

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

Schedules	Year Ended	
	31st Mar.2010 Rs.	31st Mar.2009 Rs.
INCOME		
Sales	1,550,199,256	420,000
Other Income	I 5,869,694	4,661,373
Increase / (Decrease) in Stocks	J (79,384,500)	37,658,526
	<u>1,476,684,450</u>	<u>42,739,899</u>
Purchases	1,472,997,670	39,107,600
Payments to and provision for employees	K 375,232	328,721
Administration & Other Expenses	L 1,967,963	2,991,236
Depreciation written off	1,226	3,740
	<u>1,475,342,091</u>	<u>42,431,297</u>
PROFIT FOR THE YEAR BEFORE TAX	1,342,359	308,602
Less : Provision for Income Tax:		
Current Tax	(196,869)	(30,000)
Less ; MAT Credit Entitlement	191,135	(5,734)
Deferred Tax	166,267	(9,576)
Frindge Benefit Tax	-	(5,419)
MAT Credit Entitlement for earlier years	3,546,844	
Income Tax for earlier year	(217,264)	(211,150)
NET PROFIT FOR THE YEAR	4,832,472	52,457
Balance Brought Forward from Previous Year	58,533,315	58,615,858
Amount Available for Appropriation	<u>63,365,787</u>	<u>58,668,315</u>
Appropriation		
Transferred to RBI Reserve Fund for NBFC	966,000	135,000
Balance carried to Balance Sheet	62,399,787	58,533,315
	<u>63,365,787</u>	<u>58,668,315</u>
Earning per Share - Basic & Diluted (Rs. Per Equity Share refer Note No.8 of Schedule-M)	0.97	0.01

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS M

Schedules referred herein above form an integral part of Profit and Loss Account


As per our report of even date
For SALARPURIA & PARTNERS
FIRM REGN.NO.302113E
CHARTERED ACCOUNTANTS


(KAMAL KUMAR GUPTA)

PARTNER
M.NO.89190

Place : New Delhi

Date : 30th May, 2010


(V. K. SUREKA)
MANAGING DIRECTOR


(D.K.GARG)
DIRECTOR

Schedule – I : OTHER INCOME

	For the year ended 31.3.2010 Rs.	For the year ended 31.3.2009 Rs.
Interest (Tax deducted at source Rs.398770/- (Rs.10,23,980)	3,987,707	4,593,535
Dividend	68,128	35,381
Commission Income	764,280	-
Profit on Sales of Investments Long Term	1,049,579	32,457
	<u>5,869,694</u>	<u>4,661,373</u>

Schedule - J : INCREASE / (DECREASE) IN STOCKS

STOCKS AT COMMENCEMENT OF THE YEAR		
Shares & Securities	120,506,726	82,848,200
STOCKS AT CLOSE OF THE YEAR		
Shares & Securities	41,122,226	120,506,726
INCREASE / (DECREASE) IN STOCKS	<u>(79,384,500)</u>	<u>37,658,526</u>

Schedule – K : EMPLOYEE'S REMUNERATION AND BENEFITS

Salary Wages Bonus & Allowances	283,800	239,516
Staff and Labour Welfare	91,432	89,205
	<u>375,232</u>	<u>328,721</u>

Schedule – L : ADMINISTRATION AND OTHER EXPENSES

Premium on Key Man Insurance Policy from LIC	-	1,755,400
Rates & Taxes	35,523	19,612
Traveling, Conveyance & Vehicles Expenses	40,598	31,115
Miscellaneous Expenses	116,400	146,978
Legal & Professional charges	705,000	682,703
Interest Paid	1,018,612	318,823
Auditors' Remuneration:		
As Audit Fee	20,000	17,355
Director's Meeting Fee	7,750	8,750
Bad Debts Written Off	13,580	-
Public/Preferential Share Issue Expenses written off	10,500	10,500
	<u>1,967,963</u>	<u>2,991,236</u>

SCHEDULE 'M' OF ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**1. ACCOUNTING POLICIES****(a) Basis of Accounting**

The Company follows mercantile system of accounting i.e. all expenses and income are accounted for on accrual basis.

(b) Fixed Assets

Fixed Assets are stated at cost less depreciation.

(c) Depreciation

Depreciation is provided on Straight Line Method in accordance with the rates and basis prescribed in Schedule XIV of the Companies Act, 1956.

(d) Investments

Investments are stated at purchase price.

(e) Dividend

Dividend declared with in the close of the accounting year only are accounted for.

(f) Valuation of inventories

Stock of Shares and Securities are valued at lower of cost or estimated realisable value.

(g) Sales

Sales are inclusive of Sales Tax Collection, wherever is applicable.

(h) Retirement Benefits

Accrued liability of gratuity payable has been accounted for as per valuation made by the management.

(i) Amortisation of Preferential Share Issue Expenses

Preferential Share Issue Expenses are amortised over a period of ten years.

(j) Contingent Liabilities

Disputed liabilities and claims against the Company including claims by Taxation Authorities pending in appeals are treated as contingent liabilities and are not provided for and are shown by ways of notes.

(k) Taxes on Income

Tax expenses for the relevant period comprises of current tax and deferred tax. Deferred Tax Assets is recognized, subject to consideration of prudence, on all timing difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. The accumulated deferred tax liability is adjusted by applying the tax rates and tax laws applicable at the year end.

2. The market value of following quoted investments have been declined substantially. However, in the opinion of the management no provision for diminution in value is required since these investments are of strategic importance to the company. The decline in market value of investments is considered to be temporary:

Name of the Company	Decrease in the market value
Him Ispat Limited	38,000
	<u>38,000</u>

3. Contingent Liabilities not provided for Corporate Guarantees issued against borrowings by sister concern: - 130,00,00,000 (Nil)
4. There has been no employee who have completed five years of continuous service, hence there has been no accrued liability in respect of gratuity as on the balance sheet date.
5. Estimated amount of capital contracts remaining to be executed Rs 4,84,25,000/- (4,43,25,000) against which advances paid Rs.3,41,00,000 (3,00,00,000).
6. **Deferred Tax Assets And Liabilities are adjusted on following:**

Particulars	As on 31.03.2009	For the year 2009-10	As on 31.03.2010
Depreciation	(8,652)	342	(8,310)
Provision for Doubtful Debts	128,858	-	128,858
Unabsorbed Losses	-	165,925	165,925
	120,206	166,267	286,473

7 Earning Per Share:

Particulars	Current year	Previous year
Profit after tax as per Profit and Loss Account	4,832,472	52,457
Average number of Equity Shares (Face value) of Rs.10/- each.	4,978,900	4,978,900
Basic and Diluted EPS (in rupees)	0.97	0.01

8 SEGMENT REPORTING

There has been no separately reportable Segment

9 RELATED PARTY DISCLOSURE (AS IDENTIFIED BY THE MANAGEMENT), AS REQUIRED BY ACCOUNTING STANDARD 'AS-18' ARE GIVEN BELOW:

i) LIST OF RELATED PARTY

(a) Where control exists:-

- | | |
|---|---|
| (i) Jotindra Steel & Tubes Limited | (xiv) Vaishnodevi Properties Pvt. Ltd. |
| (ii) Quality Synthetic Industries Ltd | (xv) V.K. Flats Pvt. Ltd. |
| (iii) J.S.T. Engineering Services Ltd. | (xvi) Dwarkadish Construction Pvt. Ltd. |
| (iv) Aakshi Exports (P) Ltd. | (xvii) Srinarayan Raj Kumar Merchants Ltd. |
| (v) Biharji Ispat Udyog Limited | (xviii) Biharji Fancy Fibers & Fabrics Ltd. |
| (vi) Saroj Metal Works Private Ltd. | (ixx) Bhama Properties (P) Ltd. |
| (vii) Chakra Exports (P) Ltd. | (xx) P.D. Metal Industries (P) Ltd. |
| (viii) Ram Forgings Pvt. Ltd. | (xxi) Udayanchal Leasing Exports (P) Ltd. |
| (ix) Radha Estate (P) Ltd. | (xxii) Vee Kay Surgicals Pvt. Ltd. |
| (x) Subhlaxmi Properties (P) Ltd. | (xxiv) V L Estate (P) Ltd. |
| (xi) VL Estates Pvt. Ltd. | (xxv) VEE EM Infocenter (P) Ltd. |
| (xii) Mauria Udyog Limited | (xxvi) SKD Estates Pvt. Ltd. |
| (xiii) Sureka Tube Industries Pvt. Ltd. | (xxvii) Puranmal Foods India (P) Ltd. |

(b) Key Management Personnel

V.K.Sureka (Managing Director)
K.M. Pai (Director)

(c) Relative of key Management personnel (with whom transaction have taken place during the year).

Deepanshu Sureka
Akhil Kumar Sureka
Prem Lata sureka
Navneet Sureka

(d) Other related parties

Srinarayan Rajkumar Firm

ii) TRANSACTION WITH RELATED PARTIES

TYPE OF RELATED PARTY	DESCRIPTION OF THE TRANSACTION	VOLUME OF THE TRANSACTIONS		AMOUNT OUTSTANDING			
		Current Year	Previous Year	RECEIVABLE		PAYABLE	
				Current Year	Previous Year	Current Year	Previous Year
Where Control Exists	Sales of Goods / Investments	11,803,800	--	--	--	--	--
	Purchases of Goods / Investments	0	15,000,000	--	--	--	--
	Interest Received	3,468,948	4,518,889	1,704,784	--	--	--
	Interest Paid	379,236	--	--	--	--	--
	Commission Received	196,780	--	177,102	--	--	--
	Loan Given	46,600,000	76,670,725	6,000,000	29,918,273	--	--
	Loan Given received back	86,246,302	52,219,121	--	--	--	--
	Loan Taken	24,842,729	--	--	--	--	--
	Loan Taken repaid	24,842,729	--	--	--	--	--
Key Management Personnel	Purchases of Goods / Investments	0	--	--	--	--	--
	Sale of Goods / Investments	684,480	--	--	--	--	--
Relative of Key Management Personnel	Purchases of Goods / Investments	22,756,800	--	--	--	--	--
	Sale of Goods / Investments	4,043,600	--	--	--	--	--
Other related parties	Loan Given	200,000	--	--	--	--	--
	Loan Given received back	200,000	--	--	--	--	--

NOTE:

- In respect of above parties, there is no provision for doubtful debts as on 31st March, 2010 and no amount as been written off or written back during the year in respect of debts due from them.
- Out of above certain transaction requires approval from members and Central Government, which are yet to be taken.

11 Figures for the previous year have been regrouped and recast wherever necessary and figures in brackets represent previous year figures.



11 Additional Information:**(b) Quantitative Details:**

Name of Goods in Trade	UNITS	OPENING STOCKS		PURCHASES		SALES		CLOSING STOCKS	
		QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.
Shares & Securities	Nos.	1,528,718	120,506,726	392,280	35,756,800	881,306	112,761,880	1,039,692	41,122,226
		(1,426,192)	(82,848,200)	(222,526)	(39,107,600)	(120,000)	(420,000)	(1,528,718)	(120,506,726)

(c) C.I.F. Value of Import	Nil (Nil)
(d) F.O.B. Value of Export	Nil (Nil)
(e) Earnings, Expenditure and remittance on account of dividend in foreign currency	Nil (Nil)

12 BALANCE SHEET ABSTRACT AND THE COMPANY'S GENERAL BUSINESS PROFILE:**a) REGISTRATION DETAILS:**

Registration No.	:	27338	State Code	:	21
Balance	:	31.03.2010			

b) CAPITAL RAISED DURING THE YEAR:

Public Issue	:	Nil	Right Issue	:	Nil
Bonus Issue	:	Nil	Private Placement	:	Nil

c) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (RUPEES IN THOUSANDS):

Total Liabilities	:	181,039	Total Assets	:	181,039
Source of Funds:					
Paid-up Capital	:	50,423	Reserves & surplus	:	123,362
Secured Loans	:	7,254	Unsecured Loans	:	Nil
Application of Funds:					
Net Fixed Assets	:	27	Investments	:	62,522
Net Current Assets	:	118,203	Misc. Expenditure	:	-
Accumulated Losses	:	Nil	Deferred Tax Assets	:	286

d) PERFORMANCE OF THE COMPANY:

Turnover/Receipts	:	1,556,069	Total Expenditure	:	1,554,726
Profit before Tax	:	1,342	Profit After Tax	:	4,832
Earning per Share in Rupees	:	0.97	Dividend Rate	:	Nil

e) GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY:

ITEM CODE (ITC CODE)	PRODUCT DESCRIPTION
N.A.	Shares & Securities
N.A.	Interst
N.A.	Dividend

Signature to schedules A to L

As per our report attached

For SALARPURIA & PARTNERS


FIRM REGN.NO.302113E

CHARTERED ACCOUNTANTS


(KAMAL KUMAR GUPTA)
PARTNER

Place : New Delhi


Date : 30th May, 2010


(V.K. Sureka)
MANAGING DIRECTOR

(D.K. GARG)
DIRECTOR

Schedule to the balance sheet of a non-banking financial company as required in terms of paragraph 9bb of non banking financial companies prudential norms (reserve bank) directions, 1998

SL.	PARTICULARS	(RS. IN LACS)	
		AMOUNT	AMOUNT
	LIABILITIES SIDE :		
1	Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	(a) DEBENTURES : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(Other than failing within the meaning of public deposits)*		
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate Loans and Borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Public Deposites*	NIL	NIL
	(g) Other Loans (Specify Nature)-	NIL	NIL
	* Please see Note 1 below		
2	Break up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured debentures	NIL	NIL
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security.	NIL	NIL
	(c) Other public deposits	NIL	NIL
	*Please see Note 1 below		
	ASSETS SIDE :		AMOUNT OUTSTANDING
3	Break up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured		NIL
	(b) Unsecured		154.25
4	Break up of Leased Assets and stock on hire and hypothecation loan counting towards EL/HP activities:		
	(i) Lease assets including lease rentals under		
	(a) Financial Lease		NIL
	(b) Operating Lease		NIL
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on Hire		NIL
	(b) Repossessed Assets		NIL
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loan where assets have been		NIL
	(b) Loan other than (a) above		NIL
5	Break up of Investments :		
	Current Investments		
	1. Quoted:		
	(i) Shares : (a) Equity		328.14
	(b) Preference		NIL
	(ii) Debentures and Bonds		NIL
	(iii) Units of Mutual Funds		10.00
	(iv) Government Securities		NIL
	(v) Others (please specify)		NIL



SL.	PARTICULARS	(RS. IN LACS)		
	ASSETS SIDE :	AMOUNT		
2.	Unquoted:			
	(i) Shares : (a) Equity			73.08
	(b) Preference			NIL
	(ii) Debentures and Bonds			NIL
	(iii) Units of Mutual Funds			NIL
	(iv) Government Securities			NIL
	(v) Others (please specify)			NIL
	Long Term Investments			
1.	Quoted:			
	(i) Shares : (a) Equity			55.32
	(b) Preference			NIL
	(ii) Debentures and Bonds			NIL
	(iii) Units of Mutual Funds			NIL
	(iv) Government Securities			NIL
	(v) Others (please specify)			NIL
2.	Unquoted:			
	(i) Shares : (a) Equity			569.90
	(b) Preference			NIL
	(ii) Debentures and Bonds			NIL
	(iii) Units of Mutual Funds			NIL
	(iv) Government Securities			NIL
	(v) Others (please specify)			NIL
6	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:			
	Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
1.	Related Parties **			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	17.05	17.05
	(c) Other related parties	NIL	NIL	NIL
2	Other than related parties	NIL	137.20	137.20
	Total		154.25	154.25
7	Investor group-wise classification of all investments (Current and long term) in shares and securities (both quoted and unquoted):Please see Note 3 below			
	Category	Amount net of provisions		
1.	Related Parties **			
	(a) Subsidiaries			NIL
	(b) Companies in the same group			972.27
	(c) Other related parties			NIL
2	Other than related parties			64.17
	Total			1,036.44
	** As per Accounting Standard of ICAI(Please See)			
	* Cost or market value whichever is lower.			

SL.	PARTICULARS	(RS. IN LACS)
8	Other Information	AMOUNT
	i) Gross Non-Performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	NIL
	ii) Net Non-performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	NIL
	iii) Assets acquired in satisfaction of debt	NIL

Notes:

- As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and breakup/ fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

As per our report of even date

For SALARPURIA & PARTNERS

FIRM REGN.NO.302113E

CHARTERED ACCOUNTANTS


(KAMAL KUMAR GUPTA)

PARTNER

M.NO.89190

Place : New Delhi

Date : 30th May, 2010



(V.K. SUREKA)

MANAGING DIRECTOR



(B.K. GARG)

DIRECTOR

