

RATNABALI CAPITAL MARKETS LIMITED

BOARD OF DIRECTORS

VIKASH SOMANI
Managing Director

SURESH KUMAR SOMANI
Joint Managing Director

ADITYA GOENKA
Executive Director

HARSH VARDHAN
J. P. KUNDRA
RATNANKO BANERJI

COMPANY SECRETARY

HANSRAJ JARIA

MAIN BANKERS

HDFC Bank Ltd.
IndusInd Bank Ltd.
CitiBank N.A.
Development Credit Bank Ltd.
Axis Bank Ltd.

AUDITORS

G. P. AGRAWAL & CO.
Chartered Accountants
&
GOENKA SURESH & ASSOCIATES
Chartered Accountants

REGISTERED OFFICE

FMC Fortuna, Block No. A-7 & A-8, 4th Floor
234/3A, A. J. C. Bose Road, Kolkata-700 020
Tel : 4015-0000/0100, Fax : (033) 2287-5374
Email : ratnabali@ratnabali.com
Website : www.ratnabali.com

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RATNABALI CAPITAL MARKETS LIMITED

NOTICE to the Members

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of RATNABALI CAPITAL MARKETS LIMITED will be held on Saturday, the 23rd June, 2012 at 10.00 A.M. at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017, to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012, Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares, for the financial year ended 31st March, 2012.
3. To appoint a Director in place of Mr. Aditya Goenka, who retires from office by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Harsh Vardhan, who retires from office by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint Joint Statutory Auditors for the current year and to authorise the Board of Directors to fix their remuneration.

Messrs G.P. Agrawal & Co., Chartered Accountants and Messrs Goenka Suresh & Associates, Chartered Accountants, the present Joint Statutory Auditors of the Company, are eligible for re-appointment.

Registered Office:

FMC Fortuna, A-7 & A-8, 4th Floor,
234/3A, A.J.C. Bose Road,
Kolkata - 700 020, India
28th April, 2012

By Order of the Board

HANSRAJ JARIA
Company Secretary

RATNABALI CAPITAL MARKETS LIMITED

NOTICE to the Members (*Contd.*)

NOTES :

1. **A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.**

The instrument for appointing a proxy in order to be effective must be duly filled, stamped and signed and must reach the Company's Registered Office not less than 48 hours before the commencement of the Annual General Meeting.

The Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.

Members are requested to bring their admission slips along with their copy of the Annual Report at the Annual General Meeting.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 14th June, 2012 to Saturday, the 23rd June, 2012 (both days inclusive).
3. Members who are holding shares in physical mode, are requested to notify the changes with respect to their bank details, change of address, change in name, etc. if any, to the Registered Office of the Company or the Registrar & Share Transfer Agent, (RTA) M/s. ABS Consultants Pvt. Ltd. before 14th June, 2012.
4. Members desiring any information about accounts, to be explained at the meeting are requested to inform the Company at least 10 days in advance, so that the papers relating thereto may be made available.
5. Members who hold shares in de-materialised form are requested to bring their DP ID and Client ID Number for easier identification of attendance at the meeting. In all the correspondence with the Company, members are requested to quote their account/ folio numbers and in case their shares are held in the de-materialised form, they must quote their DP ID and Client ID Number.
6. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to the amendment in the Companies Act, 1956. The prescribed Form (Form 2B) can be obtained from the Company or its Registrar & Share Transfer Agent. Members desiring to avail of this facility may send their Nomination Form duly filled in to the Company or its Registrar & Share Transfer Agent by quoting their respective Folio Number.
7. Members may avail the facility of ECS to receive the dividend, if any, through Electronic Mode directly into their Bank Account. Interested members may fill up the attached form and deliver the same to the Registrar & Share Transfer Agent of the Company.
8. Members of the Company are informed that pursuant to the provisions of Section 205A of the Companies Act, 1956 the amount of dividend which remains unclaimed/ unpaid for a period of 7 years would be transferred to the Investor Education and Protection Fund constituted by the Central Government and the members would not be able to claim any amount of the dividend so transferred to the Fund from the Company. As such, members who have not encashed their dividend warrants are requested in their own interest to write to the Company immediately for claiming outstanding dividends declared by the Company upto the financial year ended on 31st March, 2012. Members attention is particularly drawn to "Corporate Governance" section of the Annual Report in respect of unclaimed and unpaid dividends.

During the financial year ended 31st March, 2012 the Company has transferred unpaid dividend for the financial year 2004-05 (Interim) amounting to Rs. 25,750 to the Investor Education and Protection Fund (IEPF) of the Central Government.
9. **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 their copies of the Annual Report to the Meeting.**

RATNABALI CAPITAL MARKETS LIMITED

NOTICE to the Members (*Contd.*)

10. The Ministry of Corporate Affairs (MCA) has permitted paperless compliances by the Companies; vide its circulars No. 17/2011 and No. 18/2011 dated April 21, 2011 and April 29, 2011 respectively. MCA has clarified that services of documents on members by e-mail will constitute sufficient compliances with Section 53 of the Companies Act, 1956, provided the members are given an advance opportunity to register their email address or changes, if any, therein with the Company.

Pursuant thereto, we invite members to participate in the Green Initiative by registering their email address with the Company for the purpose of service of documents viz. Annual Report, Notice of General Meetings, Notice of Postal Ballot, Intimation of ECS Credits etc. by email at investorrelations@ratnabali.com.

11. As required under Clause 49 (IV) (G) of the Listing Agreement, given below are the details of the Directors seeking re-appointment at the Annual General Meeting :

Brief Resume and Nature of Expertise

Item No. 3

Mr. Aditya Goenka (Date of Birth: 4th October, 1963) is a B.Com (Hons.) Graduate, and has more than 18 years of experience in the stock and securities market. He has been a Director of the Company since 18th October, 2000. He is holding 100 equity shares of Ratnabali Capital Markets Ltd. He is holding the following positions with various Companies:

Directorship: Ratnabali Capital Markets Ltd. (Executive Director), Ratnabali Investment Pvt. Ltd., Ganpati Shares & Securities Pvt. Ltd., Ratnabali Commodities Pvt. Ltd. and Kaveri Merchants Pvt. Ltd.

Committee Positions Held:

Ratnabali Capital Markets Ltd. : Member - Audit Committee, Investors Grievance Committee, Finance Committee and Share Transfer Committee.

Item No. 4

Mr. Harsh Vardhan (Date of Birth: 15th January, 1931), is a Graduate, and has more than 52 years of experience in the fields like Planning, Budgeting, Finance and Administration. He has been a Director of the Company since 14th September, 1994. He is holding 500 equity shares of Ratnabali Capital Markets Ltd. He is holding the following positions with various Companies:

Directorship: Ratnabali Capital Markets Ltd., Macmet India Ltd. and J. R. Agro Industries Pvt. Ltd.

Committee Positions Held:

Ratnabali Capital Markets Ltd. : Chairman - Audit Committee, Investors Grievance Committee and Remuneration Committee.

Macmet India Ltd.: Member - Remuneration Committee.

J. R. Agro Industries Pvt. Ltd.: Member - Remuneration Committee.

Registered Office:

FMC Fortuna, A-7 & A-8, 4th Floor,
234/3A, A.J.C. Bose Road,
Kolkata - 700 020, India
28th April, 2012

By Order of the Board

HANSRAJ JARIA
Company Secretary

RATNABALI CAPITAL MARKETS LIMITED

DIRECTORS' REPORT to the Members

Your Directors have pleasure in presenting your Company's Eighteenth Annual Report together with the Audited Accounts for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

The standalone performance of the Company for the financial year ended 31st March, 2012 is summarised below:

	For the year ended 31st March, 2012 (Rs. in Lakhs)	For the year ended 31st March, 2011 (Rs. in Lakhs)
Profit before Interest, Depreciation & Taxation	1002.65	1304.53
Less: Interest	205.05	358.84
Profit before Depreciation & Taxation	797.60	945.69
Less: Depreciation	40.25	41.58
Profit before Tax	757.35	904.11
Less: Provision for Tax		
(a) Current Tax	76.00	6.13
(b) Deferred Tax	86.35	(48.46)
(c) Tax Paid / (Written back) for earlier years	1.78	(14.40)
Profit after Tax	593.22	960.84
Adding thereto :		
Provision for Corporate Dividend Tax no longer required	-	1.00
Balance as per last Balance Sheet brought forward	5812.40	5188.52
Balance available for appropriation	6405.62	6150.36
THE APPROPRIATIONS ARE		
General Reserve	59.32	96.08
Proposed Dividend	156.09	208.12
Tax on Dividend	25.32	33.76
Balance carried to Balance Sheet	6164.89	5812.40
	6405.62	6150.36
Paid-up Equity Share Capital	520.30	520.30
Basic and Diluted EPS (Rs.)	11.40	18.47

REVIEW OF OPERATIONS

The Company's profit after tax is Rs. 593.22 lakhs in comparison to last year's profit of Rs. 960.84 lakhs. The amount transferred to General Reserve is Rs. 59.32 lakhs. Barring unforeseen events, your Directors expect to achieve good results in the coming years.

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 3/- per equity share for the financial year ended 31st March, 2012 as against Rs. 4/- per equity share paid for the previous year.

NOTES ON SUBSIDIARY

Ratnabali Investment Private Limited

During the year, the Subsidiary Company has reported a net profit of Rs. 19.46 lakhs as against Rs. 8.50 lakhs earned in the previous year. The Subsidiary Company is not a material non-listed Subsidiary Company as defined under Clause 49 of the Listing Agreement with the BSE Ltd. The Subsidiary Company is a Non Banking Finance Company registered with Reserve Bank of India.

RATNABALI CAPITAL MARKETS LIMITED

DIRECTORS' REPORT to the Members (Contd.)

The Ministry of Corporate Affairs, Government of India, New Delhi, vide Circular No. 2/2011 dated February 8, 2011 has exempted the Holding Company from annexing to this report, the Annual Report of the Subsidiary Company. However, if any member of the Company so desires, the Company will make available copies of Annual Accounts and related information of the above Subsidiary Company.

The Annual Accounts of the said Subsidiary Company is also available for inspection by any investor at the Registered Office of the Company and of the Subsidiary Company concerned between 11.00 a.m. and 1.00 p.m. on any working day, upto the date of the eighteenth Annual General Meeting.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31st March, 2012 are attached and forms part of the Annual Report. The consolidated financial statements have been prepared in accordance with the requirements of the Listing Agreement with Stock Exchange and in accordance with the Accounting Standard 21 read with Accounting Standard 23 issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Rules, 2006.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 it is hereby confirmed that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year ended 31st March, 2012;
- (iii) 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) the Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

The report on Corporate Governance along with a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under amended Clause 49 of the Listing Agreement and the Management Discussion and Analysis Report, are annexed to the Directors' Report.

DIRECTORS

Mr. Aditya Goenka, Executive Director of the Company and Mr. Harsh Vardhan Director of the Company, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

AUDITORS

Messrs G. P. Agrawal & Co. Chartered Accountants and Messrs Goenka Suresh & Associates, Chartered Accountants, the Joint Statutory Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and being eligible on having furnished the required certificate under Section 224 (1B) of the Companies Act, 1956 offer themselves for re-appointment.

AUDITORS' REPORT

No comments under Section 217(3) of the Companies Act, 1956 are required against the Auditors' Report.

RATNABALI CAPITAL MARKETS LIMITED

DIRECTORS' REPORT to the Members (Contd.)

PARTICULARS OF EMPLOYEES

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and notification no. F. No. 2/29/1998- CL.V dated 31st March, 2011 issued by Government of India, Ministry of Corporate Affairs, is not applicable to the Company.

STATUTORY DISCLOSURES

The information relating to energy conservation, technology absorption and foreign exchange earnings and outgo as required to be disclosed under section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure forming part of this Report.

APPRECIATION

The Board thanks its bankers, employees, shareholders and other business associates for their support during the year and looks forward to their continued co-operation and support in future.

For and on behalf of the Board

VIKASH SOMANI
Managing Director

SURESH KUMAR SOMANI
Jt. Managing Director

Kolkata, 28th April, 2012

Annexure to the Directors' Report

Information as per Section 217 (1) (e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2012.

DISCLOSURES

A. CONSERVATION OF ENERGY

The Company is engaged in the financial services sector; hence its operations do not account for substantial energy consumptions. Accordingly, the Company is not required to furnish information in Form A under the head "Conservation of Energy" under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures to conserve energy have been adopted by the Company such as :

- Installation of Thin - Film Transistor (TFT) monitors that save power.
- Power shutdown of idle monitors.
- Minimising air-conditioning usage.
- Shutting off all the lights when not in use.
- Educating and making the employees aware to save power.

RATNABALI CAPITAL MARKETS LIMITED

DIRECTORS' REPORT to the Members (Contd.)

B. TECHNOLOGY ABSORPTION

FORM B for disclosure of particulars with respect to absorption.

Research and Development (R&D) :		
1	Specific areas in which R&D carried out by the Company.	The Company is engaged in financial services and so there were no activities in the nature of research and development in the business. However, we conduct financial and equity research which is not in the nature of research and development.
2	Benefits derived as a result of the above R & D.	Nil
3	Future plan of action.	Nil
4	Expenditure on R & D : (a) Capital (b) Recurring (c) Total (d) Total R&D expenditure as a percentage of total turnover.	Nil Nil Nil Nil
Technology absorption, adaptation and innovation :		
1	Efforts, in brief, made towards technology absorption, adaptation and innovation.	The management keeps itself abreast of the technological advancements in the industry and ensures continued and sustained efforts towards absorption as well as development of the same to meet business needs and objectives. Such as: TCP IP and MPLS connectivity for front office, Bloomberg, Ace equity and other softwares for analysis.
2	Benefits derived as a result of the above efforts, e.g. Product improvement, cost reduction, product development, product substitution, etc.	The technological absorption has resulted in improvement in services. However, the benefits derived from the technological advancements are not quantifiable.
3	In case of imported technology (imported during the last 5 years, reckoned from the beginning of the financial year) following information may be furnished : (a) Technology imported. (b) Year of import. (c) Has technology been fully absorbed? (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	Nil Not Applicable Not Applicable Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not exported any products and services during the year. During the period under review, the Company's foreign exchange earning was Rs. Nil and the Company has incurred a foreign currency outgo of Rs. 11.65 lakhs.

For and on behalf of the Board
VIKASH SOMANI
Managing Director

SURESH KUMAR SOMANI
Jt. Managing Director

Kolkata, 28th April, 2012

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as incorporated in Clause 49 of the Listing Agreement is set out below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Ratnabali Capital Markets Limited is committed to the adoption of best governance practices and its adherence in true spirit at all times. The Company has ensured compliances of the additional requirements as laid down in the revised provisions contained in Clause 49 of the Listing Agreement with the BSE Limited, relating to Corporate Governance as on the date of Report.

Your Company has started incorporating a separate section of report on Corporate Governance in their Annual Report, thus committing it to transparency in all its dealings and places emphasis on business ethics and has continued the same in this year.

2. BOARD OF DIRECTORS

The Company's Board consists of Executive, Non-Executive and Independent Directors in compliance with the provisions of Clause 49 of the Listing Agreement.

(i) Composition of Board, Directorships and Committee positions held in other Companies as at 31st March, 2012 :

Name of Directors	Executive/ Non-Executive/ Independent	No. of outside Directorships held (excluding Private Limited Companies, Foreign Companies and Section 25 Companies)	No. of outside Committee positions held (excluding Private Limited Companies, Foreign Companies and Section 25 Companies)*	
			Chairman	Member
Mr. Vikash Somani	Managing Director	—	—	—
Mr. Suresh Kumar Somani	Joint Managing Director	1	—	—
Mr. Harsh Vardhan	Non-Executive and Independent	1	—	—
Mr. J.P. Kundra	Non-Executive and Independent	4	3	1
Mr. Aditya Goenka	Executive Director	1	—	—
Mr. Ratnanko Banerji	Non-Executive and Independent	1	—	—

* In accordance with Clause 49 (1) (C) (ii) of the Listing Agreement, the Audit Committee and the Shareholders/ Investors Grievance Committee alone have been considered for this purpose.

- (ii) None of the Directors is a member of more than ten Committees or Chairman of more than five Committees across all Companies.
- (iii) Necessary information as mentioned in Annexure IA to Clause 49 of the Listing Agreement as applicable to the Company, has been placed before the Board for their consideration.
- (iv) Necessary information as mentioned in Clause 49 IV (E) (v) and Clause 49 IV (G) (i) of the Listing Agreement are provided in the Notice of Annual General Meeting.

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(Contd.)

(v) The details of pecuniary relationships / transactions and the remuneration paid to the Directors during the year are as follows:

Name of Directors	Relation with other Directors	Business relation with the Company, if any	Shareholding of the Directors	Amount paid to them during the year 2011-2012 (in Rs.)				Service Contract/Notice period/ Severance Fees, if any
				Sitting fees	Remuneration	Perquisites	Total	
Mr. Vikash Somani	Brother of Joint Managing Director	Managing Director	42,300	—	24,30,000	2,62,519	26,92,519	Term of office from 01.01.2010 to 31.12.2012. No notice period and no severance fees.
Mr. Suresh Kumar Somani	Brother of Managing Director	Joint Managing Director	38,000	—	24,30,000	2,03,046	26,33,046	Term of office from 01.01.2010 to 31.12.2012. No notice period and no severance fees.
Mr. Aditya Goenka	None	Executive Director	100	—	26,88,000	—	26,88,000	Term of office from 02.02.2011 to 01.02.2014. No notice period and no severance fees. Retire by rotation.
Mr. Harsh Vardhan	None	Director	500	48,000	—	—	48,000	Retire by rotation
Mr. J. P. Kundra	None	Director	Nil	48,000	—	—	48,000	Retire by rotation
Mr. Ratnanko Banerji	None	Director	Nil	32,000	—	—	32,000	Retire by rotation

There is no stock option provided to the Directors. Remuneration includes contribution to Provident Fund for Mr. Vikash Somani, Mr. Suresh Kumar Somani amounting to Rs.1,80,000/- each and Mr. Aditya Goenka amounting to Rs. 2,88,000/-.

(vi) Attendance of Directors in meetings held during the financial year 2011-2012 :

Sl. No.	Nature & Date of meeting	Name of Directors					
		Mr. Vikash Somani	Mr. Suresh Kumar Somani	Mr. Harsh Vardhan	Mr. J.P. Kundra	Mr. Aditya Goenka	Mr. Ratnanko Banerji
1.	Board Meeting on 30th April, 2011	Present	Present	Present	Present	Present	Present
2.	Board Meeting on 3rd August, 2011	Present	Present	Present	Present	Present	Absent
3.	Board Meeting on 2nd November, 2011	Present	Present	Present	Present	Present	Present
4.	Board Meeting on 31st January, 2012	Present	Present	Present	Present	Present	Present
5.	Annual General Meeting on 18th June, 2011	Present	Present	Present	Absent	Present	Present

3. CODE OF CONDUCT

The Company has laid down a Code of Conduct for all its employees including the Board Members and senior management personnel of the Company. All the Board Members and senior management personnel have affirmed compliance with the Code of Conduct. The Code of Conduct of the Company has been posted on the website at www.ratnabali.com for general viewing. A declaration signed by the Managing Director in this regard is attached and forms part of the Annual Report of the Company.

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(Contd.)

4. COMMITTEES OF THE BOARD

The Board of Directors constituted 5 committees of the Board.

A. Audit Committee

(i) Terms of Reference

The Company has a qualified and independent Audit Committee with the functioning and terms of reference as prescribed under Section 292A of the Companies Act, 1956 and the Listing Agreement with the BSE Ltd. including their role, powers and duties as prescribed therein as laid down by the Board and adopted in their meeting.

(ii) Composition

The Committee presently comprises of three Directors - two of them are Independent and Non - Executive and one is Executive Director. All of them are experts in corporate finance, accounts and corporate law. The Chairman of the Committee is an Independent and Non - Executive Director. The Committee comprises of the following members:

Sl.No.	Members	No. of meetings held	No. of meetings attended
1	Mr. Harsh Vardhan - Chairman	4	4
2	Mr. J. P. Kundra	4	4
3	Mr. Aditya Goenka	4	4

During the financial year ended 31.03.2012, four committee meetings were held on 30.04.2011, 03.08.2011, 02.11.2011 and 31.01.2012. The Managing Director and the Jt. Managing Director are permanent invitees and Mr. Hansraj Jaria, Company Secretary, acts as the Secretary of the Committee. The representatives of the Statutory Auditors have attended all the four Audit Committee Meetings held during the year.

B. Investors Grievance Committee

(i) Terms of Reference

The Investors Grievance Committee was constituted to specifically look into redressing of the shareholders' and investors' complaints. The Committee also advises on matters which can facilitate better investor services and relations.

(ii) Composition

The Composition of the Committee is in conformity with Clause 49 IV (G) (iii) of the Listing Agreement. The Committee comprises of following members:

Sl. No.	Members	No. of meetings held	No. of meetings attended
1	Mr. Harsh Vardhan - Chairman	4	4
2	Mr. J. P. Kundra	4	4
3	Mr. Aditya Goenka	4	4

During the financial year ended 31.03.2012, four committee meetings were held on 30.04.2011, 03.08.2011, 02.11.2011 and 31.01.2012. Mr. Hansraj Jaria, Company Secretary, acts as the Secretary of the Committee and Compliance Officer for overseeing the investors grievances. The Company has allotted a dedicated email ID for investors' grievance i.e. grievance@ratnabali.com.

- (iii) No. of shareholder grievances received during the year : NIL
No. of shareholder grievances not resolved to the satisfaction of the shareholders : NIL
No. of pending shareholder grievances : NIL

C. Share Transfer Committee

The Company has a Committee of Directors as Share Transfer Committee headed by Mr. Vikash Somani and two other Directors to look into various matters relating to share transfer, issue of duplicate share certificates, dematerialisation and other related matters. The Committee meets as and when required to effectively dispose off the matters. Mr. Hansraj Jaria, Company Secretary, acts as the Secretary of the Committee. The composition of the Committee and the attendance of each Director at the meeting are as follows:

Sl. No.	Members	No. of meeting held	No. of meeting attended
1	Mr. Vikash Somani - Chairman	1	1
2	Mr. Suresh Kumar Somani	1	1
3	Mr. Aditya Goenka	1	1

During the financial year ended 31.03.2012, one Committee meeting was held on 13.01.2012.

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(Contd.)

D. Remuneration Committee

The Remuneration of the Directors is determined by the Remuneration Committee comprised of only Non-Executive Directors and Independent Directors. The Company has a remuneration policy of retaining high calibre talent at the best suitable package. The Company pays remuneration by way of salary and perquisites to the Managing Director, Joint Managing Director and Executive Director. The Non- Executive Directors are remunerated by way of sitting fees of Rs. 4,000/- each for attending each Board of Directors meeting and Committee meeting. No Remuneration Committee meeting has taken place during the year. The composition of Remuneration Committee is as follows:

Sl. No.	Members
1	Mr. Harsh Vardhan - Chairman
2	Mr. J. P. Kundra
3	Mr. Ratnanko Banerji

E. Finance Committee

The Company has constituted a Finance Committee in order to review, evaluate, assess and make recommendations relating to all financial and investment plans and to approve the matters relating to availing of financial facilities. During the financial year ended 31.03.2012, five Committee meetings were held on 10.05.2011, 06.08.2011, 02.11.2011, 31.01.2012 and 16.03.2012. The composition of Finance Committee and the attendance of each Director at the meeting are as follows :

Sl. No.	Members	No. of meetings held	No. of meetings attended
1	Mr. Vikash Somani - Chairman	5	5
2	Mr. Suresh Kumar Somani	5	5
3	Mr. Aditya Goenka	5	5
4	Mr. Ratnanko Banerji	5	5

5. DETAILS OF GENERAL MEETINGS

Financial Year	Date of Meetings	Location	Time
2010-2011	17th Annual General Meeting held on 18th June, 2011	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata - 700017	11.30.A.M.
2009-2010	16th Annual General Meeting held on 19th June, 2010	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata - 700017	11.30.A.M.
2008-2009	15th Annual General Meeting held on 29th August, 2009	Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, Kolkata - 700017	11.30.A.M.

5.1 Special Resolutions passed at the last three AGMs :

- (i) At 17th AGM-
 - Appointment of Mr. Aditya Goenka, Director of the Company as an Executive Director of the Company.
- (ii) At 16th AGM -
 - Re-appointment of Mr. Vikash Somani as Managing Director of the Company.
 - Re-appointment of Mr. Suresh Kumar Somani as Joint Managing Director of the Company.
 - To amend Article No. 89 and 106 of Articles of Association of the Company.
- (iii) No Special Resolution was passed at the 15th AGM.

5.2 No resolution was passed through Postal Ballot during the financial year 2011-12.

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(*Contd.*)

6. SUBSIDIARY

The Company has a wholly - owned Subsidiary Company i.e. Ratnabali Investment Pvt. Ltd. Clause 49 defines a "Material Non-listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year. Under this definition, Ratnabali Investment Pvt. Ltd. is not a material non-listed Indian subsidiary.

The Company monitors the performance of its subsidiary, inter alia, by the following means :

- The Financial Statements, in particular the investments made by the unlisted subsidiary company, is reviewed by the Company's Audit Committee as well as by the Board.
- The minutes of Board Meetings of the subsidiary is noted at the Board Meetings of the Company.
- Details of significant transactions and arrangements entered into by the unlisted subsidiary company are placed before the Company's Board, as and when applicable.

7. CEO/CFO CERTIFICATION

A declaration signed by the Managing Director and CFO of the Company is attached and forms part of the Annual Report of the Company.

8. DISCLOSURES

- (i) Details of related party transactions during the year have been set out under Note No. '2.27' of the Annual Accounts. However these transactions do not have any conflict with the interest of the Company.
- (ii) The Company has complied with the requirements of Stock Exchanges, SEBI and other Statutory Authorities on matters related to Capital Markets . No penalties or strictures have been imposed against it during the last three years.
- (iii) The Company is regular in complying with all the mandatory requirements of Clause 49 of the Listing Agreement regarding composition of the Board, Code of Conduct, Audit Committee, quarterly and annual disclosures, etc.
- (iv) The Company has not adopted any Whistle Blower Policy. However, the Company has not denied access to any personnel to approach the Management or the Audit Committee on any issue.
- (v) The Company has followed the Guidelines of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006.

9. MEANS OF COMMUNICATION

- (i) The Company has been disclosing the corporate financial results i.e. quarterly, half yearly and the annual audited financial results well within the stipulated period to the Stock Exchange after the Board approves them. The results are normally published in the editions of Financial Express and in one vernacular newspaper.
- (ii) The quarterly results are posted on the website of the Company at www.ratnabali.com. The investors can view the results at the aforesaid website.

10. GENERAL SHAREHOLDERS' INFORMATION

- (i) Annual General Meeting : Date, Time and Venue :

The Eighteenth Annual General Meeting is scheduled to be held on Saturday, the 23rd June, 2012 at 10:00 A.M. at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700 017, as per the notice enclosed with the Annual Report.

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(Contd.)

(ii) Financial Calendar (tentative) for the year 2012-13 :

Financial Reporting & Limited Review Report	Date of Submission to Stock Exchange
For the quarter ending June 30, 2012	2nd Week of August, 2012
For the quarter ending September 30, 2012	2nd Week of November, 2012
For the quarter ending December 31, 2012	2nd Week of February, 2013
For the quarter ending March 31, 2013	4th Week of April, 2013
Annual General Meeting for the year ended March 31, 2013	June/July, 2013

(iii) Next date of book closure : 14th June, 2012 to 23rd June, 2012 (both days inclusive)

(iv) Dividend payment date : On or after 25th June, 2012

(v) Depository connectivity :

National Securities Depository Ltd.(NSDL) Trade World, 4th floor, A-Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 Website : www.nsdl.co.in Email : info@nsdl.co.in	Central Depository Services (India) Ltd. (CDSL) Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Fort, Mumbai - 400 001 Website : www.cdslindia.com Email : investors@cdslindia.com
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Shareholders may write to the respective depository for guidance on depository services.

(vi) Listing of shares: The shares of the Company are listed at :

Stock Exchange	Address	Stock Code	ISIN
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	531391	INE050D01011

Listing fees of the BSE Limited for the year 2012-13 has been paid.

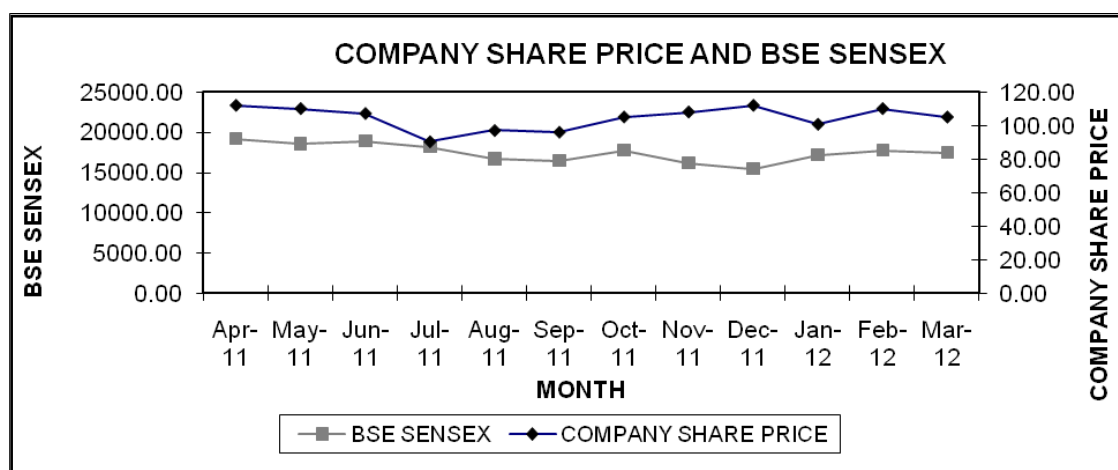
(vii) Market price data of shares at BSE Limited :

Month	High	Low
April, 2011	112.95	105.00
May, 2011	114.50	105.00
June, 2011	114.95	101.00
July, 2011	110.65	90.35
August, 2011	106.00	85.85
September, 2011	98.15	94.50
October, 2011	105.05	94.50
November, 2011	112.65	100.00
December, 2011	120.00	102.35
January, 2012	114.20	100.70
February, 2012	114.90	100.00
March, 2012	120.50	100.00

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(Contd.)

(viii) Stock price performance in comparison to BSE SENSEX :



Note : Indicates monthly closing positions.

(ix) Registrar & Share Transfer Agent :

M/s. ABS Consultants Pvt. Ltd., 99, Stephen House, 6th Floor, 4, B.B.D. Bag (East), Kolkata-700001, Telephone: (033) 22301043, Fax: (033) 22430153, Email: absconsultant@vsnl.net, Registrar and Share Transfer Agent of the Company deals with both physical and dematerialised segments. Any assistance regarding share transfers and transmissions, change of address, duplicate / missing share certificates, demat and any other matters, and for redressal of all share related complaints and grievances, please write to or contact the Registrar and Share Transfer Agent at the aforesaid address.

(x) Share Transfer System :

The members of the Share Transfer Committee meets as and when required for approving the transfer of shares in physical form and other related activities. The average time taken for processing the share transfers including dispatch of share certificates is about 30 days as long as the documents have been cleared in all respects.

(xi) Distribution of shareholding as on 31st March, 2012 :

(a) On the basis of shares held :

No. of shares	No. of shareholders	% of total shareholders	No. of shares held	% to total shares held
1-500	470	78.46	52,420	1.01
501-1000	55	9.18	46,205	0.89
1001-2000	22	3.67	33,246	0.64
2001-3000	11	1.84	28,507	0.55
3001-4000	2	0.33	7,000	0.13
4001-5000	Nil	Nil	Nil	Nil
5001-10000	8	1.34	50,461	0.97
10001 & above	31	5.18	49,85,161	95.81
Total	599	100.00	52,03,000	100.00

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(Contd.)

(b) On the basis of category :

Category	No. of shares held	%
Promoters Group	39,01,274	74.98
Financial Institutions /Mutual Funds/Banks	—	—
Foreign Holding(FII's, OCB's, & NRI's)	—	—
Other Corporate Bodies	9,38,630	18.04
Insurance Companies	—	—
Shares Representing GDRs	—	—
Indian Public	3,63,096	6.98
Grand Total	52,03,000	100.00

(xii) Dematerialisation of shares : As on 31st March, 2012, 99.41 % of the Company's total equity shares representing 51,72,469 equity shares were held in dematerialised form. The shares of the Company are compulsorily traded in dematerialised form.

(xiii) Outstanding ADR/ GDR/ Warrants : Nil.

(xiv) Unclaimed Dividend :

Dividend unclaimed for seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, in accordance with Section 205A of the Companies Act, 1956. The Shareholders, who have not yet encashed their dividend warrants relating to financial years up to 31st March, 2012 may claim it through the Company.

The dividend for the under-noted years, if unclaimed for 7 years, will be transferred to IEPF and no claim shall lie on the Company in respect thereof.

Financial Year	Interim/ Final	Rate of Dividend	Total Dividend (Rs.)	Unclaimed Dividend as on 31.03.12 (Rs.)	Due for transfer to IEPF in
04-05	Final	10%	52,03,000	10,752	August, 2012
05-06	Interim	40%	2,08,12,000	31,588	March, 2013
05-06	Final	10%	52,03,000	8,332	August, 2013
06-07	Interim	50%	2,60,15,000	36,510	March, 2014
06-07	Final	10%	52,03,000	11,236	August, 2014
07-08	Interim	60%	3,12,18,000	59,850	March, 2015
07-08	Final	10%	52,03,000	10,460	August, 2015
08-09	Final	40%	2,08,12,000	43,740	October, 2016
09-10	Final	50%	2,60,15,000	44,725	July, 2017
10-11	Final	40%	2,08,12,000	50,568	July, 2018

(xv) Address for correspondence :

Ratnabali Capital Markets Ltd., FMC Fortuna, A-7 & A-8, 4th floor, 234/3A, A. J. C. Bose Road, Kolkata: 700020, India, Telephone : 033-4015 0000/0100, Fax : 033-2287 5374, Email : ratnabali@ratnabali.com, Website : www.ratnabali.com

For and on behalf of the Board

Kolkata, 28th April, 2012

VIKASH SOMANI
Managing Director

SURESH KUMAR SOMANI
Jt. Managing Director

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(*Contd.*)

CEO / CFO CERTIFICATION

To the Board of Directors,
Ratnabali Capital Markets Limited

Re: Financial Statements for the year ended 31st March, 2012

Certification by Managing Director and Chief Financial Officer

We, Vikash Somani, Managing Director and Rakesh Pandiya, Chief Financial Officer, responsible for the finance function certify that :

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2012 and to the best of our knowledge and belief :
 - i) these statements do not contain any materially untrue statements 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 the existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2012 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in the accounting policies during the year; and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Kolkata, 28th April, 2012

CA. RAKESH PANDIYA
CFO

VIKASH SOMANI
Managing Director

DECLARATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING CODE OF CONDUCT

All the Directors and Senior Management personnel of the Company have affirmed compliance with the code of conduct of Ratnabali Capital Markets Limited as adopted by the Company for the financial year ended 31st March, 2012.

Kolkata, 28th April, 2012

VIKASH SOMANI
Managing Director

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(*Contd.*)

AUDITORS' CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of Ratnabali Capital Markets Limited

We have examined the compliance of the conditions of Corporate Governance by Ratnabali Capital Markets Limited for the year ended 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchange in India.

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 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 G.P. AGRAWAL & CO
Chartered Accountants
F.R. NO. 302082E

CA. AJAY AGRAWAL
Partner
Membership No. 17643

Kolkata, 28th April, 2012

For GOENKA SURESH & ASSOCIATES
Chartered Accountants
F.R. NO. 313139E

CA. S.K.GOENKA
Proprietor
Membership No. 51226

RATNABALI CAPITAL MARKETS LIMITED

CORPORATE GOVERNANCE REPORT(Contd.)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

Ratnabali Capital Markets Ltd. (RCML) is a corporate member of National Stock Exchange of India Ltd. (NSE), BSE Ltd. (BSE), MCX Stock Exchange Limited (MCX-SX) and United Stock Exchange of India Ltd. (USE), providing securities broking services in the Capital Markets Segment, Futures & Options Segment and Currency Derivatives Segment. The Company is also a Depository Participant of National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. providing depository services. During the year RCML has added new service in its portfolio by way of getting the Certificate of Registration from Securities & Exchange Board of India (SEBI) to provide Portfolio Management Services.

The Indian capital markets in which the Company operates is a secondary market. SEBI, being a regulatory body for the secondary market, has taken various measures for the development of the market. Market determined prices, screen based nationwide trading, and dematerialisation and electronic transfer of shares has improved the integrity of the market. Risk management systems of the exchanges have been strengthened by introduction of mark-to-market margin, intraday trading limits, circuit breakers etc. to control the excessive volatility. Enforcement of various disclosure requirements for investors, intermediaries and issuers has improved transparency in the market. During the year, SEBI has introduced KYC registration agency (KRA) to reduce the paper work and to provide the option to the investors to register with single intermediary without repeating the KYC formalities for registering with different brokers. SEBI and Exchange(s) are taking regular initiatives for development of products and services in the market.

OPPORTUNITIES AND THREATS

The performance of capital market is in correlation with the economic growth of the country as well as global economy, performance of various sectors, inflation, global market, etc. Instability of any of the factors may affect the market adversely. The capital market operation involves inbuilt risk and uncertainty, which carries various opportunities and threats to the investors.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Your Company is engaged in a single segment as defined under Accounting Standard 17.

OUTLOOK

The outlook for the Company is bright in future depending on the performance of the securities market. Barring unforeseen circumstances, the Company expects to perform satisfactorily during the next year 2012-13.

RISK AND CONCERNS

The financial services sector is affected by a variety of factors linked to economic development in India and rest of the world global fund flows and politics. Any economic event across the globe can have a direct or indirect impact on the Company performance / operation. The Company's operation involves inbuilt risk due to uncertain economic conditions and unforeseen events beyond the Company's control.

FINANCIAL PERFORMANCE AND OPERATIONAL PERFORMANCE

The financial year under review was moderate for the Company from the financial and operational performance point of view. Barring unforeseen events, the management expects to achieve good results in the coming years.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has adequate system of strong internal control for business processes, with regard to operations, financial reporting, compliance with applicable laws and regulations, etc. Regular internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the existing control system in view of changing business needs from time to time.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

The Company looks upon its manpower as the most important tool in its growth and future progress and therefore attaches paramount importance to its employees. The Company seeks to inculcate the sense of belonging with the Company among the employees. The Company regularly takes necessary steps for the development of its human resources.

The above statements are to be viewed with caution and judicious understanding, as the Company's operations involve inbuilt risk due to uncertain economic conditions and unforeseen events beyond the Company's control.

RATNABALI CAPITAL MARKETS LIMITED

STATEMENT UNDER SECTION 212 of the Companies Act, 1956 relating to Subsidiary Company

Pursuant to Section 212(3) of the Companies Act, 1956					
1.	Name of the Subsidiary Company	Ratnabali Investment Private Limited			
2.	The financial year of the Subsidiary Company ends on	31st March, 2012			
3.	Date from which it became Subsidiary Company	11th September, 2009			
4.	Holding Company's Interest	5,20,000 equity shares of Rs. 10/- each fully paid-up			
5.	Extent of holding	100%			
6.	The net aggregate amount of the Subsidiary Company's profit so far as it concerns the members of the Holding Company				
	a. Not dealt with in the Holding Company's accounts				
	i) For the financial year ended 31st March, 2012	Rs. 19,46,306/-			
	ii) For the previous financial years of the Subsidiary Company since it became the Holding Company's Subsidiary	Rs. 10,64,192/-			
	b. Dealt with in the Holding Company's accounts				
	i) For the financial year ended 31st March, 2012	NIL			
	ii) For the previous financial years of the Subsidiary Company since it became the Holding Company's Subsidiary	NIL			
7.	a) Changes in the holding Company's interest in the Subsidiary between the end of the financial year of the Subsidiary and the end of the Holding Company's financial year.				
		N.A.			
	b) Material changes which have occurred between the end of the aforesaid financial year of the Subsidiary and the end of the Holding Company's financial year in respect of :				
	i) The Subsidiary's fixed assets	N.A.			
	ii) Its investments	N.A.			
	iii) Moneys lent by the Subsidiary Company	N.A.			
	iv) The moneys borrowed by it for any purpose other than that of meeting current liabilities	N.A.			
Pursuant to direction under Section 212(8) of the Companies Act, 1956					
Sl. No.	Particulars	Ratnabali Investment Pvt. Ltd. (Rs.)	Sl. No.	Particulars	Ratnabali Investment Pvt. Ltd. (Rs.)
	Financial year ending on	31st March, 2012		Financial year ending on	31st March, 2012
1.	Share Capital	52,00,000	8.	Profit before Taxation	29,49,386
2.	Reserves and Surplus	1,82,93,760	9.	Provision for Taxation	
3.	Liabilities	2,67,88,122		– Current Tax	9,39,073
4.	Total Liabilities	5,02,81,882		– Deferred Tax	1,257
5.	Total Assets	5,02,81,882		– Tax in respect of earlier years	62,750
6.	Investments	—	10.	Profit after Taxation	19,46,306
7.	Turnover	8,32,23,211	11.	Proposed Dividend	—

Kolkata, 28th April, 2012
HANSRAJ JARIA
Company Secretary

For and on behalf of the Board
SURESH KUMAR SOMANI
Jt. Managing Director
VIKASH SOMANI
Managing Director

RATNABALI CAPITAL MARKETS LIMITED

AUDITORS' REPORT to the Members of Ratnabali Capital Markets Limited

1. We have audited the attached Balance Sheet of RATNABALI CAPITAL MARKETS LIMITED, as at 31st March, 2012 and also the Statement of Profit and Loss 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.
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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the 'Act'), we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4.
 - a) In our opinion, proper books of accounts and records as specified in Rule 15 of Securities Contract (Regulation) Rules, 1957 have been kept so far as appears from our examination of such books.
 - b) The Company has complied with the requirements of the Stock Exchange so far as they relate to maintenance of accounts and was regular in submitting the required accounting information to the Stock Exchange.
5. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) 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;
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - (iii) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - (iv) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the 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;
 - (v) On the basis of written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 31st March, 2012;
 - b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For G. P. AGRAWAL & CO.

Chartered Accountants

F.R. NO. 302082E

CA. AJAY AGRAWAL

Partner

Membership No. 17643

Kolkata, 28th April, 2012

For GOENKA SURESH & ASSOCIATES

Chartered Accountants

F.R. NO. 313139E

CA. S. K. GOENKA

Proprietor

Membership No. 51226

RATNABALI CAPITAL MARKETS LIMITED

AUDITORS' REPORT

to the Members of Ratnabali Capital Markets Limited (*Contd.*)

Annexure to the Auditors' Report

Statement referred to in paragraph 3 of our Report of even date to the members of RATNABALI CAPITAL MARKETS LIMITED for the year ended 31st March, 2012.

- i)
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b) The fixed assets have been physically verified by the management during the year. To the best of our knowledge, no material discrepancy was noticed on such verification.
 - c) During the year, the Company has not disposed off substantial part of fixed assets.
- ii)
 - a) The inventory consisting of shares and securities have been physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks consisting of shares and securities followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) On the basis of our examination, we are of the opinion that the Company is maintaining proper records of inventory and no discrepancies were noticed on verification between the physical stocks and the book records.
- iii)
 - a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
 - b) As the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act, clauses (iii) (b) to (iii) (d) of paragraph 4 of the said order are not applicable to the Company.
 - c) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
 - d) As the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act, clauses (iii) (f) to (iii) (g) of paragraph 4 of the said order are not applicable to the Company.
- iv) On the basis of information and explanations given to us, we are of the opinion that the Company has an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods and services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed any instances of major weakness in the aforesaid internal control systems.
- v)
 - a) Based on the audit procedure applied by us and according to information and explanations given to us, the particulars of contracts or arrangements, referred to in Section 301 of the Act have been so 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 transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposit within the meaning of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
- vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- viii) The provision regarding maintenance of cost records is not applicable to the Company.
- ix)
 - a) According to the records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Wealth Tax, Service Tax, Investor Education and Protection Fund & other statutory dues with appropriate authorities and no undisputed amounts payable in respect of

RATNABALI CAPITAL MARKETS LIMITED

AUDITORS' REPORT

to the Members of Ratnabali Capital Markets Limited (Contd.)

the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable. As explained to us, the provisions of Employees' State Insurance, Sales-Tax, Custom Duty, Excise Duty and Cess are not applicable to the Company.

- b) The particulars of disputed statutory dues of Rs. 7,37,263/- that have not been deposited on account of matter pending before appropriate authority are as under:

Sl. No.	Name of the Statute	Nature of dues	Period to which it pertains	Amount (Rs.)	Forum (Where the dispute is pending)
1.	Income Tax Act, 1961	Income Tax	Assessment Year- 2006-07	6,22,886/-	Commissioner of Income Tax (Appeals)
2.	Employees Provident Fund & Miscellaneous Provision Act, 1952	Provident Fund	Accounting Year- 2009-10	1,14,377/-	High Court, Kolkata

- x) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- xi) The Company has not defaulted in repayment of dues to any financial institution or banks. The Company has not issued any debenture.
- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii) The provisions of any Special Statute applicable to the chit fund, nidhi or mutual benefit society are not applicable to the Company.
- xiv) The Company has maintained proper records of the transactions and contracts regarding dealings in shares, securities, debentures and other investments and timely entries have been made thereon. The shares, securities, debentures and other investments have been held by the Company in its own name except to the extent of exemption granted under Section 49 of the Act.
- xv) According to the records of the Company and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- xix) The Company has not issued any secured debentures.
- xx) The Company has not raised any money by public issue during the period covered by our audit report.
- 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 G. P. AGRAWAL & CO.
Chartered Accountants
F.R. NO. 302082E
CA. AJAY AGRAWAL
Partner
Membership No. 17643
Kolkata, 28th April, 2012

For GOENKA SURESH & ASSOCIATES
Chartered Accountants
F.R. NO. 313139E
CA. S. K. GOENKA
Proprietor
Membership No. 51226

RATNABALI CAPITAL MARKETS LIMITED

BALANCE SHEET as at 31st March, 2012

PARTICULARS	Note No.	(Rs. in lakhs)	
		As at 31st March, 2012	As at 31st March, 2011
I EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	520.30	520.30
(b) Reserves and Surplus	2.2	8,198.79	7,786.98
		8,719.09	8,307.28
(2) Non-Current Liabilities			
(a) Long-term borrowings	2.3	-	1.39
(b) Deferred tax liabilities (Net)	2.4	9.28	-
(c) Long-term provisions	2.5	29.77	23.31
		39.05	24.70
(3) Current Liabilities			
(a) Short-term borrowings	2.6	1,183.45	4,942.48
(b) Trade payables		192.68	84.93
(c) Other current liabilities	2.7	278.95	623.36
(d) Short-term provisions	2.8	181.82	242.07
		1,836.90	5,892.84
TOTAL		10,595.04	14,224.82
II ASSETS			
(1) Non-Current Assets			
(a) Fixed assets			
-Tangible assets	2.9	224.87	237.50
-Intangible assets	2.10	4.84	4.33
(b) Non-current investments	2.11	1,872.35	1,424.30
(c) Deferred tax assets (Net)	2.4	-	77.07
(d) Long-term loans & advances	2.12	192.20	188.75
(e) Other non-current assets	2.13	58.68	43.29
		2,352.94	1,975.24
(2) Current Assets			
(a) Inventories	2.14	2,736.97	6,600.19
(b) Trade receivables	2.15	2,170.96	2,091.90
(c) Cash and bank balances	2.16	3,014.52	3,198.90
(d) Short-term loans & advances	2.17	234.72	248.91
(e) Other current assets	2.18	84.93	109.68
		8,242.10	12,249.58
TOTAL		10,595.04	14,224.82
Significant Accounting Policies	1		
Notes to Accounts	2		
The accompanying significant accounting policies and notes to accounts referred to above form an integral part of the financial statement.			
As per our report of even date attached.			
For G. P. AGRAWAL & CO.	For GOENKA SURESH & ASSOCIATES	For and on behalf of the Board	
Chartered Accountants	Chartered Accountants	VIKASH SOMANI	
F.R. No. 302082E	F.R. No. 313139E	Managing Director	
CA. AJAY AGRAWAL	CA. S. K. GOENKA	SURESH KUMAR SOMANI	
Partner	Proprietor	Jt. Managing Director	
Membership No. 17643	Membership No. 51226	HANSRAJ JARIA	
Place : Kolkata		Company Secretary	
Dated : 28th April, 2012			

RATNABALI CAPITAL MARKETS LIMITED

STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2012

<u>PARTICULARS</u>	<u>Note No.</u>	<u>For the year ended 31st March, 2012</u>	<i>(Rs. in lakhs)</i> <u>For the year ended 31st March, 2011</u>
(I) Revenue from operations	2.19	50,759.24	83,428.29
(II) Other Income	2.20	213.74	429.13
(III) Total Revenue (I + II)		<u>50,972.98</u>	<u>83,857.42</u>
(IV) Expenses			
Purchases of stock-in-trade-Securities		45,245.39	85,996.59
Changes in inventories of stock-in-trade	2.21	3,863.22	(4,411.53)
Employee benefits expense	2.22	247.29	216.58
Finance costs	2.23	205.05	358.84
Depreciation and amortisation of expenses	2.9 & 2.10	40.25	41.58
Other expenses	2.24	614.43	751.25
Total Expenses		<u>50,215.63</u>	<u>82,953.31</u>
(V) Profit Before Tax (III-IV)		757.35	904.11
(VI) Tax Expenses			
(1) Current Tax		76.00	6.13
(2) Deferred Tax		86.35	(48.46)
(3) Tax paid / (written back) in respect of earlier years		1.78	(14.40)
		<u>164.13</u>	<u>(56.73)</u>
(VII) Profit for the period (V-VI)		<u>593.22</u>	<u>960.84</u>
(VIII) Earnings per equity share			
Basic (Rs.)	2.25	11.40	18.47
Diluted (Rs.)	2.25	11.40	18.47
Significant Accounting Policies	1		
Notes to Accounts	2		
<p>The accompanying significant accounting policies and notes to accounts referred to above form an integral part of the financial statement.</p>			
<p>As per our report of even date attached.</p>			
For G. P. AGRAWAL & CO. <i>Chartered Accountants</i> F.R. No. 302082E CA. AJAY AGRAWAL <i>Partner</i> Membership No. 17643 Place : Kolkata Dated : 28th April, 2012	For GOENKA SURESH & ASSOCIATES <i>Chartered Accountants</i> F.R. No. 313139E CA. S. K. GOENKA <i>Proprietor</i> Membership No. 51226	For and on behalf of the Board VIKASH SOMANI <i>Managing Director</i> SURESH KUMAR SOMANI <i>Jt. Managing Director</i> HANSRAJ JARIA <i>Company Secretary</i>	

RATNABALI CAPITAL MARKETS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended 31st March, 2012	(Rs. in lakhs) For the year ended 31st March, 2011
I. CASH FLOW FROM OPERATING ACTIVITIES		
A. NET PROFIT BEFORE TAXATION	757.35	904.11
Adjustment for:		
Depreciation	40.25	41.58
Interest paid on borrowings	134.86	342.93
Loss on sale of fixed assets	5.58	3.84
Gain on sale of long term investments	(154.53)	(307.32)
Provision for gratuity & leave encashment	6.68	11.01
Provision for wealth tax	0.47	0.34
Sundry balance written off (net)	0.02	0.01
Provision/Liability no longer required written back	(0.03)	(0.10)
Interest received on debentures	—	(20.23)
Dividend on long term investments	(32.08)	(94.46)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>1.22</u>	<u>(94.46)</u>
	758.57	881.71
B. CHANGES IN WORKING CAPITAL		
Adjustment for :		
Trade receivables	(79.06)	(1,826.84)
Long & short term loans and advances	(21.67)	359.55
Other current & non-current assets	195.10	147.42
Inventories	3,863.22	(4,411.53)
Other current liabilities	(240.34)	373.80
CASH GENERATED FROM/(USED IN) OPERATIONS	<u>3,717.25</u>	<u>373.80</u>
Direct Taxes Paid (net)	(45.82)	(42.35)
CASH FLOW BEFORE EXTRA - ORDINARY ITEMS	<u>4,430.00</u>	<u>(4,518.24)</u>
Extra - Ordinary Items	—	—
NET CASH FLOW GENERATED FROM/(USED IN) OPERATING ACTIVITIES	<u>4,430.00</u>	<u>(4,518.24)</u>
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments	(8,256.17)	(10,436.64)
Sale of investments	7,962.64	12,031.73
Investment in an Associate	—	(75.00)
Interest received on debentures	—	20.23
Purchase of fixed assets	(37.74)	(11.01)
Sale proceeds of fixed assets	4.03	4.86
Dividend on long term investments	32.08	94.46
NET CASH FLOW GENERATED FROM/(USED IN) INVESTING ACTIVITIES	<u>(295.16)</u>	<u>1,628.63</u>

RATNABALI CAPITAL MARKETS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	For the year ended 31st March, 2012	(Rs. in lakhs) For the year ended 31st March, 2011
III. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long-term borrowings	(1.39)	(3.33)
Proceeds from/(repayment) of short term borrowings(net)	(3,759.03)	3,489.37
Dividend paid (including corporate tax on dividend)	(241.88)	(303.36)
Interest paid on borrowings	(134.86)	(342.93)
NET CASH FLOW GENERATED FROM/ (USED IN) FINANCING ACTIVITIES	<u>(4,137.16)</u>	<u>2,839.75</u>
Net Change in Cash & Cash Equivalents	(2.32)	(49.86)
Cash and Cash Equivalents as on 1st April, 2011	6.57	56.43
Cash and Cash Equivalents as on 31st March, 2012	<u>4.25</u>	<u>6.57</u>
Cash and Cash Equivalents comprises :		
Cash in hand	0.32	2.78
Balance with Scheduled Banks in Current Accounts	3.93	3.79
	<u>4.25</u>	<u>6.57</u>

Note :

- Figures in bracket represents cash outflow from respective activities.

As per our attached report of even date.

For G. P. AGRAWAL & CO.
Chartered Accountants
F.R. No. 302082E
CA. AJAY AGRAWAL
Partner
Membership No. 17643
Place : Kolkata
Dated : 28th April, 2012

For GOENKA SURESH & ASSOCIATES
Chartered Accountants
F.R. No. 313139E
CA. S. K. GOENKA
Proprietor
Membership No. 51226

For and on behalf of the Board
VIKASH SOMANI
Managing Director
SURESH KUMAR SOMANI
Jt. Managing Director
HANSRAJ JARIA
Company Secretary

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012

**NOTE - 1
SIGNIFICANT ACCOUNTING POLICIES**

1.1 Basis of preparation

- (a) The financial statements are prepared in accordance with the historical cost convention and the accrual basis of accounting.
- (b) These are presented in accordance with Generally Accepted Accounting Principles (GAAP) in India, provisions of the Companies Act, 1956 and Accounting Standards notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.
- (c) The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities including contingent liabilities as of the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Examples of such estimates generally include future obligation under employee retirement benefit plan and income taxes.
- (d) All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies' Act, 1956. Based on the nature of services provided and time between the rendering of services and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1.2 Fixed Assets and Depreciation

- (a) Fixed assets are stated at cost of acquisition including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets. Depreciation is provided on the straight line method and at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 excepting mobile phones which are depreciated equally over a period of 3 years.
- (b) Intangible assets comprise of software, expected to provide future enduring economic benefits are stated at cost less amortisation cost comprise purchase price and directly attributable expenditure on making the asset ready for its intended use. Intangible assets are amortised over their best estimated useful life ranging up to 5 years on straight line method.

1.3 Investments

Investments are either classified as current or long-term based on Management's intention at the time of purchase. Long-term investments are carried at cost less provision for diminution recorded to recognise any decline, other than temporary, in the carrying value of each investments.

1.4 Inventories

Inventories are valued at lower of cost or market price / fair value, scripwise. Cost is determined on first-in-first out (FIFO) basis.

1.5 Employee Benefits

- (a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit & Loss for the year in which the related service is rendered.
- (b) Post employment and other long-term employee benefits are recognised as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuations. Actuarial gains and losses in respect of post employment and other long-term employee benefits are recognised in the Statement of Profit and loss.

1.6 Revenue Recognition

- (a) Revenue from broking activities and transactions in respect of investments/dealing in shares & securities are recognised on the trade date.
- (b) Dividend is recognised when the Company's right to receive dividend is established.
- (c) Interest income & all other income is accounted for on accrual basis.
- (d) All expenses are accounted for on accrual basis.

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 1 (Contd.)

1.7 Foreign Currency Transactions

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the year end are translated at the year end rate. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities at the year end denominated in foreign currencies are recognised in the Statement of Profit and Loss.

1.8 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, 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 measured using the tax rates and tax laws that have been enacted by the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situation where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

1.9 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss for the year in which an asset is identified as impaired. The impairment loss recognised in previous accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.10 Provisions, Contingent Liabilities and Contingent Assets

- (a) Provisions are recognised in respect of obligation where based on evidence available their existence at the Balance Sheet date is considered probable.
- (b) Contingent liabilities are shown by way of Notes to Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- (c) Contingent assets are neither recognised nor disclosed in the financial statements.

1.11 Derivatives Market Trading

- (a) In respect of the Options Contract, premium for contracts expiring beyond the Balance Sheet date has been treated as current assets / current liabilities, adjusted for loss, if any.
- (b) In respect of Futures Contract, debit balance in Mark to Market Margin Account has been fully provided for and credit balance has been considered as current liabilities.

1.12 Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset upto the date the asset is put to use. All other borrowing costs are charged to revenue in the period in which they are incurred.

1.13 Earning Per Share

The Company reports basic and diluted earning per equity share in accordance with Accounting Standard-20, Earning per share notified by the Central Government under the Companies (Accounting Standard) Rules, 2006. Basic earning per equity share has been computed by dividing net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earning during the year adjusted for effects of all dilutive potential equity shares, per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

1.14 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

		As at		(Rs. in lakhs)	
NOTE - 2.1		31st March, 2012		31st March, 2011	
SHARE CAPITAL		Nos.		Nos.	
(a) Authorised					
Equity Shares of Rs. 10/- each		55,00,000	550.00	55,00,000	550.00
(b) Issued, Subscribed and Paid-up					
Equity Shares of Rs. 10/- each fully paid up		52,03,000	520.30	52,03,000	520.30
(c) Terms / rights attached to equity shares:					
The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The holders of equity shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.					
(d) Shareholder's holdings more than 5% of the equity shares in the Company :					
		As at 31st March, 2012		As at 31st March, 2011	
Name of Shareholders		Nos.	% of holding	Nos.	% of holding
Ratnabali Leasings Pvt. Ltd.		16,97,900	32.63%	2,99,300	5.75%
Ratnabali Exports Pvt. Ltd.		16,97,200	32.62%	3,42,000	6.57%
NOTE - 2.2					
RESERVES AND SURPLUS					
Capital Reserve			21.88		21.88
General Reserve:					
As per last financial statement		1,952.70		1,856.62	
Add : Transferred from surplus		59.32	2,012.02	96.08	1,952.70
Surplus in the Statement of Profit and Loss					
As per last financial statement.		5,812.40		5,188.52	
Add : Corporate Dividend Tax written back		-		1.00	
Add : Profit for the year as per Statement of Profit and Loss		593.22		960.84	
Amount available for appropriation		6,405.62		6,150.36	
Appropriations :					
Proposed Dividend		156.09		208.12	
Corporate Dividend Tax		25.32		33.76	
Transfer to General Reserve		59.32		96.08	
Surplus - Closing Balance			6,164.89		5,812.40
			8,198.79		7,786.98
The Board of Directors in their meeting held on 28th April, 2012 proposed a dividend of Rs. 3/- per equity share. The proposed dividend is subject to the approval of shareholders at the Annual General Meeting to be held on 23rd June, 2012. The total dividend appropriation for the year ended 31st March, 2012 amounted to Rs.181.41 lakhs including corporate dividend tax of Rs. 25.32 lakhs.					
During the year ended 31st March, 2011, the amount of dividend per share recognised as distribution to equity shareholders as final dividend was Rs. 4/- per share. The total dividend appropriation for the year ended 31st March, 2011 amounted to Rs. 241.88 lakhs including corporate dividend tax of Rs.33.76 lakhs.					
NOTE - 2.3					
LONG TERM BORROWINGS					
(a) Term Loan					
From a Bank - Secured			-		1.39
			-		1.39
(b) Nature of Security					
The car loan from bank is secured by way of hypothecation of the vehicle. The outstanding amount is repayable in 5 monthly installments of Rs. 0.28 lakhs each, therefore the same has been included in "Current maturities of long term debt" under the line item "Other Current Liabilities" (Note No. 2.7).					

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	As at 31st March, 2012	(Rs. in lakhs) As at 31st March, 2011
NOTE - 2.4		
DEFERRED TAX (ASSETS) / LIABILITIES (NET)		
Deferred Tax Liabilities		
Depreciation	24.07	27.99
Less : Deferred Tax Assets		
Provision for Doubtful Debts / Advances	0.87	0.87
Amounts allowable for tax purpose on payment basis	9.79	7.62
Carry forward of business loss	-	82.90
Loss in respect of open position of Futures and Options		
Contract allowable on square-up / expiry	4.13	13.67
Deferred Tax (Assets) / Liabilities (Net)	9.28	(77.07)
NOTE - 2.5		
LONG TERM PROVISIONS		
Provisions for employee benefits		
Gratuity	26.73	21.32
Leave encashment	3.04	1.99
	29.77	23.31
NOTE - 2.6		
SHORT TERM BORROWINGS		
(a) Other Loans		
From Banks - Secured	1,183.45	3,490.98
From Others - Unsecured	-	1,451.50
	1,183.45	4,942.48
(b) Nature of Security		
Loan from banks is secured by pledge of fixed deposit receipts of Rs.1,480.50 lakhs (Previous year - Rs. 750.00 lakhs) and by pledge of shares of Rs.1,604.60 lakhs (Previous year - Rs. 4,905.13 lakhs) including shares pledged for bank guarantee margin.		
NOTE - 2.7		
OTHER CURRENT LIABILITIES		
Current maturities of long-term debt	1.39	3.33
Interest accrued but not due on borrowings	-	10.17
Interest accrued & due on borrowings	5.89	-
Balances of derivatives transactions	-	80.91
Unclaimed dividend*	3.08	2.83
Other Payables		
- Statutory liabilities	8.71	14.26
- Accrued expenses	20.80	14.82
- Margin Deposits	204.38	437.74
- Book overdraft balance	34.70	59.30
	278.95	623.36
* not due for transfer to Investor Education & Protection Fund.		
NOTE - 2.8		
SHORT TERM PROVISIONS		
Provisions for employee benefits		
Gratuity	0.32	0.13
Leave encashment	0.09	0.06
Others		
Proposed dividend	156.09	208.12
Provision for tax on dividend	25.32	33.76
	181.82	242.07

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

FIXED ASSETS											
NOTE 2.9 - TANGIBLE ASSETS											
(Rs. in lakhs)											
Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01.04.11	Additions during the year	Deductions during the year	As at 31.03.12	Up to 01.04.11	For the year	Deductions during the year	Up to 31.03.12	As at 31.03.12	As at 31.03.11
(a)	Office Premises	21.34 (21.34)	— (-)	— (-)	21.34 (21.34)	3.74 (3.39)	0.35 (0.35)	— (-)	4.09 (3.74)	17.25 (17.60)	17.60
(b)	Office Equipments	48.94 (50.63)	5.08 (3.04)	11.39 (4.73)	42.63 (48.94)	15.10 (12.40)	3.72 (3.35)	7.96 (0.65)	10.86 (15.10)	31.77 (33.84)	33.84
(c)	Furniture and Fixtures	42.82 (43.36)	- (0.38)	0.62 (0.92)	42.20 (42.82)	12.38 (10.46)	2.48 (2.50)	0.62 (0.58)	14.24 (12.38)	27.96 (30.44)	30.44
(d)	Computers, Servers and other Information Technology Equipments	159.73 (178.83)	5.60 (2.18)	3.99 (21.28)	161.34 (159.73)	87.69 (83.74)	18.64 (20.95)	2.50 (17.00)	103.83 (87.69)	57.51 (72.04)	72.04
(e)	Electrical Installation	22.78 (22.78)	1.50 (-)	— (-)	24.28 (22.78)	8.32 (4.63)	3.84 (3.69)	— (-)	12.16 (8.32)	12.12 (14.46)	14.46
(f)	Vehicles	101.80 (101.80)	23.86 (-)	15.42 (-)	110.24 (101.80)	32.68 (23.01)	10.03 (9.67)	10.73 (-)	31.98 (32.68)	78.26 (69.12)	69.12
	Total (A)	397.41 (418.74)	36.04 (5.60)	31.42 (26.93)	402.03 (397.41)	159.91 (137.63)	39.06 (40.50)	21.81 (18.23)	177.16 (159.91)	224.87 (237.50)	237.50
NOTE 2.10 - INTANGIBLE ASSETS											
(a)	Computer Software	5.41 (-)	1.70 (5.41)	— (-)	7.11 (5.41)	1.08 (-)	1.19 (1.08)	— (-)	2.27 (1.08)	4.84 (4.33)	4.33
	Total (B)	5.41 (-)	1.70 (5.41)	— (-)	7.11 (5.41)	1.08 (-)	1.19 (1.08)	— (-)	2.27 (1.08)	4.84 (4.33)	4.33
	Grand Total (A + B)	402.82 (418.74)	37.74 (11.01)	31.42 (26.93)	409.14 (402.82)	160.99 (137.63)	40.25 (41.58)	21.81 (18.23)	179.43 (160.99)	229.71 (241.83)	241.83 —

Figures in bracket indicate those of the previous year.

NOTE - 2.11							
NON - CURRENT INVESTMENTS							
Long Term Investments-Other than trade (at cost)							
Name of the Company	As at 31st March, 2012			As at 31st March, 2011			
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	
Investment In Equity Instruments							
Quoted-Fully paid up							
Agre Developers Ltd.	10/-	2,76,000	95.22	-	-	-	-
Dabur India Ltd.	-	-	-	1/-	2,34,000	250.30	-
Electrosteel Steels Ltd.	10/-	28,00,000	254.00	10/-	20,00,000	200.00	-
Excel Crop Care Ltd.	5/-	1,74,152	234.71	-	-	-	-
Godawari Power & Ispat Ltd.	10/-	53,087	55.21	-	-	-	-
Indian Oil Corporation Ltd.	10/-	630	1.66	-	-	-	-
Goodyear India Ltd.	-	-	-	10/-	25,000	60.90	-
Kamat Hotels (India) Ltd.	10/-	2,52,262	314.31	-	-	-	-
MOIL Ltd.	-	-	-	10/-	1,892	7.10	-
NHPC Ltd.	10/-	5,10,000	106.59	10/-	7,43,000	171.27	-
Oil India Ltd.	10/-	6,750	34.03	-	-	-	-
Oil & Natural Gas Corporation Ltd.	-	-	-	5/-	40,000	132.38	-
Punjab & Sind Bank	-	-	-	10/-	9,785	11.74	-
Saint-Gobain Sekurit India Ltd.	10/-	2,46,726	103.13	-	-	-	-
Warren Tea Ltd.	10/-	33,628	122.81	-	-	-	-
	(A)		1,321.67			833.69	

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.11 (Contd.) Name of the Company	As at 31st March, 2012			As at 31st March, 2011		
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)
Unquoted - Fully Paid up						
Subsidiary Company :						
Ratnabali Investment Pvt. Ltd.	10/-	5,20,000	205.00	10/-	5,20,000	205.00
Associate Company :						
Midas Asset Reconstruction Company Pvt. Ltd.	10/-	7,50,000	75.00	10/-	7,50,000	75.00
Other Companies :						
BSE Ltd.	1/-	41,054	20.56	1/-	41,054	20.56
Devkripa Vyapaar Pvt. Ltd.	-	-	-	10/-	5,00,000	50.00
Fortuna Services Ltd.	1/-	4,774	0.05	1/-	1	0.05
Indiabulls Infrastructure and Power Ltd.	10/-	4,72,000	10.07	-	-	-
Vayana Enterprises Pvt. Ltd.	10/-	7,16,418	240.00	10/-	7,16,418	240.00
	(B)		550.68			590.61
	(A + B)		1,872.35			1,424.30
			Book Value			Book Value
			Rs. in lakhs			Rs. in lakhs
Aggregate value of Quoted Investments			1,321.67			833.69
Aggregate value of Unquoted Investments			550.68			590.61
			1,872.35			1,424.30
			Market Value			Market Value
			Rs. in lakhs			Rs. in lakhs
			1,246.90			777.32
			-			-
			1,246.90			777.32
<p>(a) Out of the investment in quoted shares of Rs. 1321.67 lakhs (Previous year - Rs. 833.69 lakhs), shares pledged with HDFC Bank Ltd. for overdraft facilities and margin for bank guarantee are valued at Rs. 106.59 lakhs (Previous year- Rs. 553.95 lakhs) and pledged with Kotak Mahindra Prime Ltd. and Morgan Stanley India Capital Pvt. Ltd. for secured loan are valued at Rs. 41.80 lakhs (Previous year - Rs. NIL).</p> <p>(b) No provision for diminution in the value of investments to the extent of Rs. 122.53 lakhs (Previous year - Rs. 78.32 lakhs) has been made as the same is considered to be temporary in nature.</p>						
NOTE - 2.12						(Rs. in lakhs)
LONG-TERM LOANS AND ADVANCES			As at			As at
(Unsecured, considered good)			31st March, 2012			31st March, 2011
Security Deposits			184.76			170.71
Other Loans and Advances						
- Advances to employees & others			0.23			10.18
- Prepaid expenses			7.21			7.86
			192.20			188.75
NOTE - 2.13						
OTHER NON-CURRENT ASSETS						
Trade receivables						
Unsecured, considered doubtful			2.68			2.68
Less : Provision for Doubtful Debts (Refer note no. 2.15)			2.68			2.68
			-			-
Fixed Deposits with banks						
(Non current portion with original maturity period of more than 12 months)						
- Other Fixed Deposits			-			30.00
- As margin money/and against bank guarantees			58.00			10.00
Interest accrued but not due on bank deposits			0.68			3.29
			58.68			43.29

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.14						
INVENTORIES						
Stock-in-trade (At cost or market price/ fair value whichever is lower)						
Name of the Company	As at 31st March, 2012			As at 31st March, 2011		
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)
Exchange Traded Fund - Quoted fully paid-up						
Goldman Sachs Nifty Exchange Traded Scheme.	10/- (A)	<u>68,000</u>	<u>362.67</u>	-	-	-
		<u>68,000</u>	<u>362.67</u>			
Equity Shares - Quoted fully paid-up						
3M India Ltd.	-	-	-	10/-	158	5.02
ABB Ltd.	2/-	906	5.86	-	-	-
Abbott India Ltd.	10/-	387	5.69	-	-	-
Accel Frontline Ltd.	-	-	-	10/-	5,391	2.21
ACC Ltd.	10/-	236	3.12	-	-	-
Akzo Nobel India Ltd.	10/-	1,674	13.64	-	-	-
Alfa Laval (India) Ltd.	-	-	-	10/-	385	5.64
Alstom Projects India Ltd.	10/-	2,035	7.24	-	-	-
Amara Raja Batteries Ltd.	-	-	-	2/-	30,000	48.62
Ambuja Cement Ltd.	-	-	-	2/-	1,705	2.37
Areva T&D India Ltd.	-	-	-	2/-	7,189	17.81
Astrazeneca Pharma India Ltd.	2/-	8	0.10	-	-	-
Atlas Copco (India) Ltd.	-	-	-	10/-	15,085	401.31
Axis Bank Ltd.	10/-	393	4.47	-	-	-
Bajaj Auto Ltd.	-	-	-	10/-	595	7.54
Bajaj Electricals Ltd.	2/-	2,350	4.23	-	-	-
Bajaj Finance Ltd.	10/-	181	1.16	-	-	-
Balrampur Chini Mills Ltd.	1/-	13,50,000	728.78	-	-	-
Bank of Baroda	10/-	1,085	7.88	10/-	160	1.35
Basf India Ltd.	10/-	12,114	61.00	-	-	-
Bata India Ltd.	10/-	212	1.34	-	-	-
Bayer Cropscience Ltd.	10/-	919	7.38	-	-	-
Berger Paints India Ltd.	2/-	97	0.10	-	-	-
Bharti Airtel Ltd.	5/-	2,202	7.44	-	-	-
Bharat Heavy Electricals Ltd.	-	-	-	10/-	500	10.04
Blue Dart Express Ltd.	10/-	7	0.10	10/-	1,384	13.83
BOC India Ltd.	10/-	36	0.11	-	-	-
Bosch Ltd.	10/-	166	11.85	-	-	-
Cambridge Solutions Ltd.	-	-	-	10/-	2,350	0.78
Castrol India Ltd.	10/-	2,554	11.41	-	-	-
Chennai Petroleum Corporation Ltd.	-	-	-	10/-	1,20,000	267.72
Cipla Ltd.	2/-	716	2.07	2/-	8,407	25.23
Colgate Palmolive (India) Ltd.	1/-	218	2.04	1/-	211	1.72
Cox & Kings Ltd.	5/-	49,184	80.20	-	-	-
Crisil Ltd.	1/-	210	1.45	10/-	16	0.99
Cummins India Ltd.	2/-	3,664	17.00	2/-	249	1.66
DLF Ltd.	-	-	-	2/-	4,000	10.74
Elantas Beck India Ltd.	10/-	10	0.18	10/-	231	1.80
Eros International Media Ltd.	10/-	5,929	10.69	-	-	-
Esab India Ltd.	10/-	3,446	17.64	-	-	-
Exide Industries Ltd.	1/-	6,141	7.98	-	-	-
Fag Bearings India Ltd.	10/-	98	1.10	10/-	213	1.74

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

Name of the Company	As at 31st March, 2012			As at 31st March, 2011		
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)
Fairfield Atlas Ltd.	-	-	-	10/-	28,635	15.74
Foseco India Ltd.	10/-	144	0.76	10/-	1,057	4.81
Fresenius Kabi Oncology Ltd.	1/-	98	0.10	1/-	2,395	2.14
Fulford (India) Ltd.	-	-	-	10/-	15	0.12
Gillette India Ltd.	-	-	-	10/-	56	0.94
Glaxosmithkline Consumer Healthcare Ltd.	10/-	162	3.80	10/-	48	1.04
Glaxosmithkline Pharmaceuticals Ltd.	10/-	384	7.37	10/-	83	1.74
Gmm Pfaudler Ltd.	-	-	-	2/-	4,561	4.33
Godrej Consumer Products Ltd.	1/-	1,000	4.46	-	-	-
Goodyear India Ltd.	10/-	1,255	3.84	10/-	3,158	7.92
Grindwell Norton Ltd.	5/-	1,470	3.52	5/-	1,152	2.51
Gujarat Fluorochemicals Ltd.	1/-	430	2.10	-	-	-
Gujrat Gas Co.Ltd.	2/-	2,809	11.03	-	-	-
HCL Technologies Ltd.	-	-	-	2/-	717	3.39
Henkel India Ltd.	-	-	-	10/-	4,117	1.73
Hindustan Petroleum Corporation Ltd.	10/-	562	1.62	-	-	-
Honda Siel Power Products Ltd.	10/-	2,320	8.15	10/-	15,000	53.18
Honeywell Automation India Ltd.	10/-	5	0.12	10/-	769	17.27
Housing Development Finance Corp.Ltd.	2/-	1,068	7.19	-	-	-
ICICI Bank Ltd.	-	-	-	10/-	500	5.23
Indo Bonito Multinational Ltd.	10/-	23,000	0.67	10/-	23,000	1.01
Ineos ABS (India) Ltd.	10/-	1,470	9.60	10/-	4,765	17.77
Ingersoll-Rand (India) Ltd.	10/-	1,793	8.22	-	-	-
Infosys Technologies Ltd.	-	-	-	5/-	332	10.35
ITC Ltd.	1/-	2,071	4.38	-	-	-
Jaiprakash Associates Ltd.	-	-	-	2/-	8,000	7.42
Jaypee Infratech Ltd.	-	-	-	10/-	3,821	2.22
JSW Steel Ltd.	-	-	-	10/-	189	1.69
Kansai Nerolac Paints Ltd.	10/-	1,231	10.50	-	-	-
Kennametal India Ltd.	10/-	10	0.09	-	-	-
KSB Pumps Ltd.	-	-	-	10/-	425	2.12
Larsen & Toubro Ltd.	2/-	538	7.04	2/-	500	8.26
Lovable Lingerie Ltd.	10/-	1,953	6.99	-	-	-
Lumex Industries Ltd.	-	-	-	10/-	292	1.04
Mahindra & Mahindra Ltd.	5/-	1,218	8.00	-	-	-
Marico Ltd.	1/-	1,038	1.61	-	-	-
Maruti Suzuki India Ltd.	-	-	-	5/-	1,391	17.56
Merck Ltd.	-	-	-	10/-	858	5.07
Moil Ltd.	-	-	-	10/-	1,108	4.37
Mundra Life Style Ltd.	-	-	-	10/-	1,15,000	61.37
Nestle India Ltd.	10/-	30	1.23	-	-	-
NHPC Ltd.	-	-	-	10/-	16,000	4.05
Nirma Ltd.	-	-	-	5/-	5,87,834	1,485.17
Nitta Gelatin India Ltd.	-	-	-	10/-	5,102	5.00
Novartis India Ltd.	5/-	2,520	18.11	-	-	-
Oil & Natural Gas Corporation Ltd.	5/-	5	0.11	5/-	4,000	11.65
Oracle Financial Services Software Ltd.	-	-	-	5/-	355	7.05
Page Industries Ltd.	10/-	28	0.56	-	-	-
Panasonic Carbon India Co Ltd.	-	-	-	10/-	3,209	4.75

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

Name of the Company	As at 31st March, 2012			As at 31st March, 2011		
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)
Panasonic Energy India Company Ltd.	-	-	-	10/-	371	0.24
Panasonic Home Appliances India Company Ltd.	-	-	-	10/-	1,294	1.63
Pantaloon Retail (India) Ltd.	-	-	-	2/-	2,51,000	626.31
Pidilite Industries Ltd.	1/-	5,186	8.00	-	-	-
Piramal Healthcare Ltd.	-	-	-	2/-	1,000	4.17
Procter & Gamble Hygiene & Health Care Ltd.	10/-	194	3.71	-	-	-
Punjab National Bank	10/-	251	2.31	-	-	-
Punjab & Sind Bank	-	-	-	10/-	215	0.24
Reliance Communication Ltd.	-	-	-	5/-	4,000	4.31
Reliance Industries Ltd.	-	-	-	10/-	1,000	9.16
Reliance Infrastructure Ltd.	-	-	-	10/-	1,000	6.90
Reliance Media Works Ltd.	-	-	-	5/-	35,000	51.95
Rhodia Speciality chemicals India Ltd.	10/-	27,917	102.46	-	-	-
Rural Electrification Corporation Ltd.	-	-	-	10/-	515	1.25
Seamec Ltd.	-	-	-	10/-	11,653	11.62
Sharp India Ltd.	2/-	299	0.01	10/-	26,126	7.89
Shipping Corporation of India Ltd.	-	-	-	10/-	1,200	1.23
Siemens Ltd.	2/-	2,299	17.46	2/-	2,92,270	2,550.81
Singer India Ltd.	-	-	-	10/-	100	0.03
SKF India Ltd.	-	-	-	10/-	304	1.75
SML Isuzu Ltd.	10/-	1,005	3.76	10/-	746	2.44
Sonata Software Ltd.	1/-	1,41,663	25.64	-	-	-
Sparsh Bpo Services Ltd.	-	-	-	10/-	4,03,860	427.34
State Bank of India	-	-	-	10/-	400	10.97
Steel Authority Of India Ltd.	10/-	1,285	1.18	10/-	4,000	6.78
Sterlite Industries (India) Ltd.	-	-	-	1/-	4,000	6.35
STI India Ltd.	10/-	49,208	12.57	-	-	-
Suashish Diamonds Ltd.	-	-	-	10/-	5,164	7.01
Sun Pharmaceutical Industries Ltd.	1/-	220	1.08	-	-	-
Talwalkars Better Value Fitness Ltd.	10/-	7,812	11.95	-	-	-
Tata Global Beverages Ltd.	-	-	-	1/-	2,000	1.94
Tata Communication Ltd.	10/-	17,178	36.67	10/-	3,000	6.44
Tata Motors Ltd.	-	-	-	10/-	107	1.21
Timken India Ltd.	10/-	51	0.11	-	-	-
Titan Industries Ltd.	1/-	1,872	3.47	-	-	-
The Indian Hotels Co . Ltd.	-	-	-	1/-	2,000	1.68
Thomas Cook (India) Ltd.	1/-	15,50,708	947.33	1/-	1,10,587	57.46
UCO Bank	10/-	603	0.46	-	-	-
United Spirits Ltd.	10/-	1,160	5.97	-	-	-
VA Tech Wabag Ltd.	-	-	-	5/-	4,000	50.36
Vesuvius India Ltd.	10/-	1,465	5.50	-	-	-
Wabco -Tvs (India) Ltd.	5/-	61	0.75	5/-	459	4.75
Warren Tea Ltd.	-	-	-	10/-	55,945	116.24
Wendt (India) Ltd.	10/-	7	0.10	10/-	102	1.05
Whirlpool Of India Ltd.	10/-	6,182	12.28	10/-	3,589	9.53
Wyeth Ltd.	10/-	1,233	10.71	10/-	121	1.02
Zydus Wellness Ltd.	10/-	1,680	6.40	-	-	-
	(B)	33,15,329	2,374.30		22,63,801	6,600.19
	(A + B)		2,736.97			6,600.19

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.14 (Contd.)	(Rs. in lakhs)			
	<u>As at 31st March, 2012</u>		<u>As at 31st March, 2011</u>	
	Book Value	Market Value	Book Value	Market Value
Aggregate value of Exchange traded fund	362.67	362.67	-	-
Aggregate value of Stock-in-trade	2,374.30	2,453.43	6,600.19	6,722.45
	<u>2,736.97</u>	<u>2,816.10</u>	<u>6,600.19</u>	<u>6,722.45</u>
Aggregate amount of provision made for diminution in value of Stock-in-trade		<u>61.67</u>		<u>102.77</u>
<p>Out of the quoted shares of Rs. 2,374.30 lakhs (Previous year - Rs. 6600.19 lakhs) held as stock in trade, shares pledged with HDFC Bank Ltd. for overdraft facilities and as margin money for guarantee are valued at Rs. 1,498.01 lakhs (Previous year - Rs. 1,380.21 lakhs), shares pledge with NSCCL as non - cash margin deposit Rs. NIL (Previous year - Rs. 548.50 lakhs) and shares pledge with Kotak Mahindra Prime Ltd. and Morgan Stanley Capital India Pvt. Ltd. for secured loan Rs. 345.46 lakhs (Previous year - Rs. NIL).</p>				
NOTE - 2.15				
TRADE RECEIVABLES				
Trade receivables outstanding for a period exceeding six months from the due date				
Unsecured, considered good		-		2.00
Other trade receivables				
Unsecured, considered good		<u>2,170.96</u>		<u>2,089.90</u>
		<u>2,170.96</u>		<u>2,091.90</u>
Provision for doubtful debts				
<p>The Company periodically evaluates all customer dues to the Company for collectability. The need for provisions is assessed based on various factors including collectability of specific dues, and the general economic factor which could affect the customer's ability to settle. The Company normally provides for debtor dues outstanding for six months or longer from the due date, as at the Balance Sheet date.</p>				
NOTE - 2.16				
CASH AND BANK BALANCES				
Cash and cash equivalents				
Balances with Banks				
- In Current Accounts		3.93		3.79
- Cash-in-hand		0.32		2.78
Other Bank balances				
- In Current Accounts*		125.97		122.31
- In Fixed Deposit Accounts #		2,883.75		3,066.75
Stamps-in-hand (As certified by the management)		0.55		3.27
		<u>3,014.52</u>		<u>3,198.90</u>
* Includes Earmarked balances in :				
Unpaid Dividend Accounts		3.08		2.83
Client Money Accounts		122.89		119.48
# Includes Deposits pledged with Banks :				
As margin money / and against Bank guarantees				
Current portion of original maturity period of more than 12 months		1,373.25		2,316.75
Original maturity period of 12 months		30.00		-
As security for borrowings				
Current portion of original maturity period of more than 12 months		<u>1,480.50</u>		<u>750.00</u>

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	(Rs. in lakhs)	
	<u>As at 31st March, 2012</u>	<u>As at 31st March, 2011</u>
NOTE - 2.17		
SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Other Advances		
- Advances to employees & others	9.71	5.66
- Advance payment of Taxes	194.06	226.48
{Net of Provision for Taxation - Rs. 82.94 lakhs (Previous year - Rs. 7.08 lakhs)}		
- Service Tax receivable	1.21	0.72
- Prepaid expenses	29.74	16.05
	<u>234.72</u>	<u>248.91</u>
NOTE - 2.18		
OTHER CURRENT ASSETS		
Interest accrued but not due on Bank Deposits	55.25	109.68
Dividend receivable	0.43	-
Balances of derivatives transactions	29.25	-
	<u>84.93</u>	<u>109.68</u>
	For the year ended	For the year ended
	31st March, 2012	31st March, 2011
NOTE - 2.19		
REVENUE FROM OPERATIONS		
Sale of Securities	49,889.64	82,096.34
Sale of Services - Broking and depository	203.12	369.06
Other Operating Revenues		
- Interest on Bank Deposits - (Gross) *	323.45	248.26
- Dividend Income on Shares held as Stock-in-Trade	342.55	714.63
- Incentive Income (Gross) #	0.48	-
	<u>50,759.24</u>	<u>83,428.29</u>
* includes Tax deducted at sources Rs. 32.39 lakhs (Previous year - Rs. 24.84 lakhs)		
# includes Tax deducted at source Rs. 0.05 lakhs (Previous year - Rs. NIL)		
NOTE - 2.20		
OTHER INCOME		
Dividend from long term investments	32.08	94.46
Interest Income (Gross)		
- On Debentures*	-	20.23
- On Income Tax Refund	1.33	6.44
- On Others #	24.14	-
Net gain on sale of long term investments	154.53	307.32
Provision / Liability no longer required written back	0.03	0.10
Other Non-Operating Income	1.63	0.58
	<u>213.74</u>	<u>429.13</u>
* includes Tax deducted at sources Rs. NIL (Previous year - Rs. 2.02lakhs)		
# includes Tax deducted at sources Rs.1.05 lakhs (Previous year - Rs. NIL)		
NOTE - 2.21		
CHANGES IN INVENTORIES OF STOCK-IN -TRADE		
Opening Stock-in-Trade – securities	6,600.19	2,188.66
Less : Closing Stock-in-Trade – securities	2,736.97	6,600.19
(Increase) / Decrease in Stock-in-Trade – securities	<u>3,863.22</u>	<u>(4,411.53)</u>

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	For the year ended 31st March, 2012	(Rs. in lakhs) For the year ended 31st March, 2011
NOTE - 2.22		
EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Exgratia	216.07	189.44
Contribution to Provident & other funds	12.08	8.63
Staff Welfare expenses	19.14	18.51
	<u>247.29</u>	<u>216.58</u>
NOTE - 2.23		
FINANCE COSTS		
Interest expenses		
- On short term borrowings	134.86	342.93
- On others	41.55	3.55
Other borrowing cost	28.64	12.36
	<u>205.05</u>	<u>358.84</u>
NOTE - 2.24		
OTHER EXPENSES		
Electricity expenses	11.40	11.55
Office Rent	58.18	57.54
Telephone, Internet & Postage	10.16	12.29
Repairs & Maintenance expenses - Buildings	2.41	2.12
- Others	13.77	19.18
Insurance expenses	78.13	104.08
Rates and Taxes	189.51	285.00
Payment to Auditors :		
(a) As Auditors for Statutory Audit	1.00	1.00
(b) For Taxation Matters	0.91	0.51
(c) For Management Services	-	0.25
(d) For Other Services	1.02	0.59
	<u>2.93</u>	<u>2.35</u>
Loss on sale of fixed assets	5.58	3.84
Miscellaneous expenses	242.36	253.30
	<u>614.43</u>	<u>751.25</u>
NOTE - 2.25		
EARNING PER SHARE		
Net Profit after Tax for Equity Shareholders	(A) 593.22	960.84
Weighted average number of Equity Shares of Rs.10/- each outstanding at the end of the year (No. of shares)	(B) 52,03,000	52,03,000
Basic / Diluted Earnings Per Share (Rs.)	(A/B) 11.40	18.47
NOTE - 2.26		
CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)		
Income Tax demand under dispute	64.23	64.23
Tax already paid in respected of disputed demand	58.00	58.00
Income Tax refund under dispute	1.19	1.19
Provident Fund and allied dues under dispute	1.14	1.14
<p>The amounts shown above represent the best possible estimate arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimant as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of the above contingent liability.</p> <p>In the opinion of the management no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful of outcome of appeal.</p>		

NOTE - 2.27															(Rs. in lakhs)
RELATED PARTY TRANSACTIONS															
a) Transactions with related parties.															
Name of concern	Investment in Shares	Redemption of Securities	Nature of Transaction												Balance as at year end
			Services		Salary Paid	Reimbursement		Deposit		Rent Paid	Asset Sale	Interest income	Donation Paid	Dividend Paid	
			Received	Paid		Received	Paid	Refund	Given						
Key Management Personnel (KMP)															
Mr. Vikash Somani	NIL	NIL	0.27 (-)	NIL	26.93 (26.61)	NIL	0.60 (0.60)	- (56.25)	- (3.90)	7.80 (7.80)	NIL	NIL	NIL	27.67 (34.59)	NIL
Mr. Suresh Kumar Somani	NIL	NIL	0.27 (0.04)	NIL	26.33 (26.80)	NIL	0.60 (0.72)	- (56.25)	- (3.90)	7.80 (7.80)	NIL	NIL	NIL	27.67 (34.59)	NIL
Mr. Aditya Goenka	NIL	NIL	NIL	NIL	26.88 (4.41)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.01 (-)	NIL
Relatives of KMP															
Mrs. Vinod Somani	NIL	NIL	0.33 (0.06)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	30.42 (38.03)	NIL
Mrs. Namita Somani	NIL	NIL	0.22 (0.07)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	17.18 (21.48)	NIL
Mrs. Jaishree Somani	NIL	NIL	0.24 (0.46)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	17.18 (21.48)	NIL
Others	NIL	NIL	0.04 (0.01)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Concern in which KMP & their relatives are interested															
Amrit Malls Pvt. Ltd.	NIL	- (200.00)	0.03 (0.32)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	- (8.23)	NIL	NIL	NIL
Amrit Somani Memorial Trust	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	8.50 (28.00)	NIL	NIL
Chamaria Construction Company	NIL	NIL	0.41 (-)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Lambodar Traders	NIL	NIL	3.81 (-)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Matukripa Developers Pvt. Ltd.	NIL	NIL	NIL	NIL	NIL	NIL	0.27 (0.21)	- (75.00)	- (3.60)	7.20 (7.20)	NIL	NIL	NIL	NIL	NIL
Ratnabali Leasings Pvt. Ltd.	NIL	NIL	0.31 (-)	NIL	NIL	NIL	0.27 (0.20)	- (75.00)	- (3.60)	7.20 (7.20)	NIL	NIL	NIL	11.97 (14.96)	NIL
Ratnabali Exports Pvt. Ltd.	NIL	NIL	0.30 (-)	NIL	NIL	NIL	0.27 (0.21)	- (75.00)	- (3.60)	7.20 (7.20)	NIL	NIL	NIL	13.68 (17.10)	NIL
Ratnabali Commodities Pvt. Ltd.	NIL	NIL	3.67 (7.63)	NIL	NIL	2.51 (2.11)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
S & S Hospitality Pvt. Ltd.	NIL	NIL	NIL	4.50 (4.50)	NIL	NIL	NIL	- (1.60)	- (2.25)	NIL	NIL	NIL	NIL	NIL	NIL
Somani Bhoodhan Pvt. Ltd.	NIL	- (300.00)	0.06 (0.24)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	- (7.77)	NIL	NIL	NIL
Satyanarayan Somani (HUF)	NIL	NIL	0.12 (0.01)	NIL	NIL	NIL	0.30 (0.30)	- (37.50)	- (2.55)	5.10 (5.10)	- (1.76)	NIL	NIL	1.02 (1.27)	NIL
Vikash Somani Securities Pvt. Ltd.	NIL	NIL	0.09 (0.10)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others	NIL	NIL	0.33 (0.69)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Associate															
Midas Asset Reconstruction Co. Pvt. Ltd.	- (75.00)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Wholly owned Subsidiary															
Ratnabali Investment Pvt. Ltd.	NIL	NIL	0.03 (-)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
GRAND TOTAL	- (75.00)	- (500.00)	10.53 (9.63)	4.50 (4.50)	80.14 (57.82)	2.51 (2.11)	2.31 (2.24)	- (376.60)	- (23.40)	42.30 (42.30)	- (1.76)	- (16.00)	8.50 (28.00)	146.80 (183.50)	NIL
Figures in brackets indicate those of the previous year															

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

RATNABALI CAPITAL MARKETS LIMITED

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.27(Contd)

(Rs. in lakhs)

RELATED PARTY TRANSACTIONS

- b) No amount has been written back / written off during the year in respect of amount due to / from related parties.
 c) No amount is due from related parties hence no provision for doubtful debts in respect of dues from such related parties is required.
 d) Names of related parties and description of relationship :

Key Management Personnel (KMP)

Mr. Vikash Somani, Mr. Suresh Kumar Somani and Mr. Aditya Goenka

Concerns in which KMP & their relatives are interested

Vikash Somani Securities Pvt. Ltd., Kaveri Merchants Pvt. Ltd., Rockhard Builders Pvt. Ltd., Ratnabali Leasings Pvt. Ltd., Matukripa Developers Pvt. Ltd., Windfall Properties Pvt. Ltd., Ratnabali Commodities Pvt. Ltd., Somani Bhoodhan Pvt. Ltd., Ganpati Shares & Securities Pvt. Ltd., Ratnabali Exports Pvt. Ltd., Amrit Malls Pvt. Ltd., S & S Hospitality Pvt. Ltd., Divyam Realty Pvt. Ltd., Divyam Greenfields Pvt. Ltd., Riverview Agrofarms Pvt. Ltd. (formerly Divyam Agrofarms Pvt. Ltd.), Divyam Builders Pvt. Ltd., Ganpati Greenfields Pvt. Ltd. (formerly Divyam Nirman Pvt. Ltd.). Satyanarayan Somani Foundation, Amrit Somani Memorial Trust, Vikash Somani - HUF, Satyanarayan Somani - HUF, Suresh Kumar Somani - HUF, Aditya Goenka - HUF, M/s. Lambodar Traders & M/s. Chamaria Construction Company.

Relatives of Key Management Personnel

Mrs. Vinod Somani - Mother of Managing Director and Joint Managing Director
 Mrs. Jaishree Somani - wife of Managing Director, Mrs. Namita Somani - wife of Joint Managing Director,
 Mrs. Rajni Goenka - wife of Executive Director.

Wholly owned Subsidiary

Ratnabali Investment Pvt. Ltd.

Associate

Midas Asset Reconstruction Company Pvt. Ltd.

NOTE - 2.28

EMPLOYEE BENEFITS

Disclosure pursuant to Accounting Standard - 15 (Revised) Employee Benefits ("AS-15R")

Defined Contribution Plan :

Employee benefits in the form of provident fund is considered as defined contribution plan. The contributions to the provident fund is made in accordance with the relevant statute and are recognised as an expense when employees have rendered service entitling them to the contributions. The contribution to defined contribution plan, recognised as expense for the year is Rs. 11.07 lakhs (Previous year - Rs. 7.90 lakhs).

Defined Benefit Plan :

The Company has Defined Benefit Plan namely Gratuity and Leave encashment for all employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year. The Present Value of the obligation is determined based on actuarial valuation using the Projected Unit Credit method.

	Gratuity Unfunded		Leave Salary Unfunded	
	2011-2012	2010-2011	2011-2012	2010-2011
(I) Change in Benefit Obligation				
Liability at the beginning of the year	21.45	11.11	2.05	1.38
Interest cost	2.00	1.22	0.21	0.13
Current service cost	5.05	4.52	0.69	0.40
Past service cost (Vested benefit)	-	-	-	-
Benefit paid	(0.45)	-	-	-
Actuarial (gain)/loss on obligations	(1.00)	4.60	0.18	0.14
Liability at the end of the year	27.05	21.45	3.13	2.05

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	(Rs. in lakhs)			
	Gratuity Unfunded		Leave Salary Unfunded	
	2011-2012	2010-2011	2011-2012	2010-2011
NOTE - 2.28 (Contd.)				
(II) Change in Assets				
Fair value of Plan Assets at the beginning of the year	-	-	-	-
Acquisition adjustments	-	-	-	-
Actual return on Plan Assets (+)	-	-	-	-
Actual Company contribution (+)	0.45	-	-	-
Benefit payments (-)	(0.45)	-	-	-
Appreciation / Depreciation of Plan Assets	-	-	-	-
Fair value of Plan Assets at the end of the period	-	-	-	-
(III) Actual Return on Plan Assets	Not Applicable		Not Applicable	
(IV) Amount Recognised in the Balance sheet				
Liability at the end of the year	27.05	21.45	3.13	2.05
Fair value of Plan Assets at the end of the year	-	-	-	-
Difference (Funded Status)	(27.05)	(21.45)	(3.13)	(2.05)
Amount recognised in the Balance sheet	(27.05)	(21.45)	(3.13)	(2.05)
a) Current liability				
i) Current liability on retirement	(0.32)	(0.13)	(0.09)	(0.06)
ii) Current liability on attrition	-	-	-	-
Total Current liability	(0.32)	(0.13)	(0.09)	(0.06)
b) Non Current liability	(26.73)	(21.32)	(3.04)	(1.99)
(V) Expenses Recognised in the Income Statement				
Current service cost	5.05	4.52	0.69	0.40
Interest cost	2.00	1.22	0.21	0.13
Expected return on Plan Assets	-	-	-	-
Net Actuarial (gain)/loss to be recognised	(1.00)	4.60	0.18	0.14
Past service cost (Vested benefit recognised)	-	-	-	-
Expenses/(write back) Recognised in Statement of Profit and Loss	6.05	10.34	1.08	0.67
(VI) Balance Sheet Reconciliation				
Opening Net Liability	(21.45)	(11.11)	(2.05)	(1.38)
(Expenses) / write back as above	(6.05)	(10.34)	(1.08)	(0.67)
Employers contribution	0.45	-	-	-
Amount Recognised in the Balance sheet	(27.05)	(21.45)	(3.13)	(2.05)
(VII) Actuarial Assumptions : For the year				
Discount Rate Current	8.25%	7.50%	8.25%	7.50%
Rate of Return on Plan Assets Current	-	-	-	-
Salary Escalation Current	5.00%	5.00%	5.00%	5.00%
(VIII) Investment details - as at period end	Not Applicable		Not Applicable	
The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion & other relevant factors including supply and demand in the employment market. The above information is certified by an Actuary.				
The Gratuity and Leave encashment expenses have been recognised in "Salaries, Bonus and Exgratia" under Note - 2.22.				
The amount of the present value of obligations and experience adjustment arising on plan liabilities and plan assets for the previous four annual periods are not available and therefore, not disclosed.				

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.29 DERIVATIVES

(a) In respect of futures contract, position of open interest as on the Balance Sheet date is as under :
Equity Stock, Index & Currency Futures

Name of Equity Stock / Index Future	No. of Contracts	No. of units	
		Long	Short
FUTSTK ACC 26Apr12	23	5,750	
FUTSTK BAJAJHLDNG 26Apr12	12		6,000
FUTSTK BANKBARODA 26Apr12	7		3,500
FUTSTK BPCL 26Apr12	15		7,500
FUTSTK DENABANK 26Apr12	14		56,000
FUTSTK DIVISLAB 26Apr12	6		3,000
FUTSTK GUJFLUORO 26Apr12	415	207,500	
FUTSTK HDFC 26Apr12	12		6,000
FUTSTK HDFCBANK 26Apr12	20		10,000
FUTSTK IDBI 26Apr12	5		10,000
FUTSTK INFY 26Apr12	6		750
FUTSTK IOC 26Apr12	19	19,000	
FUTSTK ITC 26Apr12	11		22,000
FUTIDX NIFTY 26Apr12	3206		160,300
FUTSTK PNB 26Apr12	16	4,000	
FUTSTK SAIL 26Apr12	12	24,000	
FUTSTK TATACOMM 26Apr12	30	60,000	
FUTSTK TATASTEEL 26Apr12	11		5,500
FUTSTK UCOBANK 26Apr12	16	64,000	
FUTSTK ULTRACEMCO 26Apr12	20		5,000
IF BSX 26Apr12	40	600	
Name of Currency Future			
FUTCUR USDINR 26Apr12	450		450,000

(b) In respect of option contracts, position of open interest as on the Balance Sheet date is as under :

Name of the Equity, Index & Currency Options	Total premium received /(paid) carried forward as at the year end - net of provisions made (Rs. in lakhs)
HDFC	(1.46)
NIFTY	(64.89)
USDINR	1.24

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.30

SEGMENT REPORTING

The Company is primarily engaged in a single business segment of Broking & Dealing in Securities and related services. All the activities of the Company revolves around the main business. As such there are no separate reportable segments as per Accounting Standard - 17 "Segment Reporting" notified by the Central Government under the Companies (Accounting Standard) Rules 2006.

NOTE - 2.31

DUES TO MICRO SMALL AND MEDIUM ENTERPRISE

The Company does not have any dues to Micro, Small and Medium Enterprises as per the requirement of section 22 of Micro, Small and Medium Enterprises Development Act 2006 (Previous year Rs. Nil).

NOTE - 2.32

DISCLOSURE UNDER CLAUSE 32 OF THE LISTING AGREEMENT

There are no transactions with Subsidiary Company which are required to be disclosed under Clause 32 of the Listing Agreement with the BSE Limited.

NOTE - 2.33

EXPENDITURE IN FOREIGN CURRENCY

Particulars	(Rs. in lakhs)	
	2011-12	2010-11
Travelling expenses	7.39	14.71
Books & Periodicals	0.36	0.29
Membership subscription	1.33	1.28
Telephone expenses	-	0.14
Medical reimbursement	2.52	2.45
General charges	-	0.85

NOTE - 2.34

The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary as per the revised Schedule VI to the Companies Act, 1956. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.

For G. P. AGRAWAL & CO.
Chartered Accountants
F.R. No. 302082E
CA. AJAY AGRAWAL
Partner
Membership No. 17643
Place : Kolkata
Dated : 28th April, 2012

For GOENKA SURESH & ASSOCIATES
Chartered Accountants
F.R. No. 313139E
CA. S. K. GOENKA
Proprietor
Membership No. 51226

For and on behalf of the Board
VIKASH SOMANI
Managing Director
SURESH KUMAR SOMANI
Jt. Managing Director
HANSRAJ JARIA
Company Secretary

RATNABALI CAPITAL MARKETS LIMITED

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS to the Board of Directors of Ratnabali Capital Markets Limited

1. We have examined the attached Consolidated Balance Sheet of RATNABALI CAPITAL MARKETS LIMITED, its Subsidiary and Associate as at 31st March, 2012, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto.
2. These financial statements are the responsibility of the management of the Company and have been prepared by the management on the basis of separate financial statements and other financial information regarding components thereof. Our responsibility is to express an opinion on these financial statements based on our audit.
3. 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 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.
4. (a) The financial statements for the year ended 31st March, 2012 of Ratnabali Investment Private Limited, the Subsidiary Company whose total assets of Rs. 502.82 lakhs and total revenue of Rs. 832.23 lakhs and the related Cash Flows have been fully consolidated, have been audited by M/s G. P. Agrawal & Co., Chartered Accountants, one of the Joint Statutory Auditors whose report has been furnished to us and our opinion, so far it relates to the amount included in respect of the Subsidiary, is based solely on the report of the other auditor.

(b) The financial statements of Midas Asset Reconstruction Company Private Limited (Associate Company) in which Company's Share of Profit of Rs. 1.06 lakhs has been consolidated, has been audited by other auditors for the year ended 31st March, 2012 whose reports have been furnished to us and our opinion, so far it relates to the amount included in respect of the Associate Company, is based solely on the reports of the auditors.
5. We report that the Consolidated Financial Statements have been prepared by the management of Ratnabali Capital Markets Limited in accordance with Accounting Standard - 21, "Consolidated Financial Statements" and Accounting Standard 23, "Accounting for Investment in Associates in Consolidated Financial Statements" notified under the Companies (Accounting Standard) Rules, 2006 on the basis of separate audited financial statements of Ratnabali Capital Markets Limited, its Subsidiary and Associate.
6. Subject to the above and on the basis of the information and explanations given to us and based on our audit and on consideration of the separate audit reports on the individual financial statements of the Company, its Subsidiary and Associate read together with Significant Accounting Policies and Notes thereon, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of Ratnabali Capital Markets Limited, its Subsidiary and Associate as at 31st March, 2012;
 - (ii) in the case of the Consolidated Statement of Profit & Loss, of the consolidated result of operation of Ratnabali Capital Markets Limited, its Subsidiary and Associate for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of Ratnabali Capital Markets Limited, its Subsidiary and Associate for the year ended on that date.

For G.P. AGRAWAL & CO.

Chartered Accountants

F.R. NO. 302082E

CA. AJAY AGRAWAL

Partner

Membership No. 17643

Kolkata, 28th April, 2012

For GOENKA SURESH & ASSOCIATES

Chartered Accountants

F.R. NO. 313139E

CA. S.K.GOENKA

Proprietor

Membership No. 51226

RATNABALI CAPITAL MARKETS LIMITED

CONSOLIDATED BALANCE SHEET as at 31st March, 2012

PARTICULARS	Note No.	(Rs. in lakhs)	
		As at 31st March, 2012	As at 31st March, 2011
I EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	520.30	520.30
(b) Reserves and Surplus	2.2	<u>8,230.01</u>	<u>7,797.68</u>
		8,750.31	8,317.98
(2) Non-Current Liabilities			
(a) Long-term borrowings	2.3	-	1.39
(b) Deferred tax liabilities (Net)	2.4	9.36	-
(c) Long-term provisions	2.5	<u>29.77</u>	<u>23.31</u>
		39.13	24.70
(3) Current Liabilities			
(a) Short-term borrowings	2.6	1,450.23	5,042.48
(b) Trade payables		192.68	84.93
(c) Other current liabilities	2.7	279.28	623.56
(d) Short-term provisions	2.8	<u>182.51</u>	<u>242.07</u>
		2,104.70	5,993.04
TOTAL		<u>10,894.14</u>	<u>14,335.72</u>
II ASSETS			
(1) Non-Current Assets			
(a) Fixed assets			
-Tangible assets	2.9	225.17	237.86
-Intangible assets	2.10	5.00	4.50
(b) Non-current investments	2.11	1,668.47	1,219.36
(c) Deferred tax assets (Net)	2.4	-	77.01
(d) Long-term loans & advances	2.12	192.20	188.75
(e) Other non-current assets	2.13	<u>58.68</u>	<u>43.29</u>
		2,149.52	1,770.77
(2) Current Assets			
(a) Inventories	2.14	2,736.97	6,601.44
(b) Trade receivables	2.15	2,170.96	2,091.90
(c) Cash and bank balances	2.16	3,239.84	3,405.27
(d) Short-term loans & advances	2.17	509.83	349.74
(e) Other current assets	2.18	<u>87.02</u>	<u>116.60</u>
		8,744.62	12,564.95
TOTAL		<u>10,894.14</u>	<u>14,335.72</u>
Significant Accounting Policies	1		
Notes to Accounts	2		
The accompanying significant accounting policies and notes to accounts referred to above form an integral part of the consolidated financial statement.			
As per our report of even date attached.			
For G. P. AGRAWAL & CO.	For GOENKA SURESH & ASSOCIATES	For and on behalf of the Board	
<i>Chartered Accountants</i>	<i>Chartered Accountants</i>	VIKASH SOMANI	
F.R. No. 302082E	F.R. No. 313139E	<i>Managing Director</i>	
CA. AJAY AGRAWAL	CA. S. K. GOENKA	SURESH KUMAR SOMANI	
<i>Partner</i>	<i>Proprietor</i>	<i>Jt. Managing Director</i>	
Membership No. 17643	Membership No. 51226	HANSRAJ JARIA	
Place : Kolkata		<i>Company Secretary</i>	
Dated : 28th April, 2012			

RATNABALI CAPITAL MARKETS LIMITED

STATEMENT OF CONSOLIDATED PROFIT AND LOSS for the year ended 31st March, 2012

<u>PARTICULARS</u>	<u>Note No.</u>	<u>For the year ended 31st March, 2012</u>	<i>(Rs. in lakhs)</i> <u>For the year ended 31st March, 2011</u>
(I) Revenue from operations	2.19	51,576.44	83,430.19
(II) Other Income	2.20	228.73	443.85
(III) Total Revenue (I + II)		<u>51,805.17</u>	<u>83,874.04</u>
(IV) Expenses			
Purchases of stock-in-trade-Securities		46,032.56	85,999.59
Changes in inventories of stock-in-trade	2.21	3,864.47	(4,412.79)
Employee benefits expense	2.22	247.29	216.58
Finance costs	2.23	216.00	358.94
Depreciation and amortisation of expenses	2.9 & 2.10	40.33	41.66
Other expenses	2.24	617.68	753.53
Total Expenses		<u>51,018.33</u>	<u>82,957.51</u>
(V) Profit Before Tax (III-IV)		786.84	916.53
(VI) Tax Expenses			
(1) Current Tax		85.39	10.00
(2) Deferred Tax		86.37	(48.41)
(3) Tax paid / (written back) in respect of earlier years		2.40	(14.40)
		<u>174.16</u>	<u>(52.81)</u>
(VII) Profit after tax but before Share of Associate (V-VI)		612.68	969.34
(VIII) Share of Associate		1.06	0.06
(IX) Profit after adjustment of Share of Associate (VII + VIII)		613.74	969.40
(X) Earnings per equity share:			
Basic (Rs.)	2.25	11.80	18.63
Diluted (Rs.)	2.25	11.80	18.63
Significant Accounting Policies	1		
Notes to Accounts	2		
The accompanying significant accounting policies and notes to accounts referred to above form an integral part of the consolidated financial statement.			
As per our report of even date attached.			
For G. P. AGRAWAL & CO. <i>Chartered Accountants</i> F.R. No. 302082E CA. AJAY AGRAWAL <i>Partner</i> Membership No. 17643 Place : Kolkata Dated : 28th April, 2012	For GOENKA SURESH & ASSOCIATES <i>Chartered Accountants</i> F.R. No. 313139E CA. S. K. GOENKA <i>Proprietor</i> Membership No. 51226	For and on behalf of the Board VIKASH SOMANI <i>Managing Director</i> SURESH KUMAR SOMANI <i>Jt. Managing Director</i> HANSRAJ JARIA <i>Company Secretary</i>	

RATNABALI CAPITAL MARKETS LIMITED

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2012

	For the year ended 31st March, 2012	(Rs. in lakhs) For the year ended 31st March, 2011
I. CASH FLOW FROM OPERATING ACTIVITIES		
A. NET PROFIT BEFORE TAXATION	786.84	916.53
Adjustment for:		
Depreciation	40.33	41.66
Interest paid on borrowings	145.81	343.03
Loss on sale of fixed assets	5.58	3.84
Gain on sale of long term investments	(154.53)	(307.32)
Provision for gratuity & leave encashment	6.68	11.01
Provision for wealth tax	0.47	0.34
Sundry balance written off (net)	0.02	0.01
Provision / Liability no longer required written back	(0.03)	(0.10)
Provision for standard assets	0.68	—
Interest received on debenture	—	(20.23)
Interest received on fixed deposits	(14.99)	(14.72)
Dividend on long term investments	(32.08)	(94.46)
	(2.06)	(36.94)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	784.78	879.59
B. CHANGES IN WORKING CAPITAL		
Adjustment for:		
Trade receivables	(79.06)	(1,826.84)
Long & short term loans and advances	(196.67)	252.66
Other current & non current assets	199.93	147.42
Inventories	3,864.47	(4,412.79)
Other current liabilities	(240.19)	373.80
CASH GENERATED FROM / (USED IN) OPERATIONS	4,333.26	(4,586.16)
Direct Taxes Paid (net)	(55.13)	(46.30)
CASH FLOW BEFORE EXTRA ORDINARY ITEMS	4,278.13	(4,632.46)
Extra Ordinary Items	—	—
NET CASH FLOW GENERATED FROM / (USED IN) OPERATING ACTIVITIES	4,278.13	(4,632.46)
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments	(8,256.17)	(10,436.64)
Sale of investments	7,962.64	12,031.73
Investment in an Associate	—	(75.00)
Interest received on debentures	—	20.23
Maturity/ (Investment) in fixed deposits	(19.00)	(4.00)
Interest received on fixed deposits	14.99	14.72
Purchase of fixed assets	(37.74)	(11.01)
Sale proceeds of fixed assets	4.03	4.86
Dividend on long term investments	32.08	94.46
NET CASH FLOW GENERATED FROM / (USED IN) INVESTING ACTIVITIES	(299.17)	1,639.35

RATNABALI CAPITAL MARKETS LIMITED

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2012 (Contd.)

	For the year ended 31st March, 2012	(Rs. in lakhs) For the year ended 31st March, 2011
III CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(1.39)	(3.33)
Proceeds from/(repayment) of short term borrowings (net)	(3,592.25)	3,589.47
Dividend paid (including corporate tax on dividend)	(241.88)	(303.36)
Interest paid on borrowings	(145.81)	(343.03)
NET CASH FLOW GENERATED FROM / (USED IN) FINANCING ACTIVITIES	<u>(3,981.33)</u>	<u>2,939.75</u>
Net Change in Cash & Cash Equivalents	(2.37)	(53.36)
Cash and Cash Equivalents as on 1st April, 2011	6.94	60.30
Cash and Cash Equivalents as on 31st March, 2012	<u>4.57</u>	<u>6.94</u>
Cash and Cash Equivalents comprises :		
Cash in hand	0.33	3.01
Balance with Scheduled Banks in Current Accounts	4.24	3.93
	<u>4.57</u>	<u>6.94</u>
Note :		
1. Figures in bracket represents cash outflow from respective activities.		
As per our attached report of even date.		
For G. P. AGRAWAL & CO. Chartered Accountants F.R. No. 302082E CA. AJAY AGRAWAL Partner Membership No. 17643 Place : Kolkata Dated : 28th April, 2012	For GOENKA SURESH & ASSOCIATES Chartered Accountants F.R. No. 313139E CA. S. K. GOENKA Proprietor Membership No. 51226	For and on behalf of the Board VIKASH SOMANI Managing Director SURESH KUMAR SOMANI Jt. Managing Director HANSRAJ JARIA Company Secretary

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012

NOTE - 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation

- (a) The financial statements are prepared in accordance with the historical cost convention and the accrual basis of accounting.
- (b) These are presented in accordance with Generally Accepted Accounting Principles (GAAP) in India, provisions of the Companies Act, 1956 and Accounting Standards notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.
- (c) The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities including contingent liabilities as of the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Examples of such estimates generally include future obligation under employee retirement benefit plan and income taxes.
- (d) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies' Act, 1956. Based on the nature of services provided and time between the rendering of services and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1.2 Fixed Assets and Depreciation

- (a) Fixed assets are stated at cost of acquisition including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the assets. Depreciation is provided on the straight line method and at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956, except mobile phones which are depreciated equally over a period of 3 years.
- (b) Intangible assets comprise of software, expected to provide future enduring economic benefits are stated at cost less amortisation cost comprise purchase price and directly attributable expenditure on making the asset ready for its intended use. Intangible assets are amortised over their best estimated useful life ranging up to 5 years on straight line method.

1.3 Investments

Investments are either classified as current or long-term based on Management's intention at the time of purchase. Long-term investments are carried at cost less provision for diminution recorded to recognise any decline, other than temporary, in the carrying value of each investments.

1.4 Inventories

Inventories are valued at lower of cost or market price / fair value, scripwise. Cost is determined on first-in first-out (FIFO) basis.

1.5 Employee Benefits

- (a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit & Loss for the year in which the related service is rendered.
- (b) Post employment and other long-term employee benefits are recognised as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuations. Actuarial gains and losses in respect of post employment and other long-term employee benefits are recognised in the Statement of Profit and Loss.

1.6 Revenue Recognition

- (a) Revenue from broking activities and transactions in respect of investments/dealing in shares & securities are recognised on the trade date.
- (b) Dividend is recognised when the Company's right to receive dividend is established.
- (c) Interest income & all other income is accounted for on accrual basis.
- (d) All expenses are accounted for on accrual basis.

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 1 (Contd.)

1.7 Foreign Currency Transactions

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the year end are translated at the year end rate. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities at the year end denominated in foreign currencies are recognised in the Statement of Profit & Loss.

1.8 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, 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 measured using the tax rates and tax laws that have been enacted by the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situation where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

1.9 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss for the year in which an asset is identified as impaired. The impairment loss recognised in previous accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.10 Provisions, Contingent Liabilities and Contingent Assets

- (a) Provisions are recognised in respect of obligation where based on evidence available their existence at the Balance Sheet date is considered probable.
- (b) Contingent liabilities are shown by way of Notes to Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- (c) Contingent assets are neither recognised nor disclosed in the financial statements.

1.11 Derivatives Market Trading

- (a) In respect of the Options Contract, premium for contracts expiring beyond the Balance Sheet date has been treated as current assets / current liabilities, adjusted for loss, if any.
- (b) In respect of Futures Contract, debit balance in Mark to Market Margin Account has been fully provided for and credit balance has been considered as current liabilities.

1.12 Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset upto the date the asset is put to use. All other borrowing costs are charged to revenue in the period in which they are incurred.

1.13 Earning Per Share

The Company reports basic and diluted earning per equity share in accordance with Accounting Standard-20, Earning per share notified by the Central Government under the Companies (Accounting Standard) Rules, 2006. Basic earning per equity share has been computed by dividing net profit after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earning during the year adjusted for effects of all dilutive potential equity shares, per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

1.14 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.1	(Rs. in lakhs)			
	As at 31st March, 2012		As at 31st March, 2011	
SHARE CAPITAL	Nos.		Nos.	
(a) Authorised				
Equity Shares of Rs. 10/- each	55,00,000	<u>550.00</u>	55,00,000	<u>550.00</u>
(b) Issued, Subscribed and Paid-up				
Equity Shares of Rs. 10/- each fully paid up	52,03,000	<u>520.30</u>	52,03,000	<u>520.30</u>
(c) Terms / rights attached to equity shares :	The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The holders of equity shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.			
(d) Shareholder's holdings more than 5% of the equity shares in the Company :				
	As at 31st March, 2012		As at 31st March, 2011	
Name of Shareholders	Nos.	% of holding	Nos.	% of holding
Ratnabali Leasings Pvt. Ltd.	16,97,900	32.63%	2,99,300	5.75%
Ratnabali Exports Pvt. Ltd.	16,97,200	32.62%	3,42,000	6.57%
NOTE - 2.2				
RESERVES AND SURPLUS	As at 31st March, 2012		As at 31st March, 2011	
Capital Reserve	21.87		21.87	
General Reserve:				
As per last financial statement	1,952.70		1,856.62	
Add : Transferred from surplus	<u>59.32</u>	2,012.02	<u>96.08</u>	1,952.70
Reserve Fund				
As per last financial statement	1.70		—	
Add : Transferred from surplus	<u>3.89</u>	5.59	<u>1.70</u>	1.70
Surplus in the Statement of Profit and Loss				
As per last financial statement	5,821.41		5,190.67	
Add : Corporate Dividend Tax written back	—		1.00	
Add : Profit for the year as per Statement of Profit and Loss	<u>613.74</u>		<u>969.40</u>	
Amount available for appropriation	<u>6,435.15</u>		<u>6,161.07</u>	
Appropriations :				
Proposed Dividend	156.09		208.12	
Corporate Dividend Tax	25.32		33.76	
Transferred to Reserve Fund	3.89		1.70	
Transfer to General Reserve	<u>59.32</u>		<u>96.08</u>	
Surplus - Closing Balance		<u>6,190.53</u>		<u>5,821.41</u>
		<u>8,230.01</u>		<u>7,797.68</u>
(a) The Board of Directors in their meeting held on 28th April, 2012 proposed a dividend of Rs. 3/- per equity share. The proposed dividend is subject to the approval of shareholders at the Annual General Meeting to be held on 23rd June, 2012. The total dividend appropriation for the year ended 31st March, 2012 amounted to Rs.181.41 lakhs including corporate dividend tax of Rs. 25.32 lakhs. During the year ended 31st March, 2011, the amount of dividend per share recognised as distribution to equity shareholders as final dividend was Rs. 4/- per share. The total dividend appropriation for the year ended 31st March, 2011 amounted to Rs. 241.88 lakhs including corporate dividend tax of Rs.33.76 lakhs.				
(b) Reserve fund has been created pursuant to the provision of section 45-IC of the Reserve Bank of India Act, 1934 in Subsidiary Company.				
NOTE - 2.3				
LONG TERM BORROWINGS				
(a) Term Loan				
From a Bank - Secured		—		1.39
		—		1.39
(b) Nature of Security	The car loan from bank is secured by way of hypothecation of the vehicle. The outstanding amount is repayable in 5 monthly installments of Rs. 0.28 lakhs each, therefore the same has been included in "Current maturities of long term debt" under the line item "Other Current Liabilities" (Note No. 2.7).			

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	As at 31st March, 2012	(Rs. in lakhs) As at 31st March, 2011
NOTE - 2.4		
DEFERRED TAX (ASSETS) / LIABILITIES (NET)		
Deferred Tax Liabilities		
Depreciation	24.15	28.06
Less: Deferred Tax Assets		
Provision for Doubtful Debts / Advances	0.87	0.87
Amounts allowable for tax purpose on payment basis	9.79	7.62
Preliminary expenses	—	0.01
Carry forward of business loss	—	82.90
Loss in respect of open position of Futures and Options Contract allowable on square-up / expiry	4.13	13.67
Deferred Tax (Assets) / Liabilities (Net)	9.36	(77.01)
NOTE - 2.5		
LONG TERM PROVISIONS		
Provisions for employee benefits		
Gratuity	26.73	21.32
Leave encashment	3.04	1.99
	29.77	23.31
NOTE - 2.6		
SHORT TERM BORROWINGS		
(a) Loan from related party - Unsecured	73.50	—
(b) Other Loans		
From Banks - Secured	1,376.73	3,590.98
From Others - Unsecured	—	1,451.50
	1,450.23	5,042.48
(c) Nature of Security		
Loan from banks is secured by pledge of fixed deposit receipts of Rs.1,705.50 lakhs (Previous year - Rs.956.00 lakhs) and by pledge of shares of Rs. 1604.60 lakhs (Previous year - Rs. 4,905.13 lakhs) including shares pledged for bank guarantee margin.		
NOTE - 2.7		
OTHER CURRENT LIABILITIES		
Current maturities of long-term debt	1.39	3.33
Interest accrued but not due on borrowings	—	10.17
Interest accrued & due on borrowings	5.89	0.10
Balances of derivatives transactions	—	80.91
Unclaimed dividend*	3.08	2.83
Other Payables		
- Statutory liabilities	8.84	14.26
- Accrued expenses	21.00	14.92
- Margin deposits	204.38	437.74
- Book overdraft balance	34.70	59.30
	279.28	623.56
* not due for transfer to Investor Education & Protection Fund.		
NOTE - 2.8		
SHORT TERM PROVISIONS		
Provisions for employee benefits		
Gratuity	0.32	0.13
Leave encashment	0.09	0.06
Others		
Proposed dividend	156.09	208.12
Provision for tax on dividend	25.32	33.76
Contingent provision for standard assets	0.69	—
	182.51	242.07
A provision of Rs.0.69 lakhs for the year ended 31st March,2012, against standard assets, has been charged to Statement of Profit and Loss.This Provision has been made in accordance with Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended).		

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

FIXED ASSETS											(Rs. in lakhs)
NOTE 2.9 - TANGIBLE ASSETS											
Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01.04.11	Additions during the year	Deductions during the year	As at 31.03.12	Up to 01.04.11	For the year	Deductions during the year	Up to 31.03.12	As at 31.03.12	As at 31.03.11
(a)	Office Premises	21.34 (21.34)	— (—)	— (—)	21.34 (21.34)	3.74 (3.39)	0.35 (0.35)	— (—)	4.09 (3.74)	17.25 (17.60)	17.60
(b)	Office Equipments	48.94 (50.63)	5.08 (3.04)	11.39 (4.73)	42.63 (48.94)	15.10 (12.40)	3.72 (3.35)	7.96 (0.65)	10.86 (15.10)	31.77 (33.84)	33.84
(c)	Furniture and Fixtures	42.82 (43.36)	— (0.38)	0.62 (0.92)	42.20 (42.82)	12.38 (10.46)	2.48 (2.50)	0.62 (0.58)	14.24 (12.38)	27.96 (30.44)	30.44
(d)	Computers, Servers and other Information Technology Equipments	160.17 (179.27)	5.60 (2.18)	3.99 (21.28)	161.78 (160.17)	87.77 (83.75)	18.71 (21.02)	2.50 (17.00)	103.98 (87.77)	57.80 (72.40)	72.40
(e)	Electrical Installation	22.78 (22.78)	1.50 (—)	— (—)	24.28 (22.78)	8.32 (4.63)	3.84 (3.69)	— (—)	12.16 (8.32)	12.12 (14.46)	14.46
(f)	Vehicles	101.80 (101.80)	23.86 (—)	15.42 (—)	110.24 (101.80)	32.68 (23.01)	10.03 (9.67)	10.73 (—)	31.98 (32.68)	78.26 (69.12)	69.12
	Total (A)	397.85 (419.18)	36.04 (5.60)	31.42 (26.93)	402.47 (397.85)	159.99 (137.64)	39.13 (40.58)	21.81 (18.23)	177.31 (159.99)	225.17 (237.86)	237.86
NOTE 2.10 - INTANGIBLE ASSETS											
(a)	Goodwill on Consolidation	0.17 (0.17)	— (—)	— (—)	0.17 (0.17)	— (—)	— (—)	— (—)	— (—)	0.17 (0.17)	0.17
(b)	Computer Software	5.41 (—)	1.70 (5.41)	— (—)	7.11 (5.41)	1.08 (—)	1.20 (1.08)	— (—)	2.28 (1.08)	4.83 (4.33)	4.33
	Total (B)	5.58 (0.17)	1.70 (5.41)	— (—)	7.28 (5.58)	1.08 (—)	1.20 (1.08)	— (—)	2.28 (1.08)	5.00 (4.50)	4.50
	Grand Total (A + B)	403.43 (419.35)	37.74 (11.01)	31.42 (26.93)	409.75 (403.43)	161.07 (137.64)	40.33 (41.66)	21.81 (18.23)	179.59 (161.07)	230.17 (242.36)	242.36

Figures in bracket indicates those of the previous year.

NOTE - 2.11
NON - CURRENT INVESTMENTS
Long Term Investments - Other than trade (at cost)

Name of the Company	As at 31st March, 2012			As at 31st March, 2011		
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)
Investment In Equity Instruments						
Quoted - Fully paid up						
Agre Developers Ltd.	10/-	2,76,000	95.22	—	—	—
Dabur India Ltd.	—	—	—	1/-	2,34,000	250.30
Electrosteel Steels Ltd.	10/-	28,00,000	254.00	10/-	20,00,000	200.00
Excel Crop Care Ltd.	5/-	1,74,152	234.71	—	—	—
Godawari Power & Ispat Ltd.	10/-	53,087	55.21	—	—	—
Indian Oil Corporation Ltd.	10/-	630	1.66	—	—	—
Goodyear India Ltd.	—	—	—	10/-	25,000	60.90
Kamat Hotels (India) Ltd.	10/-	2,52,262	314.31	—	—	—
MOIL Ltd.	—	—	—	10/-	1,892	7.10
NHPC Ltd.	10/-	5,10,000	106.59	10/-	7,43,000	171.27

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

(Rs. in lakhs)						
NOTE - 2.11 (Contd.) Name of the Company	As at 31st March, 2012			As at 31st March, 2011		
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)
Oil India Ltd.	10/-	6,750	34.03	—	—	—
Oil & Natural Gas Corporation Ltd.	—	—	—	5/-	40,000	132.38
Punjab & Sind Bank	—	—	—	10/-	9,785	11.74
Saint-Gobain Sekurit India Ltd.	10/-	2,46,726	103.13	—	—	—
Warren Tea Ltd.	10/-	33,628	122.81	—	—	—
	(A)		<u>1,321.67</u>			<u>833.69</u>
Unquoted - Fully Paid up Associate Company:						
Midas Asset Reconstruction Company Pvt. Ltd. {Includes Rs. 2.15 lakhs(Previous year - Rs. 2.15 lakhs) Goodwill on acquisition of Associate}	10/-	7,50,000	76.12	10/-	7,50,000	75.06
Other Companies :						
BSE Ltd.	1/-	41,054	20.56	1/-	41,054	20.56
Devkripa Vyapaar Pvt. Ltd.	—	—	—	10/-	5,00,000	50.00
Fortuna Services Ltd.	1/-	4,774	0.05	1/-	1	0.05
Indiabulls Infrastructure and Power Ltd.	10/-	4,72,000	10.07	—	—	—
Vayana Enterprises Pvt. Ltd.	10/-	7,16,418	240.00	10/-	7,16,418	2,40.00
	(B)		<u>346.80</u>			<u>385.67</u>
	(A + B)		<u>1,668.47</u>			<u>1,219.36</u>
		Book Value	Market Value	Book Value	Market Value	
Aggregate value of Quoted Investments		1,321.67	1,246.90	833.69	777.32	
Aggregate value of Unquoted Investments		346.80	—	385.67	—	
		<u>1,668.47</u>	<u>1,246.90</u>	<u>1,219.36</u>	<u>777.32</u>	
(a) Out of the investment in quoted shares of Rs. 1321.67 lakhs (Previous year - Rs. 833.69 lakhs), shares pledged with HDFC Bank Ltd. for overdraft facilities and margin for bank guarantee are valued at Rs.106.59 lakhs (Previous year - Rs. 553.95 lakhs) and pledged with Kotak Mahindra Prime Ltd. and Morgan Stanley India Capital Pvt. Ltd. for secured loan are valued at Rs. 41.80 lakhs (Previous year - Rs. NIL).						
(b) No Provision for diminution in the value of investments to the extent of Rs.122.53 lakhs (Previous year - Rs. 78.32 lakhs) has been made as the same is considered to be temporary in nature.						
NOTE - 2.12						
LONG-TERM LOANS AND ADVANCES						
(Unsecured, considered good)						
Security Deposits			184.76			170.71
Other Loans and Advances						
- Advances to employees & others			0.23			10.18
- Prepaid expenses			7.21			7.86
			<u>192.20</u>			<u>188.75</u>
NOTE - 2.13						
OTHER NON-CURRENT ASSETS						
Trade receivables						
Unsecured, considered doubtful			2.68			2.68
Less : Provision for Doubtful Debts (Refer note no. 2.15)			2.68			2.68
			—			—
Fixed Deposits with banks						
(Non current portion with original maturity period of more than 12 months)						
- Other Fixed Deposits			—			30.00
- As margin money/and against bank guarantees			58.00			10.00
Interest accrued but not due on bank deposits			0.68			3.29
			<u>58.68</u>			<u>43.29</u>

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.14						
INVENTORIES						
Stock in trade (At cost or market price/fair value whichever is lower)						
Name of the Company	As at 31st March, 2012			As at 31st March, 2011		
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)
Exchange Traded Fund-Quoted fully paid-up						
Goldman Sachs Nifty Exchange Traded Scheme	10/-	68,000	362.67	—	—	—
	(A)	68,000	362.67			
Equity Shares - Quoted fully paid-up						
3M India Ltd.	—	—	—	10/-	158	5.02
ABB Ltd.	2/-	906	5.86	—	—	—
Abbott India Ltd.	10/-	387	5.69	—	—	—
Accel Frontline Ltd.	—	—	—	10/-	5,391	2.21
ACC Ltd.	10/-	236	3.12	—	—	—
Akzo Nobel India Ltd.	10/-	1,674	13.64	—	—	—
Alfa Laval (India) Ltd.	—	—	—	10/-	385	5.64
Alstom Projects India Ltd.	10/-	2,035	7.24	—	—	—
Amara Raja Batteries Ltd.	—	—	—	2/-	30,000	48.62
Ambuja Cement Ltd.	—	—	—	2/-	1,705	2.37
Areva T&D India Ltd.	—	—	—	2/-	7,189	17.81
Astrazeneca Pharma India Ltd.	2/-	8	0.10	—	—	—
Atlas Copco (India) Ltd.	—	—	—	10/-	15,085	401.31
Axis Bank Ltd.	10/-	393	4.47	—	—	—
Bajaj Auto Ltd.	—	—	—	10/-	595	7.54
Bajaj Electricals Ltd.	2/-	2,350	4.23	—	—	—
Bajaj Finance Ltd.	10/-	181	1.16	—	—	—
Balrampur Chini Mills Ltd.	1/-	13,50,000	728.78	—	—	—
Bank of Baroda	10/-	1,085	7.88	10/-	160	1.35
Basf India Ltd.	10/-	12,114	61.00	—	—	—
Bata India Ltd.	10/-	212	1.34	—	—	—
Bayer Cropscience Ltd.	10/-	919	7.38	—	—	—
Berger Paints India Ltd.	2/-	97	0.10	—	—	—
Bharti Airtel Ltd.	5/-	2,202	7.44	—	—	—
Bharat Heavy Electricals Ltd.	—	—	—	10/-	500	10.04
Blue Dart Express Ltd.	10/-	7	0.10	10/-	1,384	13.83
BOC India Ltd.	10/-	36	0.11	—	—	—
Bosch Ltd.	10/-	166	11.85	—	—	—
Cambridge Solutions Ltd.	—	—	—	10/-	2,350	0.78
Castrol India Ltd.	10/-	2,554	11.41	—	—	—
Chennai Petroleum Corporation Ltd.	—	—	—	10/-	1,20,000	267.72
Cipla Ltd.	2/-	716	2.07	2/-	8,407	25.23
Colgate Palmolive (India) Ltd.	1/-	218	2.04	1/-	211	1.72
Cox & Kings Ltd.	5/-	49,184	80.20	—	—	—
Crisil Ltd.	1/-	210	1.45	10/-	16	0.99
Cummins India Ltd.	2/-	3,664	17.00	2/-	249	1.66
DLF Ltd.	—	—	—	2/-	4,000	10.74
Elantas Beck India Ltd.	10/-	10	0.18	10/-	231	1.80
Eros International Media Ltd.	10/-	5,929	10.69	—	—	—
Esab India Ltd.	10/-	3,446	17.64	—	—	—
Exide Industries Ltd.	1/-	6,141	7.98	—	—	—
Fag Bearings India Ltd.	10/-	98	1.10	10/-	213	1.74
Fairfield Atlas Ltd.	—	—	—	10/-	28,635	15.74
Foseco India Ltd.	10/-	144	0.76	10/-	1,057	4.81
Fresenius Kabi Oncology Ltd.	1/-	98	0.10	1/-	2,395	2.14
Fulford (India) Ltd.	—	—	—	10/-	15	0.12
Gillette India Ltd.	—	—	—	10/-	56	0.94
Glaxosmithkline Consumer Healthcare Ltd.	10/-	162	3.80	10/-	48	1.04

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

Name of the Company	As at 31st March, 2012			As at 31st March, 2011		
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)
Glaxosmithkline Pharmaceuticals Ltd.	10/-	384	7.37	10/-	83	1.74
Gmm Pfaudler Ltd.	—	—	—	2/-	4,561	4.33
Godrej Consumer Products Ltd.	1/-	1,000	4.46	—	—	—
Goodyear India Ltd.	10/-	1,255	3.84	10/-	3,158	7.92
Grindwell Norton Ltd.	5/-	1,470	3.52	5/-	1,152	2.51
Gujarat Fluorochemicals Ltd.	1/-	430	2.10	—	—	—
Gujrat Gas Co.Ltd.	2/-	2,809	11.03	—	—	—
HCL Technologies Ltd.	—	—	—	2/-	717	3.39
Henkel India Ltd.	—	—	—	10/-	4,117	1.73
Hindustan Petroleum Corporation Ltd.	10/-	562	1.62	—	—	—
Honda Siel Power Products Ltd.	10/-	2,320	8.15	10/-	15,000	53.18
Honeywell Automation India Ltd.	10/-	5	0.12	10/-	769	17.27
Housing Development Finance Corp.Ltd.	2/-	1,068	7.19	—	—	—
ICICI Bank Ltd.	—	—	—	10/-	500	5.23
Indo Bonito Multinational Ltd.	10/-	23,000	0.67	10/-	23,000	1.01
Ineos ABS (India) Ltd.	10/-	1,470	9.60	10/-	4,765	17.77
Ingersoll-Rand (India) Ltd.	10/-	1,793	8.22	—	—	—
Infosys Technologies Ltd.	—	—	—	5/-	332	10.35
ITC Ltd.	1/-	2,071	4.38	—	—	—
Jaiprakash Associates Ltd.	—	—	—	2/-	8,000	7.42
Jaypee Infratech Ltd.	—	—	—	10/-	3,821	2.22
JSW Steel Ltd.	—	—	—	10/-	189	1.69
Kansai Nerolac Paints Ltd.	10/-	1,231	10.50	—	—	—
Kennametal India Ltd.	10/-	10	0.09	—	—	—
KSB Pumps Ltd.	—	—	—	10/-	425	2.12
Larsen & Toubro Ltd.	2/-	538	7.04	2/-	500	8.26
Lovable Lingerie Ltd.	10/-	1,953	6.99	—	—	—
Lumex Industries Ltd.	—	—	—	10/-	292	1.04
Mahindra & Mahindra Ltd.	5/-	1,218	8.00	—	—	—
Marico Ltd.	1/-	1,038	1.61	—	—	—
Maruti Suzuki India Ltd.	—	—	—	5/-	1,391	17.56
Merck Ltd.	—	—	—	10/-	858	5.07
Moil Ltd.	—	—	—	10/-	1,108	4.37
Mundra Life Style Ltd.	—	—	—	10/-	1,15,000	61.37
Nestle India Ltd.	10/-	30	1.23	—	—	—
NHPC Ltd.	—	—	—	10/-	16,000	4.05
Nirma Ltd.	—	—	—	5/-	5,87,834	1,485.17
Nitta Gelatin India Ltd.	—	—	—	10/-	5,102	5.00
Novartis India Ltd.	5/-	2,520	18.11	—	—	—
Oil & Natural Gas Corporation Ltd.	5/-	5	0.11	5/-	4,000	11.65
Oracle Financial Services Software Ltd.	—	—	—	5/-	355	7.05
Page Industries Ltd.	10/-	28	0.56	—	—	—
Panasonic Carbon India Co Ltd.	—	—	—	10/-	3,209	4.75
Panasonic Energy India Company Ltd.	—	—	—	10/-	371	0.24
Panasonic Home Appliances India Company Ltd.	—	—	—	10/-	1,294	1.63
Pantaloon Retail (India) Ltd.	—	—	—	2/-	2,51,000	626.31
Pidilite Industries Ltd.	1/-	5,186	8.00	—	—	—
Piramal Healthcare Ltd.	—	—	—	2/-	1,000	4.17
Procter & Gamble Hygiene & Health Care Ltd.	10/-	194	3.71	—	—	—
Punjab National Bank	10/-	251	2.31	—	—	—
Punjab & Sind Bank	—	—	—	10/-	215	0.24
Reliance Communication Ltd.	—	—	—	5/-	4,000	4.31
Reliance Industries Ltd.	—	—	—	10/-	1,000	9.16
Reliance Infrastructure Ltd.	—	—	—	10/-	1,000	6.90
Reliance Media Works Ltd.	—	—	—	5/-	35,000	51.95
Rhodia Speciality Chemicals India Ltd.	10/-	27,917	102.46	—	—	—

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

Name of the Company	As at 31st March, 2012			As at 31st March, 2011		
	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)	Face Value (Rs.)	Quantity (Nos.)	Amount (Rs. in lakhs)
Rural Electrification Corporation Ltd.	—	—	—	10/-	515	1.25
Seamec Ltd.	—	—	—	10/-	11,653	11.62
Sharp India Ltd.	2/-	299	0.01	10/-	26,126	7.89
Shipping Corporation of India Ltd.	—	—	—	10/-	1,200	1.23
Siemens Ltd.	2/-	2,299	17.46	2/-	2,92,270	2,550.81
Singer India Ltd.	—	—	—	10/-	100	0.03
SKF India Ltd.	—	—	—	10/-	304	1.75
SML Isuzu Ltd.	10/-	1,005	3.76	10/-	746	2.44
Sonata Software Ltd.	1/-	1,41,663	25.64	—	—	—
Sparsh Bpo Services Ltd.	—	—	—	10/-	4,03,860	427.34
State Bank of India	—	—	—	10/-	400	10.97
Steel Authority Of India Ltd.	10/-	1,285	1.18	10/-	4,000	6.78
Sterlite Industries (India) Ltd.	—	—	—	1/-	4,000	6.35
STI India Ltd.	10/-	49,208	12.57	—	—	—
Suashish Diamonds Ltd.	—	—	—	10/-	5,164	7.01
Sun Pharmaceutical Industries Ltd.	1/-	220	1.08	—	—	—
Talwalkars Better Value Fitness Ltd.	10/-	7,812	11.95	—	—	—
Tata Global Beverages Ltd.	—	—	—	1/-	2,000	1.94
Tata Communication Ltd.	10/-	17,178	36.67	10/-	3,000	6.44
Tata Motors Ltd.	—	—	—	10/-	107	1.21
Timken India Ltd.	10/-	51	0.11	—	—	—
Titan Industries Ltd.	1/-	1,872	3.47	—	—	—
The Indian Hotels Co. Ltd.	—	—	—	1/-	2,000	1.68
Thomas Cook (India) Ltd.	1/-	15,50,708	947.33	1/-	1,10,587	57.46
UCO Bank	10/-	603	0.46	—	—	—
United Spirits Ltd.	10/-	1,160	5.97	—	—	—
VA Tech Wabag Ltd.	—	—	—	5/-	4,000	50.36
Vesuvius India Ltd.	10/-	1,465	5.50	—	—	—
Wabco -Tvs (India) Ltd.	5/-	61	0.75	5/-	459	4.75
Warren Tea Ltd.	—	—	—	10/-	55,945	116.24
Wendt (India) Ltd.	10/-	7	0.10	10/-	102	1.05
Whirpool Of India Ltd.	10/-	6,182	12.28	10/-	3,589	9.53
Wyeth Ltd.	10/-	1,233	10.71	10/-	121	1.02
Zydus Wellness Ltd.	10/-	1,680	6.40	—	—	—
(B)		<u>33,15,329</u>	<u>2,374.30</u>		<u>22,63,801</u>	<u>6,600.19</u>
Mutual Fund Units						
Unquoted, Fully paid up						
Reliance Liquid Fund						
- Treasury Plan-Retail Option -Growth Plan	—	—	—	1000/-	95	1.25
(C)					<u>95</u>	<u>1.25</u>
(A + B + C)			<u>2,736.97</u>			<u>6,601.44</u>
		Book Value	Market Value		Book Value	Market Value
		Rs. in lakhs	Rs. in lakhs		Rs. in lakhs	Rs. in lakhs
Aggregate value of Exchange traded fund		362.67	362.67		-	-
Aggregate value of Stock-in-trade		2,374.30	2,453.43		6,600.19	6,722.45
Aggregate value of Mutual fund unit		—	—		1.25	1.26
		<u>2,736.97</u>	<u>2,816.10</u>		<u>6,601.44</u>	<u>6,723.71</u>
Aggregate amount of provision made for diminution in value of Stock-in-trade			<u>61.67</u>			<u>102.77</u>

Out of the quoted shares of Rs. 2,374.30 lakhs (Previous year - Rs. 6600.19 lakhs) held as stock-in-trade, shares pledged with HDFC Bank Ltd. for overdraft facilities and as margin money for guarantee are valued at Rs.1,498.01 lakhs (Previous year - Rs. 1,380.21 lakhs), shares pledge with NSCCL as non-cash margin deposit Rs. NIL (Previous year - Rs. 548.50 lakhs) and shares pledge with Kotak Mahindra Prime Ltd. and Morgan Stanley Capital India Pvt. Ltd. for secured loan Rs. 345.46 lakhs (Previous year- Rs. NIL).

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	As at 31st March, 2012	(Rs. in lakhs) As at 31st March, 2011
NOTE - 2.15		
TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months from the due date		
Unsecured, considered good	—	2.00
Other trade receivables		
Unsecured, considered good	<u>2,170.96</u>	<u>2,089.90</u>
	<u>2,170.96</u>	<u>2,091.90</u>
Provision for doubtful debts		
The Company periodically evaluates all customer dues to the Company for collectability. The need for provisions is assessed based on various factors including collectability of specific dues, and the general economic factor which could affect the customer's ability to settle. The Company normally provides for debtor dues outstanding for six months or longer from the due date, as at the Balance Sheet date.		
NOTE - 2.16		
CASH AND BANK BALANCES		
Cash and cash equivalents		
Balances with Banks		
- In Current Accounts	4.24	3.93
- Cash-in-hand	0.33	3.01
Other Bank balances		
- In Current Accounts*	125.97	122.31
- In Fixed Deposit Accounts #	3,108.75	3,272.75
Stamps-in-hand (As certified by the management)	<u>0.55</u>	<u>3.27</u>
	<u>3,239.84</u>	<u>3,405.27</u>
* Includes Earmarked balances in:		
Unpaid Dividend Accounts	3.08	2.83
Client Money Accounts	122.89	119.48
# Includes Deposits pledged with Banks :		
As margin money / and against Bank guarantees		
Current portion of original maturity period of more than 12 months	1,373.25	2,316.75
Original maturity period of 12 months	30.00	—
As security for borrowings		
Current portion of original maturity period of more than 12 months	1,680.50	750.00
Original maturity period of 12 months	<u>25.00</u>	<u>206.00</u>
NOTE - 2.17		
SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Other Loans and Advances		
- Loan to others	275.00	100.00
- Advances to employees & others	9.71	5.66
- Advance payment of taxes	194.17	227.30
{Net of Provisions for taxation-Rs. 96.20 lakhs(Previous year-Rs. 12 lakhs)}		
- Service tax receivable	1.21	0.73
- Prepaid expenses	<u>29.74</u>	<u>16.05</u>
	<u>509.83</u>	<u>349.74</u>
NOTE - 2.18		
OTHER CURRENT ASSETS		
Interest accrued but not due on Bank Deposits	57.34	116.47
Interest accrued and due on loan	—	0.13
Dividend receivable	0.43	—
Balances of derivatives transactions	<u>29.25</u>	<u>—</u>
	<u>87.02</u>	<u>116.60</u>

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	For the year ended 31st March, 2012	(Rs. in lakhs) For the year ended 31st March, 2011
NOTE - 2.19		
REVENUE FROM OPERATIONS		
Sale of Securities	50,684.35	82,098.09
Sale of Services - Broking and Depository	203.09	369.06
Interest Income - from non-banking financial services		
- Loan to Others \$	22.52	0.15
Other Operating Revenues		
Interest on Bank Deposits - (Gross) *	323.45	248.26
- Dividend Income on Shares held as Stock in Trade	342.55	714.63
- Incentive Income (Gross) #	0.48	—
	<u>51,576.44</u>	<u>83,430.19</u>
\$ includes Tax deducted at sources Rs. 2.25 lakhs (Previous year - Rs.0.02lakhs)		
* includes Tax deducted at sources Rs. 32.39 lakhs (Previous year - Rs. 24.84 lakhs)		
# includes Tax deducted at source Rs. 0.05 lakhs (Previous year - Rs. NIL)		
NOTE - 2.20		
OTHER INCOME		
Dividend from Long term investments	32.08	94.46
Interest Income (Gross)		
- On Debentures*	—	20.23
- On Income Tax Refund	1.33	6.44
- On Fixed Deposit \$	14.99	14.72
- On Others #	24.14	—
Net gain on sale of long term investments	154.53	307.32
Provision / Liability no longer required written back	0.03	0.10
Other Non-Operating Income	1.63	0.58
	<u>228.73</u>	<u>443.85</u>
*includes Tax deducted at sources Rs. NIL (Previous year - Rs. 2.02 lakhs)		
\$ includes Tax deducted at sources Rs. 1.50 lakhs (Previous year - Rs. 1.47 lakhs)		
#includes Tax deducted at sources Rs. 1.05 lakhs (Previous year - Rs. NIL)		
NOTE - 2.21		
CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Opening Stock-in-trade - Securities	6,601.44	2,188.65
Less : Closing Stock-in-trade - Securities	2,736.97	6,601.44
(Increase) / Decrease in stock-in-trade - Securities	<u>3,864.47</u>	<u>(4,412.79)</u>
NOTE - 2.22		
EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Exgratia	216.07	189.44
Contribution to Provident & Other funds	12.08	8.63
Staff welfare expenses	19.14	18.51
	<u>247.29</u>	<u>216.58</u>
NOTE - 2.23		
FINANCE COSTS		
Interest expenses		
- On short term borrowings	145.81	343.03
- On others	41.55	3.55
Other borrowing cost	28.64	12.36
	<u>216.00</u>	<u>358.94</u>

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	<u>For the year ended 31st March, 2012</u>	<i>(Rs. in lakhs)</i> <u>For the year ended 31st March, 2011</u>
NOTE - 2.24		
OTHER EXPENSES		
Electricity expenses	11.40	11.55
Office rent	58.18	57.54
Telephone, Internet & Postage	10.16	12.29
Repairs & Maintenance expenses - Buildings	2.41	2.12
- Others	13.77	19.18
Insurance expenses	78.13	104.08
Rates and Taxes	189.64	285.13
Payment to Auditors :		
- As Auditors for Statutory Audit	1.13	1.13
- For Taxation Matters	0.91	0.51
- For Management Services	—	0.25
- For Other Services	1.02	0.63
	3.06	2.52
Loss on sale of fixed assets	5.58	3.84
Miscellaneous expenses	245.35	255.28
	<u>617.68</u>	<u>753.53</u>
NOTE - 2.25		
EARNING PER SHARE		
Net Profit after Tax for Equity Shareholders (A)	613.74	969.40
Weighted average number of Equity Shares of Rs. 10/- each outstanding at the end of the year (No. of shares) (B)	52,03,000	52,03,000
Basic / Diluted Earnings Per Share (Rs.) (A/B)	11.80	18.63
NOTE - 2.26		
CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)		
Income Tax demand under dispute	64.23	64.23
Tax already paid in respect of disputed demand	58.00	58.00
Income Tax refund under dispute	1.19	1.19
Provident Fund and allied dues under dispute	1.14	1.14
<p>The amounts shown above represent the best possible estimate arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the company or the claimant as the case may be and therefore cannot be estimated accurately. The company does not expect any reimbursement in respect of the above contingent liability.</p> <p>In the opinion of the management no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful of outcome of appeal.</p>		

NOTE 2.27 RELATED PARTY TRANSACTIONS															(Rs. in lakhs)		
a) Transactions with related parties.																	
Name of concern	Investment in Shares	Redemption of Securities	Services		Salary Paid	Reimbursement		Deposit		Loan Taken	Rent Paid	Asset Sale	Interest Income	Interest Expenses	Donation Paid	Dividend Paid	Balance as at year end
			Received	Paid		Received	Paid	Refund	Given								
Key Management Personnel (KMP)																	
Mr. Vikash Somani	NIL	NIL	0.27 (-)	NIL	26.93 (26.61)	NIL	0.60 (0.60)	- (56.25)	- (3.90)	NIL	7.80 (7.80)	NIL	NIL	NIL	NIL	27.67 (34.59)	NIL
Mr. Suresh Kumar Somani	NIL	NIL	0.27 (0.04)	NIL	26.33 (26.80)	NIL	0.60 (0.72)	- (56.25)	- (3.90)	NIL	7.80 (7.80)	NIL	NIL	NIL	NIL	27.67 (34.59)	NIL
Mr. Aditya Goenka	NIL	NIL	NIL	NIL	26.88 (4.41)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.01 (-)	NIL
Relatives of KMP																	
Mrs. Vinod Somani	NIL	NIL	0.33 (0.06)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	30.42 (38.03)	NIL
Mrs. Namita Somani	NIL	NIL	0.22 (0.07)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	17.18 (21.48)	NIL
Mrs. Jaishree Somani	NIL	NIL	0.24 (0.46)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	17.18 (21.48)	NIL
Others	NIL	NIL	0.04 (0.01)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Concern in which KMP & their relatives are interested																	
Amrit Malls Pvt. Ltd.	NIL	- (200.00)	0.03 (0.32)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	- (8.23)	NIL	NIL	NIL	NIL
Amrit Somani Memorial Trust	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	8.50 (28.00)	NIL	NIL
Chamaria Construction Company	NIL	NIL	0.41 (-)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Lambodar Traders	NIL	NIL	3.81 (-)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Matukripa Developers Pvt. Ltd.	NIL	NIL	NIL	NIL	NIL	NIL	0.27 (0.21)	- (75.00)	- (3.60)	NIL	7.20 (7.20)	NIL	NIL	NIL	NIL	NIL	NIL
Ratnabali Leasings Pvt. Ltd.	NIL	NIL	0.31 (-)	NIL	NIL	NIL	0.27 (0.20)	- (75.00)	- (3.60)	NIL	7.20 (7.20)	NIL	NIL	NIL	NIL	11.97 (14.96)	NIL
Ratnabali Exports Pvt. Ltd.	NIL	NIL	0.30 (-)	NIL	NIL	NIL	0.27 (0.21)	- (75.00)	- (3.60)	NIL	7.20 (7.20)	NIL	NIL	NIL	NIL	13.68 (17.10)	NIL
Ratnabali Commodities Pvt. Ltd.	NIL	NIL	3.67 (7.63)	NIL	NIL	2.51 (2.11)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
S & S Hospitality Pvt. Ltd.	NIL	NIL	NIL	4.50 (4.50)	NIL	NIL	NIL	- (1.60)	- (2.25)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Somani Bhoodhan Pvt. Ltd.	NIL	- (300.00)	0.06 (0.24)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	- (7.77)	NIL	NIL	NIL	NIL
Satyanarayan Somani (HUF)	NIL	NIL	0.12 (0.01)	NIL	NIL	NIL	0.30 (0.30)	- (37.50)	- (2.55)	NIL	5.10 (5.10)	- (1.76)	NIL	NIL	NIL	1.02 (1.27)	NIL
Vikash Somani Securities Pvt. Ltd.	NIL	NIL	0.09 (0.10)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Divyam Greenfields Pvt. Ltd.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	73.50 (-)	NIL	NIL	NIL	0.10 (-)	NIL	NIL	73.50 (-)
Others	NIL	NIL	0.33 (0.69)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Associate																	
Midas Asset Reconstruction Co. Pvt Ltd	- (75.00)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
GRAND TOTAL	- (75.00)	- (500.00)	10.50 (9.63)	4.50 (4.50)	80.14 (57.82)	2.51 (2.11)	2.31 (2.24)	- (37660)	- (23.40)	73.50 (-)	42.30 (42.30)	- (1.76)	- (16.00)	0.10 (-)	8.50 (28.00)	146.80 (183.50)	73.50 (-)

Figures in brackets indicate those of the previous year

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.27(Contd)

(Rs. in lakhs)

RELATED PARTY TRANSACTIONS

- b) No amount has been written back / written off during the year in respect of amount due to / from related parties.
 c) No amount is due from related parties hence no provision for doubtful debts in respect of dues from such related parties is required.
 d) Names of related parties and description of relationship :

Key Management Personnel (KMP)

Mr. Vikash Somani, Mr. Suresh Kumar Somani and Mr. Aditya Goenka

Concerns in which KMP & their relatives are interested

Vikash Somani Securities Pvt. Ltd., Kaveri Merchants Pvt. Ltd., Rockhard Builders Pvt. Ltd., Ratnabali Leasings Pvt. Ltd., Matukripa Developers Pvt. Ltd., Windfall Properties Pvt. Ltd., Ratnabali Commodities Pvt. Ltd., Somani Bhoodhan Pvt. Ltd., Ganpati Shares & Securities Pvt. Ltd., Ratnabali Exports Pvt. Ltd., Amrit Malls Pvt. Ltd., S & S Hospitality Pvt. Ltd., Divyam Realty Pvt. Ltd., Divyam Greenfields Pvt. Ltd., Riverview Agrofarms Pvt. Ltd. (formerly Divyam Agrofarms Pvt. Ltd.), Divyam Builders Pvt. Ltd., Ganpati Greenfields Pvt. Ltd. (formerly Divyam Nirman Pvt. Ltd.). Satyanarayan Somani Foundation, Amrit Somani Memorial Trust, Vikash Somani - HUF, Satyanarayan Somani - HUF, Suresh Kumar Somani - HUF, Aditya Goenka - HUF, M/s. Lambodar Traders & M/s. Chamaria Construction Company.

Relatives of Key Management Personnel

Mrs. Vinod Somani - Mother of Managing Director and Joint Managing Director

Mrs. Jaishree Somani - wife of Managing Director, Mrs. Namita Somani - wife of Joint Managing Director,

Mrs. Rajni Goenka - wife of Executive Director.

Associate

Midas Asset Reconstruction Company Pvt. Ltd.

NOTE - 2.28

EMPLOYEE BENEFITS

Disclosure pursuant to Accounting Standard - 15 (Revised) Employee Benefits ("AS-15R")

Defined Contribution Plan:

Employee benefits in the form of provident fund is considered as defined contribution plan. The contributions to the provident fund is made in accordance with the relevant statute and are recognised as an expense when employees have rendered service entitling them to the contributions. The contribution to defined contribution plan, recognised as expense for the year is Rs. 11.07 lakhs (Previous year - Rs. 7.90 lakhs).

Defined Benefit Plan:

The Company has Defined Benefit Plan namely Gratuity and Leave encashment for all employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year. The Present Value of the obligation is determined based on actuarial valuation using the Projected Unit Credit method.

	Gratuity Unfunded		Leave Salary Unfunded	
	2011-2012	2010-2011	2011-2012	2010-2011
(I) Change in Benefit Obligation				
Liability at the beginning of the year	21.45	11.11	2.05	1.38
Interest cost	2.00	1.22	0.21	0.13
Current service cost	5.05	4.52	0.69	0.40
Past service cost (Vested benefit)	-	-	-	-
Benefit paid	(0.45)	-	-	-
Actuarial (gain)/loss on obligations	(1.00)	4.60	0.18	0.14
Liability at the end of the year	27.05	21.45	3.13	2.05

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	(Rs. in lakhs)			
	Gratuity Unfunded		Leave Salary Unfunded	
	2011-2012	2010-2011	2011-2012	2010-2011
NOTE - 2.28 (Contd.)				
(II) Change in Assets				
Fair value of Plan Assets at the beginning of the year	-	-	-	-
Acquisition adjustments	-	-	-	-
Actual return on Plan Assets (+)	-	-	-	-
Actual Company contribution (+)	0.45	-	-	-
Benefit payments (-)	(0.45)	-	-	-
Appreciation / Depreciation of Plan Assets	-	-	-	-
Fair value of Plan Assets at the end of the period	-	-	-	-
(III) Actual Return on Plan Assets	Not Applicable		Not Applicable	
(IV) Amount Recognised in the Balance sheet				
Liability at the end of the year	27.05	21.45	3.13	2.05
Fair value of Plan Assets at the end of the year	-	-	-	-
Difference (Funded Status)	(27.05)	(21.45)	(3.13)	(2.05)
Amount recognised in the Balance sheet	(27.05)	(21.45)	(3.13)	(2.05)
a) Current liability				
i) Current liability on retirement	(0.32)	(0.13)	(0.09)	(0.06)
ii) Current liability on attrition	-	-	-	-
Total Current liability	(0.32)	(0.13)	(0.09)	(0.06)
b) Non Current liability	(26.73)	(21.32)	(3.04)	(1.99)
(V) Expenses Recognised in the Income Statement				
Current service cost	5.05	4.52	0.69	0.40
Interest cost	2.00	1.22	0.21	0.13
Expected return on Plan Assets	-	-	-	-
Net Actuarial (gain)/loss to be recognised	(1.00)	4.60	0.18	0.14
Past service cost (Vested benefit recognised)	-	-	-	-
Expenses/(write back) Recognised in Statement of Profit and Loss	6.05	10.34	1.08	0.67
(VI) Balance Sheet Reconciliation				
Opening net liability	(21.45)	(11.11)	(2.05)	(1.38)
(Expenses) / write back as above	(6.05)	(10.34)	(1.08)	(0.67)
Employers contribution	0.45	-	-	-
Amount Recognised in the Balance sheet	(27.05)	(21.45)	(3.13)	(2.05)
(VII) Actuarial Assumptions : For the year				
Discount Rate Current	8.25%	7.50%	8.25%	7.50%
Rate of Return on Plan Assets Current	-	-	-	-
Salary Escalation Current	5.00%	5.00%	5.00%	5.00%
(VIII) Investment details - as at period end	Not Applicable		Not Applicable	
The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion & other relevant factors including supply and demand in the employment market. The above information is certified by an Actuary.				
The Gratuity and Leave encashment expenses have been recognised in "Salaries, Bonus and Exgratia" under Note - 2.22.				
The amount of the present value of obligations and experience adjustment arising on plan liabilities and plan assets for the previous four annual periods are not available and therefore, not disclosed.				

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.29 DERIVATIVES

(a) In respect of futures contract, position of open interest as on the Balance Sheet date is as under :
Equity Stock, Index & Currency Futures

Name of Equity Stock / Index Future	No. of Contracts	No. of units	
		Long	Short
FUTSTK ACC 26Apr12	23	5,750	
FUTSTK BAJAJHLDNG 26Apr12	12		6,000
FUTSTK BANKBARODA 26Apr12	7		3,500
FUTSTK BPCL 26Apr12	15		7,500
FUTSTK DENABANK 26Apr12	14		56,000
FUTSTK DIVISLAB 26Apr12	6		3,000
FUTSTK GUJFLUORO 26Apr12	415	207,500	
FUTSTK HDFC 26Apr12	12		6,000
FUTSTK HDFCBANK 26Apr12	20		10,000
FUTSTK IDBI 26Apr12	5		10,000
FUTSTK INFY 26Apr12	6		750
FUTSTK IOC 26Apr12	19	19,000	
FUTSTK ITC 26Apr12	11		22,000
FUTIDX NIFTY 26Apr12	3206		160,300
FUTSTK PNB 26Apr12	16	4,000	
FUTSTK SAIL 26Apr12	12	24,000	
FUTSTK TATACOMM 26Apr12	30	60,000	
FUTSTK TATASTEEL 26Apr12	11		5,500
FUTSTK UCOBANK 26Apr12	16	64,000	
FUTSTK ULTRACEMCO 26Apr12	20		5,000
IF BSX 26Apr12	40	600	
Name of Currency Future FUTCUR USDINR 26Apr12	450		450,000

(b) In respect of option contracts, position of open interest as on the Balance Sheet date is as under :

Name of the Equity, Index & Currency Options	Total premium received /(paid) carried forward as at the year end - net of provisions made (Rs. in lakhs)
HDFC	(1.46)
NIFTY	(64.89)
USDINR	1.24

RATNABALI CAPITAL MARKETS LIMITED

NOTES TO CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

NOTE - 2.30

SEGMENT REPORTING

The Company is primarily engaged in a single business segment of Broking & Dealing in Securities and related services. All the activities of the Company revolves around the main business. As such there are no separate reportable segments as per Accounting Standard - 17 "Segment Reporting" notified by the Central Government under the Companies (Accounting Standard) Rules 2006.

NOTE - 2.31

DUES TO MICRO SMALL AND MEDIUM ENTERPRISE

The Company does not have any dues to Micro, Small and Medium Enterprises as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act 2006. (Previous year - Rs. NIL)

NOTE - 2.32

DISCLOSURE UNDER CLAUSE 32 OF THE LISTING AGREEMENT

There are no transactions with Subsidiary Company which are required to be disclosed under Clause 32 of the Listing Agreement with the BSE Limited.

NOTE - 2.33

EXPENDITURE IN FOREIGN CURRENCY

		(Rs. in lakhs)
<u>Particulars</u>	<u>2011-12</u>	<u>2010-11</u>
Travelling expenses	7.39	14.71
Books & Periodicals	0.36	0.29
Membership subscription	1.33	1.28
Telephone expenses	-	0.14
Medical reimbursement	2.52	2.45
General charges	-	0.85

NOTE - 2.34

OTHER NOTE IN RESPECT OF SUBSIDIARY COMPANY

The Subsidiary Company had received the Certificate of Registration to commence / carry on the business of non-banking financial institution without accepting public deposits during the financial year 2010-11.

NOTE - 2.35

The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary as per the revised Schedule VI to the Companies Act, 1956. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.

For G. P. AGRAWAL & CO.

Chartered Accountants

F.R. No. 302082E

CA. AJAY AGRAWAL

Partner

Membership No. 17643

Place : Kolkata

Dated : 28th April, 2012

For GOENKA SURESH & ASSOCIATES

Chartered Accountants

F.R. No. 313139E

CA. S. K. GOENKA

Proprietor

Membership No. 51226

For and on behalf of the Board

VIKASH SOMANI

Managing Director

SURESH KUMAR SOMANI

Jt. Managing Director

HANSRAJ JARIA

Company Secretary