIRIT MEHTA  
Directors



Place : Mumbai

Place : Mumbai

Date :

28 JUL 2011

Date :

28 JUL 2011

