

SUCHITRA FINANCE & TRADING CO. LTD.

46, Strand Road, 3rd Floor
Kolkata- 700 007

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Twenty First Annual Report together with the Audited Accounts of the Company for the year ended 31st March' 2004.

FINANCIAL RESULTS:

The Company has made a loss after tax of Rs. 148155.31 as compared to the last year figure of loss of Rs. 2098293.69

PERFORMANCE:

During the year, the company has mainly concentrated on recovering of loans and advances given to the parties. In view of sluggishness in the capital market, the company has taken steps to reduce its exposure in the capital market.

DIVIDEND:

In view of loss, your directors do not recommend any dividend for the year.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ending 31st March, 2004 and of the profit of the company for that period;
- (iii) the directors have 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 to the best of their ability;
- (iv) the directors have prepared the Annual Accounts on a going concern basis.

LISTING OF SHARES ISSUED BY WAY OF PREFERENTIAL ISSUE

The Company's application for Listing of 150000 Equity Shares by way of preferential issue is yet to be confirmed by the Calcutta Stock Exchange. The Guahati Stock Exchange has approved the same but dealing/trading of the same will be permitted on receipt of approval from Calcutta Stock Exchange. The company is pursuing the matter with the Calcutta Stock Exchange.

CORPORATE GOVERNANCE

The code of Corporate Governance as provided in the Listing Agreements of the Stock Exchanges is not applicable to the Company.

DEMATERIALISATION

The Settlement of trades by all investors in equity shares of the Company can be made in dematerialised. The Company in this regard has already complied with the necessary formalities. The member can now opt for the benefit of the same.

PAYMENT OF LISTING FEES

The Listing fees has been paid upto Financial Year 2003-2004.

SEGMENT REPORTING

The company has single segment, hence Accounting Standard on Segment Reporting (AS-17) need not be given.

RESERVE BANK OF INDIA GUIDELINES FOR NBFCs (Non Banking Financial Companies)

The Guidelines of Reserve Bank of India are being revised time and again during the year under review. The Company has observed all the prudential norms prescribed by Reserve Bank of India.

DIRECTORS

In accordance with the Company's Articles of Association, Sri Jagdish Prasad Somani, Director of the Company retires by rotation and being eligible, offer himself for reappointment.

FIXED DEPOSIT

The Company has not accepted any fixed deposit during the year ended 31st March 2004 from the public.

AUDITORS

M/s P.D.Randar & Co., Chartered Accountants, Auditors of the Company retires at the conclusion of the ensuing Annual General Meeting and being eligible to offer themselves for reappointment. Your company has received a certificate from M/S P.D.Randar & Co., Chartered Accountants, to the effect that the appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act 1956.

The observations made by the auditors are self-explanatory and require no further explanation.

DISCLOSURE OF PARTICULARS

The Company has no employees in the category as specified in the provisions of Section 217(2A) of the Companies Act, 1956.

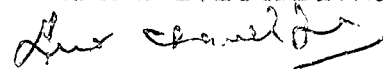
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING

The Company being basically in the financial sector, requirements regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable. The Company has no foreign exchange inflow or outflow during the year under review.

ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review.

For and on behalf of the Board of Directors



Chairman

Place: Kolkata

Date:

AUDITORS' REPORT

To the Members of SUCHITRA FINANCE & TRADING CO. LIMITED

We have audited the attached Balance Sheet of SUCHITRA FINANCE & TRADING CO. LIMITED, as at 31st March 2004 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have 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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

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

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section(3C) of section 211 of the Companies Act, 1956;
- (e) On the basis of written representations received from the directors, as on 31st March 2004 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2004 from being appointed as a director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act, 1956;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit & Loss Account read together with other notes and schedules annexed thereto give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2004; and
 - (ii) In the case of the Profit and Loss Account, of the Loss for the year ended 31st March 2004., and
 - (iii) In the case of Cash Flows Statement, of the Cash Flows for the year ended 31st March 2004.

For P.D.RANDAR & CO.
Chartered Accountants

Place : Kolkata

Date : 25th August 2004

(P.D.RANDAR)
Proprietor

Certified to be True Copy

FOR SUCHITRA FINANCE & TRADING CO. LTD

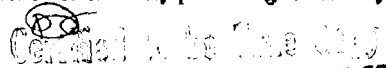
Aparanandi
Director : Authorized Signatory

ANNEXURE TO THE AUDITORS' REPORT

Statement referred to in paragraph 3 of our report of even date to the members of M/s SUCHITRA FINANCE & TRADING CO.LIMITED on the accounts for the year ended 31st March 2004.

In terms of the information and explanation given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) The company does not own any fixed assets and as such clauses 4(i) (a) to 4(i)(c) of the Companies (Auditors Report) Order 2003 are not applicable.
- (ii) (a) Stock of Shares physically lying with the Company has been verified by the management at reasonable intervals. Further the Company has received confirmations of shares lying with depository participants at regular intervals.
(b) In our opinion, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
(c) The company is maintaining proper records of inventories. No discrepancies have been noticed on such verification.
- (iii) As informed to us, the company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other partners listed in the register maintained under section 301 of the Companies Act, 1956 and as such clauses 4(ii)(a) to 4(ii)(d) of the Companies (Auditors Report) Order 2003 are not applicable.
- (iv) In our opinion and according to the information and explanations, given to us there is an adequate internal control procedure commensurate with the size of the Company and nature of its business with regard to purchases and sale of shares. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered, if any, into the register maintained under section 301 of the Companies Act 1956 have been so entered.
(b) According to the information and explanations given to us, there are no transactions of purchase of shares and materials and sale of shares, materials and services made in pursuance of contracts or arrangements with any party entered in the register maintained under Section 301 of the Companies Act, 1956 for value aggregating to Rs. 500000 or more during the year under review.
- (vi) The company has not accepted any deposits from the public during the year within the meaning of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed there under with regard to the deposits accepted from the public. No order has been passed by the Company Law Board.
- (vii) In our opinion and according to the information and explanations, given to us there is an adequate internal control procedure commensurate with the size of the Company and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sections 209(1)(d) of the Companies Act, 1956, for any of the products of the company.
- (ix) (a) As explained to us, the Provident Fund Scheme and Employees State Insurance Scheme are not applicable to the company.
(b) According to the information given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, customs duty and excise duty and cess were in arrears, as at 31st March 2004 for the period exceeding six months from the date they become payable.
(c) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- (x) In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has incurred cash losses of Rs.179122.81 during the financial year covered by our audit but has not incurred cash losses in the immediately preceding financial year.


For SUCHITRA FINANCE & TRADING CO. LTD

Director Authorized Signatory

P. D. RANDAR & Co.
Chartered Accountants

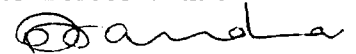
Phone : (O) 239-0786
238-4173
161/1, Mahatma Gandhi Road
(4th Floor, Room No.97)
Calcutta-700 007

- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank with whom transactions have been made during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund, nidhi/ mutual benefit fund and therefore the requirements pertaining to such class of companies is not applicable. Therefore the provision of clause 4(xiii) of the Companies (Auditors' Report) Order 2003 are not applicable to the company.
- (xiv) The Company has maintained proper records of transactions and contracts in respect of trading in shares and other securities and timely entries have been made therein. The investments are held by the Company in its own name except to the extent exemption provided under Section 49 of the Companies Act 1956.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not taken any term loans during the year.
- (xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the company we report that no funds raised on short term basis have been used for long term investment and vice versa.
- (xviii) According to the information and explanations given to us, the Company has made preferential allotment of shares during the year to parties and companies covered in the Register maintained under Section 301 of The Companies Act, 1956. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
- (xix) The Company has not issued any debentures during the year and therefore the question of creating security in respect thereof does not arise.
- (xx) The Company has not made any public issues during the year and therefore the question of disclosing the end use of money does not arise.
- (xxi) According to the information and explanations given no fraud on or by the company has been noticed or reported during the year.

Place : Kolkata

Date : 25th August 2004

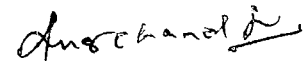
For P.D.RANDAR & CO.
Chartered Accountants



(P.D.RANDAR)
Proprietor

Certified to be True Copy

FOR SUCRITRA FINANCE & TRADING CO. LTD



Director / Authorised Signatory



M/S.SUCHITRA FINANCE & TRADING CO.LTD.**BALANCE SHEET AS AT 31st MARCH 2004**

	Schedule	As at 31.03.2004 Rs.	As at 31.03.2003 Rs.
I. SOURCES OF FUNDS			
1 Shareholder's Funds			
Share Capital	A	22425000.00	7,425,000.00
Reserves & Surplus	B	1430000.00	1,430,000.00
Share Application Money		-	2,250,000.00
		23,855,000.00	11,105,000.00
2 LOAN FUNDS			
Unsecured Loan		1,680,166.59	8,448,166.59
		25,535,166.59	19,553,166.59
II. APPLICATION OF FUND			
1 Investment			
	C	1600000.00	-
1 Current Assets, Loans & Advances			
Stock-In-Trade	D	17000.00	2,428,743.46
Cash & Bank Balances	E	71419.76	1,625,701.11
Loans and Advances	F	22,888,901.00	14,761,280.00
		22,977,320.76	18,815,724.57
Less :Current Liabilities & Provisions	G	433,996.00	2,671,322.96
Net Current Assets		22,543,324.76	16,144,401.61
Miscellaneous Expenditure			
2 (to the extent not written off or adjusted)	H	50000.00	-
3 Profit & Loss Account			
		1341841.83	3,408,764.98
		25,535,166.59	19,553,166.59
Accounting Policies & Notes on Accounts			
	L		

The Schedules referred to above form an integral part of the Balance Sheet
This is the Balance Sheet referred to in our report of even date.

for **P.D.RANDAR & CO.**
Chartered Accountants

P.D. Randar

(P.D.RANDAR)
Proprietor

Place: Kolkata

Dated : 25th August 2004

for **SUCHITRA FINANCE & TRADING CO. LT**

Ashwini Chandra

Director / Authorised Signatory

for **SUCHITRA FINANCE & TRADING CO. LT**

Ashwini Chandra

Director / Authorised Signatory

Certified to be True Copy

for **SUCHITRA FINANCE & TRADING CO. LTD**

Ashwini Chandra

Director / Authorised Signatory

M/S.SUCHITRA FINANCE & TRADING CO.LTD.

Profit & Loss Account for the year ended 31st March 2004

	Schedule	As at 31.03.2004 Rs.	As at 31.03.2003 Rs.
<u>INCOME</u>			
Sales of Shares		243,280.00	1,943,255.00
Interest (TDS-Rs356641/-Previous year Rs.160256/-)		2,356,368.00	858,302.00
Misc. Receipts		1,000.00	-
Provision for Diminution in value of stock W/B		43,467.50	-
		2,644,115.50	2,801,557.00
<u>EXPENDITURE</u>			
Accretion/Decretion in stock	I	2411743.46	2,319,359.04
Salaries & Other Employee's benefits	J	170,955.00	175,689.00
Provision For Diminution in Value of Stock			2,211,930.96
Operating & Administrative costs	K	197,072.35	176,855.69
Miscellaneous Expenditure written off		12,500.00	6,302.00
		2,792,270.81	4,890,136.69
Profit/(Loss) before Taxation		-148,155.31	-2,088,579.69
Less : Provision for Income Tax			-9,714.00
Profit after Taxation		-148,155.31	-2,098,293.69
Add : Provision for Diminution in Value of Stock W/B		2,168,463.46	
Add : Excess/Short Provision I.Tax			10,399.00
Add : Excess Provision Interest Tax		46,615.00	
Add : Balance brought forward from last year		-3,408,764.98	-1,320,870.29
		-1,341,841.83	-3,408,764.98
Balance Carried to Balance Sheet		(0.08)	(2.83)
Basic/Diluted Earning Per Share			
(refer note no. 'c' of Notes on Accounts)			

Additional Information M
Accounting Policies & Notes on Accounts L

The Schedules referred to above form an integral part of the Profit & Loss Accounts
This is the Profit & Loss A/C referred to in our report of even date.

P. D. Randar

for P.D.RANDAR & CO.
Chartered Accountants

(P. D. RANDAR)
Proprietor

Place: Kolkata

For SUCHITRA FINANCE & TRADING CO. LTD.

Ashwini Chandra

Director / Authorised Signatory

For SUCHITRA FINANCE & TRADING CO. LTD.

Ashwini Chandra

Director / Authorised Signatory

Certified to be True Copy

For SUCHITRA FINANCE & TRADING CO. LTD.

Ashwini Chandra

Director / Authorised Signatory

M/S.SUCHITRA FINANCE & TRADING CO.LTD.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2004

	As at 31.03.2004 Rs.	As at 31.03.2003 Rs.
Schedule - A.		
<u>SHARE CAPITAL</u>		
Authorised Share Capital		
22,50,000 (Previous year 22,50,000) Equity Shares of Rs. 10/- each	22,500,000.00	22,500,000.00
Issues, Subscribed & Paid up -		
2242500 (Previous year 7,42,500) Equity Shares of Rs. 10/- each fully paid-up	22,425,000.00	7,425,000.00
	22,425,000.00	7,425,000.00
Schedule - B.		
<u>RESERVES & SURPLUS</u>		
General Reserve -		
As per last Account	1,430,000.00	1,430,000.00
	1,430,000.00	1,430,000.00
Schedule -C.		
INVESTMENT(At Cost)		
Unquoted Shares 80000 Shares of Morning Due Finance Pvt. Ltd.	1600000.00	-
	1600000.00	-
Schedule - D.		
<u>Stock in trade (Valued at cost or Market Price whichever is lower) (P.yr. Valued at cost)</u>		
Shares	17,000.00	2,428,743.46
	17,000.00	2,428,743.46
Schedule - E.		
<u>CASH & BANK BALANCES</u>		
Cash in hand (As Certified by the management)	55,208.26	83,338.61
Balances with Scheduled Banks		
In Current Account	16,211.50	1,542,362.50
	71,419.76	1,625,701.11
Schedule - F.		
<u>LOANS AND ADVANCES (Unsecured, considered good)</u>		
LOANS		
	22,342,809.00	14,299,456.00
ADVANCES		
(Recoverable in cash or in kind or for the value to be received)		
Income Tax deducted at source	546,092.00	372,882.00
Income Tax Refundable		88,942.00
	22,888,901.00	14,761,280.00

pd

M/S SUCHITRA FINANCE & TRADING CO. LTD.

[Signature]
Director / Authorised Signatory

M/S SUCHITRA FINANCE & TRADING CO. LTD.

[Signature]

Director / Authorised Signatory
Certified to be True Copy

M/S SUCHITRA FINANCE & TRADING CO. LTD.

[Signature]

Director / Authorised Signatory

Schedule - G.

CURRENT LIABILITIES & PROVISIONS

CURRENT LIABILITIES

Sundry Creditors	387,378.00	387,378.00
Liabilities for expenses	36,904.00	15,685.00
	424,282.00	403,063.00

PROVISIONS

For Income Tax	9714.00	9,714.00
For Diminution in value of stock		2,211,930.96
For Interest tax		46,615.00
	483,996.00	2,671,322.96

Schedule - H.

MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Share Issue Expenses

62,500.00

Less: Written off during the year

12,500.00

50,000.00

Schedule - I.

ACCRETION / (DECRETION) IN STOCK

Closing Stock	17,000.00	2,428,743.46
Less : Opening Stock	2,428,743.46	4,748,102.50
	-2,411,743.46	-2,319,359.04

Per SUCHITRA FINANCE & TRADING CO. LTD.

Anur Chand

Director / Authorised Signatory

Per SUCHITRA FINANCE & TRADING CO. LTD.

Anur Chand

Director / Authorised Signatory

Verified to be true copy

Per SUCHITRA FINANCE & TRADING CO. LTD.

Anur Chand

Director / Authorised Signatory

PD

M/S. SUCHITRA FINANCE & TRADING CO. LTD.

SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT AS AT 31ST MARCH, 2004

	An at 31.03.2004 Rs.	An at 31.03.2003 Rs.
Schedule - J.		
<u>SALARIES & OTHER EMPLOYEE'S BENEFITS</u>		
Salaries, Bonus, Gratuity etc.	154,350.00	156,000.00
Staff Welfare	16,605.00	19,689.00
	170,955.00	175,689.00
Schedule - K.		
<u>OPERATING & ADMINISTRATIVE COSTS</u>		
Professional Service Charges	5,890.00	10,038.00
Rates & Taxes	22,988.00	2,789.00
Filing Fees	4,000.00	5,000.00
Advertisement	2,419.00	
General Charges	24,251.00	25,732.00
Bank Charges	4,223.00	4,298.69
Printing & Stationery	17,701.35	16,145.00
Books & Periodicals	7,439.00	6,619.00
Sebi Regularisation Scheme Fees	-	20,000.00
<u>Auditor's Remuneration</u>		
Statutory Audit Fees	2,500.00	2,500.00
Other Matters	-	1,500.00
Director's Meeting Fees	3,800.00	4,000.00
Computer Accounting Charges	18,000.00	18,000.00
Depository Charges	2,500.00	2,500.00
Conveyance Charges	22,050.00	22,563.00
Listing Fees	31,500.00	10,500.00
Postage & Stamp	9,657.00	10,049.00
RTA Fees	7,500.00	5,000.00
Telephone Charges	4,304.00	4,167.00
Stock Exchange Preferential Issue Fees	-	200.00
Demat Charges	350.00	-
Rent	6,000.00	-
Bad Debts Written Off	-	5,255.00
	197,072.35	176,855.69

Certified to be True Copy

FOR SUCHITRA FINANCE & TRADING CO. LTD.

Director / Authorised Signatory

FOR SUCHITRA FINANCE & TRADING CO. LTD.

Director / Authorised Signatory

FOR SUCHITRA FINANCE & TRADING CO. LTD.

Director / Authorised Signatory

Schedule - 'L'

A. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Concepts:

- i) The Financial Statements have been prepared under the historical cost convention as a going concern in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the Company.
- ii) The Company generally follows Mercantile System of Accounting except for items of nominal value.

b) Revenue Recognition:

Income are generally recognised on accrual basis.

c) Investment is valued at cost.

d) Stock-in-Trade

The Stock of shares is valued at cost or market value whichever is lower.

e) Prudential Norms:

The Company has followed during the year prudential norms for Income recognition and for provisions of Non Performing Assets prescribed by Reserve Bank of India for Non Banking Financial Companies.

f) Taxation:

Income tax comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognised using current tax rates. Where there are carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed as at each balance sheet date to reassess realisation.

g) Previous year figures have been regrouped or rearranged wherever necessary.

h) Leave Encasement:

The company does not permit leave encasement during their tenure of employment and on retirement or termination and hence there is no liability towards leave encasement.


i) Miscellaneous Expenditure:

Miscellaneous expenditure has been written off equally in Five Annual Instalments.

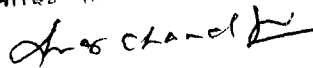
B. NOTES ON ACCOUNTS

a) The provision of Provident Fund Act, ESI Act and Payment of Gratuity Act are not applicable to the company since the number of employees is less than those specified in the aforesaid Acts.

b) As identified from available information, there are no dues to small-scale Industrial undertakings, which require disclosure.

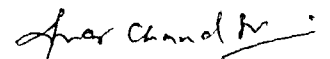

Certified to be True Copy

for SUCHITRA FINANCE & TRADING CO. LTD



Director / Authorised Signatory

for SUCHITRA FINANCE & TRADING CO. LTD,



Director / Authorised Signatory

for SUCHITRA FINANCE & TRADING CO. LTD,



Director / Authorised Signatory

a) **Earning Per Share (EPS)** – The numerators and denominators used to calculate Basic/Diluted earning Per share :

	31.03.2004	31.03.2003
a. Profit/(Loss) After Tax (A)	(148155.31)	(2098293.69)
b. Basic/Weighted average number of Equity shares outstanding (B)	1926926	742500
c. Nominal Value of Equity Shares (Rs.)	10.00	10.00
d. Basic/Diluted earning Per share Rs.(A/B)	-0.08	-2.83

There is an allotment of 1500000 equity shares of Rs. 10 each on Dt.17.06.2003.

d) As the business activity falls within a single segment, the disclosure requirements of Accounting Standard 17 "Segment Reporting", issued by the Institute of Chartered Accountants of India, is not applicable.

e) **Deferred Tax:**

There remains a deferred tax asset on brought forward loss as on 01.04.2003. However the amount of such deferred tax assets has not been recognised in the books of account on consideration of prudence as per said Accounting Standard – 22.

f) To comply with the prudential norms for Income recognition and for provisions of Non-Performing Assets prescribed by Reserve Bank of India for NBFC a provision of Rs.2211930.96 was made in the Stock in Trade as on 31.03.2003. The company used to value Stock in Trade at cost. To bring the Stock in Trade at cost, the provision made was reversed as on 01.04.2003. This has got no impact on the tax liability of the company.

g) To comply with accounting standard, the company has changed the policy of valuing Stock in hand at lower of cost or market price. Last year it has valued the Stock in hand at cost and made necessary provisions for Diminution in value of stock. Hence this change in accounting policy has no impact on the loss of the year under report.

Schedule – "M"

Information pursuant to Part II of Schedule VI of the Companies Act, 1956.

D) Quantitative Information

ITEMS	OPENING STOCK		PURCHASE		SALES		CLOSING STOCK	
	QTY.	AMOUNT	QTY.	AMOUNT	QTY.	AMOUNT	QTY.	AMOUNT
Shares	173450	2428743.46	Nil	Nil	183450	2288717.89	10000	140025.57
Previous Year	370585	4748102.50	Nil	Nil	197115	1943255.00	173450	2428743.46

i) **Stock in Trade as on 31.03.2004**

Name of the Company	Qty. as at 31.03.2004	Qty. as at 31.03.2003	Valuation Amount 31.03.2004	Valuation Amount 31.03.2003	Market Price as on 31.03.2004
A. Quoted fully paid up Equity Shares					
National Plywood Industries Ltd.	10000	173450	140025.57	2428743.46	17000.00
Sub-total	10000	173450	140025.57	2428743.46	17000.00

Certified to be True Copy

For SUCHITRA FINANCE & TRADING CO. LTD.

Anur Chandra

Director / Authorised Signatory

For SUCHITRA FINANCE & TRADING CO. LTD.

Anur Chandra

Director / Authorised Signatory

For SUCHITRA FINANCE & TRADING CO. LTD.

Anur Chandra

Director / Authorised Signatory

M/S SUCHITRA FINANCE & TRADING COMPANY LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2004

	As at 31.03.2004	As at 31.03.2003
	Rs.	Rs.
A. Cash Flow from Operating Activities		
Net profit/(loss) before tax	-148155.31	-2088579.69
Adjustments for:		
Miscellaneous Expenditure written off	12500.00	6302.00
Provision for diminution in value of stock W/B	-43467.50	2211930.96
	<u>-179122.81</u>	<u>129653.27</u>
Adjustments for:		
Inventories	2411743.46	2319359.04
Trade Receivable, Loans & Advances	(8127621.00)	(2065378.00)
Other Current Liabilities & Provisions	21219.00	(403127.00)
Net Cash from Operating Activities (A)	<u>(5873781.35)</u>	<u>(19492.69)</u>
B. Cash Flow from Investing Activities (B)		
Purchase of Shares	<u>-1600000.00</u>	
Net cash from Investing Activities	<u>-1600000.00</u>	
C. Cash Flow From Financing Activities		
Proceeds from long term Borrowings	(6768000.00)	(1077420.00)
Share Issue Expenses	(62500.00)	-
Proceeds from Share Application	12750000.00	2250000.00
Net Cash from Financing Activities (C)	<u>5919500.00</u>	<u>1172580.00</u>
 Net Change in Cash & Cash Equivalents (A+B+C)	 -1554281.35	 1153087.31
Opening Cash & Cash Equivalents	1625701.11	472613.80
Closing Cash & Cash Equivalents	<u>71419.76</u>	<u>1625701.11</u>

As per our report attached
for P. D. Randar & Co.
Chartered Accountants

P. D. Randar

P. D. Randar
Proprietor

Place: Kolkata
Date: 25th August 2004

D
I
R
E
C
T
O
R
S

FOR SUCHITRA FINANCE & TRADING CO. L
Anur Chandra
Director / Authorised Signat

FOR SUCHITRA FINANCE & TRADING CO. L
P. D. Randar
Director / Authorised Signat

Certified to be True Copy

FOR SUCHITRA FINANCE & TRADING CO. LTD

Anur Chandra

Director / Authorised Signatory

SUCHITRA FINANCE & TRADING CO. LTD.

Schedule of the Balance Sheet of a Non-Banking Financial Company (as required in terms of Paragraph 8BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank))

Particulars		
Liabilities side:		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid	Amount outstanding	Amount overdue
(a) Debentures : Secured	Nil	Nil
: Unsecured (other than falling within the meaning of public deposits)	Nil	Nil
(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 Deposits *	Nil	Nil
(g) Other Loans (specify nature) (Partnership Firm)	1,880,166.59	
* Please see Note 1 below		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of		
(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
Assets side :		
	Amount outstanding	
(3) Break-up of Loans and Advances including bills receivables [other		
(a) Secured	Nil	
(b) Unsecured	22,888,901.00	
(4) Break-up of Leased Assets and stock on hire and hypothecation		
(i) Lease assets including lease rentals under sundry debtors :		
(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) Loans where assets have been repossessed	Nil	
(b) Loans other than (a) above	Nil	
(5) Break-up of Investments :		
Current Investments :		
1 Quoted :		
(i) Share : (a) Equity		17000
(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) Share : (a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	

Certified to be True Copy

For SUCHITRA FINANCE & TRADING CO. LTD,

For SUCHITRA FINANCE & TRADING CO. LTD,

For SUCHITRA FINANCE & TRADING CO. LTD

Anand Chandra

Director - Authorised Signatory

Anand Chandra
Director / Authorised Signatory

Anand Chandra

Director - Authorised Signatory

Long Term Investments :		
1 Quoted :		
(i) Share : (a) Equity		NII
(b) Preference		NII
(ii) Debentures and Bonds		NII
(iii) Units of mutual funds		NII
(iv) Government Securities		NII
(v) Others (please specify)		NII
2 Unquoted :		
(i) Share : (a) Equity		1800000.00
(b) Preference		NII
(ii) Debentures and Bonds		NII
(iii) Units of mutual funds		NII
(iv) Government Securities		NII
(v) Others (please specify)		NII

(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	NII	NII	NII
(b) Companies in the same group	NII	NII	NII
(c) Other related parties	NII	NII	NII
2 Other than related parties	NII	22,888,901.00	22,888,901.00
Total		22,888,901.00	22,888,901.00

(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	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties **		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2 Other than related parties	1817000	1817000
Total	1817000	1817000

** As per Accounting Standard of ICAI (Please see Note 3)

(8) Other information

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

Notes :

- As defined in Paragraph 2(i)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial Companies Prudential Norms
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of

Certified to be True Copy

For SUCHITRA FINANCE & TRADING CO. LTD

Ang chand
Director / Authorised Signatory

For SUCHITRA FINANCE & TRADING CO. LTD

Arvind
Director / Authorised Signatory

For SUCHITRA FINANCE & TRADING CO. LTD.

Ang chand
Director / Authorised Signatory

SUCHITRA FINANCE & TRADING CO.LTD.

INFORMATION UNDER PART IV OF THE SCHEDULE VI TO THE COMPANIES, 1956

Balance Sheet Abstract and Company's General Business profile

I. Registration Details

Registration No.	34359	State Code	21
Balance Sheet Date	31	03	2004
	Date	Month	Year

II. Capital raised during the year (Amount in Rs. Thousand)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	15000

III. Position or Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities	25535	Total Assets	25535
Sources of Funds		Reserve & Surplus	1430
Paid-up Capital	22425		
		Unsecured Loan	1600
Secured Loans	NIL		
Application of Funds		Investment	1600
Net Fixed Assets	NIL	Misc. Expenditure	60
Net Current Assets	22543		
Accumulated Losses	1342		

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

Turnover including other income	2644	Total Expenditure	2792
Profit/Loss before tax	148	Profit/Loss after tax	148
	-		-

(Please tick Appropriate box + for Profit, - for Loss)

Earning per Share in Rs	-0.08	Dividend rate %	NIL
-------------------------	-------	-----------------	-----

V. Generic Names of Three Principal products/Services of Company (as per monetary terms)

Item Code No./ITC Code)	N.A	Product Description	NIL
-------------------------	-----	---------------------	-----

FOR SUCHITRA FINANCE & TRADING CO. LTD.

[Signature]

Director / Authorized Signatory

[Signature]

Certified to be True Copy

FOR SUCHITRA FINANCE & TRADING CO. LTD.

FOR SUCHITRA FINANCE & TRADING CO. LTD.

[Signature]

Director / Authorized Signatory

[Signature]

Director / Authorized Signatory