

# *17th Annual Report*

**BHARAT  
BHUSHAN**

**BHARAT  
BHUSHAN  
SHARE &  
COMMODITY  
BROKERS  
LIMITED**

**2008-2009**

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|                              |   |   |
|------------------------------|---|---|
| <b>BOARD OF DIRECTORS</b>    | : | SANT KUMARI AGRAWAL<br>R.C. MODY<br>NISHA AHUJA<br>VIJAY BHUSHAN<br>JOGESH C. AHUJA<br>SHANKER SINGAL<br>RAVINDRA SINGH     |
| <b>AUDITORS</b>              | : | M/S P. BHOLUSARIA & CO.<br>26/11, SHAKTI NAGAR<br>DELHI - 110007  |
| <b>REGD. OFFICE</b>          | : | 5-E, RANI JHANSI ROAD<br>JHANDEWALAN EXTN.,<br>NEW DELHI - 110055.<br>PHONE NO. 23540997-999                                |
| <b>SHARE TRANSFER AGENTS</b> | : | ALANKIT ASSIGNMENTS LTD.<br>2E/21 ALANKIT HOUSE<br>JHANDEWALAN EXTN.,<br>NEW DELHI - 110055<br>PHONE : 23541234<br>42541234 |
| <b>BANKERS</b>               | : | ICICI BANK LTD.<br>9A PHELPS BUILDING,<br>CONNAUGHT CIRCUS<br>NEW DELHI-110001  |

## **CORRIGENDUM**

**Please refer to the attached seventeenth Annual Report of Bharat Bhushan Share & Commodity Brokers Limited having its registered office at 5E Rani Jhansi Road Jhandewalan Extension, New Delhi – 110055.**

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The day, date and time of Annual General Meeting as mentioned in the attached Notice and Annual Report has been revised.

The seventeenth Annual General Meeting of Company will now be held on **24<sup>th</sup> September (Thursday) at 11.00 AM at Shah Auditorium, 2Rajniwas Marg, Civil Lines, Delhi-54.**

Hence, in the attached Notice / Annual Report, Monday, the 21<sup>st</sup> September 2009 should be read as Thursday, **24<sup>th</sup> September 2009 at Shah Auditorium, 2, Rajniwas Marg, Civil Lines, Delhi – 54 .**

**For Bharat Bhushan Share & Commodity Brokers Ltd.**

**Sd/-**

**Company Secretary**

## NOTICE OF 17TH ANNUAL GENERAL MEETING-2009

Notice is hereby given that the 17<sup>th</sup> Annual General Meeting of the Members of M/s Bharat Bhushan Share & Commodity Brokers Limited will be held at **SHAH AUDITORIUM, 2 RAJNIWAS MARG, CIVIL LINES, DELHI-54 ON MONDAY THE 21<sup>st</sup> SEPTEMBER, 2009 at 11.30 A.M.** to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet of the Company as on 31<sup>st</sup> March 2009 and the Audited Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend for the year ended 31<sup>st</sup> March, 2009.
3. To appoint a Director in the place of Mr. Shanker Singal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr. R. C Mody who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s P. Bholusaria & Co., Chartered Accountants as Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**By Order of the Board**

**For Bharat Bhushan Share & Commodity Brokers Ltd.**

**Date: July 25, 2009.**

**Nisha Ahuja**

**Place: New Delhi**

**Director**

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Members /proxies should bring the enclosed attendance slip duly filled in and signed for attending the meeting.
3. The register of Members and Share Transfer Books of the company will remain closed from 14<sup>th</sup> September 2009 to 20<sup>th</sup> September 2009 (both days inclusive).
4. The payment of dividend, as recommended by the Board of Directors, subject to approval of the shareholders at the forthcoming Annual General Meeting, will be made after 21<sup>st</sup> September, 2009 in respect of shares held in physical form to those members whose names appear in the Register of members of the company after giving effect to all valid share transfers lodged with the company as at the end of business hours on 14<sup>th</sup> September, 2009 and in respect of shares held in the electronic form to those "Deemed Members" whose names appear in the statement of Beneficial Ownership furnished by the National Securities Depository Services (India) Ltd (NSDL) and the Central Depository Services (India) Ltd. (CDSL).
5. Members are requested to:
  - (a) Intimate to the company's Registrar & Share Transfer Agent, changes, if any, in their respective addresses along with pin code number.
  - (b) Quote folio no./ demat account no. in all their correspondence with the Company/ R&T Agent.
6. The time limit for transfer of un-paid dividend declared for the Financial year 2001-2002 will be expiring in December 2009 and therefore the amount of unclaimed dividend will be transferred to the "Investor Education and Protection Fund". Those who have not yet encashed their dividend warrant for the year 2001-2002 or thereafter are requested

to write to the Company or Company's registrar and Share Transfer Agents.

7. 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.
8. As per the provisions of the amended Companies Act 1956, facilities for making nomination is now available to the shareholders of the company in respect of shares held by them. Nomination forms are available for this purpose with the Company & Share Transfer Agents.
9. The Shares of your company are listed on the Delhi Stock Exchange, and the Bombay Stock Exchange and the annual listing fees upto March 2010, already stand paid to the Stock Exchanges.
10. Members are requested to affix their signatures at the space provided for on the attendance sheet annexed to the proxy form and hand over the slip at the entrance to the place of the meeting.
11. There will be no gift distribution at the Annual General Meeting.

**By order of the Board**

**For Bharat Bhushan Share & Commodity Brokers Ltd.**

**Place: New Delhi**

**NISHA AHUJA**

**Dated: July 25, 2009.**

**DIRECTOR**

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### 1. Industry Trends and Business Analysis

Global financial system has been under extraordinary stress during 2008-09. The global financial crisis, which started with the collapse of the sub-prime debt market in the United States of America (USA), gained momentum and rapidly spread to impact the manufacturing and service sectors on a global level. Despite coordinated action by Central Banks across the World, the contagion spread during the course of the financial year ended 2009. Most of the major global economies went into recession, with major consuming countries like USA witnessing negative growth and increased unemployment levels.

This crisis affected a wide range of financial and economic activities and institutions. There was an overall tightening of credit. This led to a liquidity problem in equity and hedge funds fueling concerns about their ability to meet future obligations. Consequently stock exchanges and derivatives markets experienced steep declines. Governments were forced to increase public debt finance for providing funds to the financial services industry.

The Indian economy also felt the full impact of the global economic slowdown during the course of the year, more particularly during the last two quarters of the financial year. In October 2008, industrial output contracted for the first time in 13 years and by February 2009 exports had fallen by 21.7% on a year on year basis, the steepest drop in 18 years, hit by sliding demand in India's main US and European markets.

Declining private investment, dwindling capital inflows, shrinking foreign exchange reserves, weakening exports, and a depreciating rupee, coupled with terror attacks in Mumbai led to business confidence hitting new lows in India.

The global recession brought the Indian stock markets down on its knees, from levels of 21,000 to a dismissal 8,000 in a very short span of time. This resulted in extreme erosion of wealth of investors. No signs of recovery were seen in the market for a considerable time. However, with the positive election results, underlying a vote for continuance of economic reforms, the market has shown some positive signs as the sensx crossed a respectable 15,000 mark.

The commodity markets initially experienced a surge in liquidity resulting in new highs. Crude oil reached a peak during July 2008. But this was short lived and the fear of a global recession led to a crash in commodity markets particularly in crude oil and metals.

#### 2. Operating Results

Your Directors have pleasure in presenting the 17<sup>th</sup> Annual Report of your Company and the Audited Accounts for the Year ended on 31<sup>st</sup> March 2009. Despite considerable downfall in the capital market during the last financial

year 2008-2009, the company was able to perform reasonably.

| Particulars                          | (Rs. In Lacs)                                      |   |
|--------------------------------------|--|---|
|                                      | Current year ended<br>31 <sup>st</sup> March, 2009 | Previous year ended<br>31 <sup>st</sup> March, 2008 |
| Total Income                         | 63.60  | 133.40  |
| Administrative and other Expenditure | 31.67  | 40.46   |
| Profit after depreciation & tax      | 23.85  | 81.58   |
| Reserve & Surplus                    | 295.25   | 287.21  |
| Current Assets                       | 173.22   | 312.27  |
| Current Liabilities                  | 72.32  | 104.04  |
| Net Current Assets                   | 100.90   | 208.23  |
| Share Capital                        | 338.04   | 338.04  |

### 3. Future Prospects and Outlook

Your company has a well-diversified portfolio of stocks to mitigate any stock market fluctuations and the management continuously monitors market exposure and manages an active portfolio. In the coming years, we will strengthen and expand our portfolios to further penetrate to the Indian stock market.

The unprecedented deterioration in the global business environment during the course of the financial year ended March 2009 has been met with unparalleled action by Governments and Central Banks across the globe. The Indian Government has also announced three stimulus packages since December 2008 to boost investment and spending. These packages provide for enhanced credit availability, reduction in service tax and excise duty and increased availability of funds for infrastructure spending. The Reserve Bank of India has also cut interest rates progressively, relaxed restrictions in external commercial borrowings and taken measures to increase availability of credit for exporters and for the housing sector. While it is early to predict the outcome of the fiscal measures being taken, these measures are, at the least first step in the right direction. As the full impact of the programs outlined by various Governments plays out economic revival, based on a strong domestic demand, may be faster than expected.

The Company as a NBFC engaged predominantly in the business of investment in securities and future prospects are closely linked with the buoyancy of the stock market, which apart from political factors is a function of corporate performance and overall economic growth.

The company expects that with the improvement in stock prices, the financial year ending March 2010 will provide good exit opportunities for its listed portfolio.

The company in its investment activity is guided by its investment philosophy of prudence and will continue to endeavor to achieve good returns, while ensuring adequate security and safety of the capital. The company would constantly explore the market for identifying good investment opportunities. The performance of the company is directly related to the performance of its investments.

Apart from the above the Company is focusing on stimulating the business of commodity trading as well. The management is emphasizing on augmenting our marketing operations particularly in MCX. We will enhance the number of clients working with us.

### 4. Risks and concerns

Your company is exposed to specific risks that are particular to its business and the environment within which it operates including interest rate fluctuation, economic cycle, market volatility and credit risk. Your company will monitor all the events, processes and developments on a regular basis to ensure timely measures for risk containment by developing a risk culture that encourages employees to identify the risks, associated opportunities and respond to them with appropriate actions.

However, the Company is quite prepared to manage these risks by formulating effective asset allocation and by following prudent business and risk management practices.

### 5. Internal control systems and their adequacy

The internal control systems adopted by the Company are adequate and appropriate to its operations. The System has been designed to ensure that assets and interest of the Company are protected and dependability of accounting data and its accuracy are ensured with proper checks and balances.

Besides, the Audit Committee of the Board of Directors reviews periodically the adequacy of internal control.

### 6. Human Resources

During the last fiscal, HR undertook several initiatives towards development,

enhancement and retention of workforce. We focused on bridging the skill gap and providing skilled manpower wherever required. During Fiscal 2008-2009, given the uncertain operating environment and change in business strategy, we focused on reaching out to our employees on a regular basis to ensure constant alignment with organizational goals and strategy.

The relations with the employees remained cordial during the year.

### DIRECTORS REPORT

Your Directors have pleasure in presenting the 17<sup>th</sup> Annual Report on the business and operations of your Company together with the Audited Accounts for the financial year ended March 31, 2009.

### FINANCIAL HIGHLIGHTS

|                                      | Fiscal year ended<br>31 <sup>st</sup> March, 2009 | (Rs. In lacs)<br>Fiscal Year ended<br>31 <sup>st</sup> March, 2008 |
|--------------------------------------|---|--|
| Total Income                         | 63.60   | 133.40   |
| Profit before depreciation & Tax     | 31.93   | 92.95  |
| Depreciation                         | 2.45  | 3.06   |
| Profit Before Tax                    | 29.48   | 89.89  |
| Provision for Taxation               | 5.63  | 8.41   |
| Profit After Tax                     | 23.85   | 81.58  |
| Balance Profit B/F from earlier year | 191.28  | 141.83   |
| Profit available for appropriation   | 215.13  | 223.41   |
| <b>APPROPRIATION:</b>                |   |  |
| Transfer to Reserve Fund             | 4.77  | 16.31  |
| Proposed Dividend                    | 13.52   | 13.52  |
| Provision for Dividend Tax           | 2.29  | 2.29   |
| Profit C/F to Balance Sheet          | 194.54  | 191.28   |

### DIVIDEND

The directors recommend dividend amounting to 40 Paise per share (4%), if this recommendation is approved at the forthcoming Annual General Meeting, it would involve outflow (excluding dividend tax) of Rs. 1352160/-. Dividend tax will be subject to the applicable taxation rates.

### FINANCIAL CONDITION AND RESULTS OF OPERATIONS

In the past year, India as well as the global economy has witnessed a very high degree of uncertainty and volatility. While year 2008-2009 began on a reasonably optimistic note - particularly for the Indian Economy - sentiment was completely reversed as the year drew to close.

The crisis in real estate, banking & credit in the United States of America had a global reach & it affected Indian Financial markets including stock exchanges and derivative market.

In such a challenging environment your company has still been able to keep up its profit making dividend paying record.

Your Company is also registered as Non-Banking Finance Company with the Reserve Bank of India. The Company has complied with all the provisions of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Management Discussion and Analysis of financial condition and results of operation of the Company for the year under review, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, is given as a separate statement in the Annual Report.

### COMMODITY MARKET \*

The company earned a brokerage on commodity exchange of Rs. 4.12 Lacs in this year as compared to 6.37 Lacs in the previous financial year. The turnover on NCDEX was severely curtailed on account of government of India banning trading in wheat, Potato and Channa. The Commodity market witnessed a dramatic pull in commodity prices particularly of Crude Oil Copper, Lead and Aluminum etc.

However the company had obtained membership of Multi Commodity Exchange (MCX) in June 2008, which has large turnover in bullion and energy products. This enabled the company to retain its clients.

### CORPORATE GOVERNANCE

A separate section on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance is enclosed herewith.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, your Directors certify as follows:-

- In the preparation of the annual accounts for the financial year ended March 31, 2009, the applicable accounting standards have been followed.
- Your directors have 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 March 31, 2009 and of the profit of the company for the year under review.

- (iii) Your 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.
- (iv) Your directors have prepared the annual accounts of the Company on a going concern basis.

## DIRECTORS

Mr. Shanker Singal and Mr. R.C Mody, Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting.

All of these directors being eligible offer themselves for appointment/ re-appointment. The Board of Directors recommends their appointment/ re-appointment as Directors.

## AUDITORS

Your Company's Statutory Auditors, M/S P.BHOLUSARIA & CO., Chartered Accountants, Delhi, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. They are not otherwise disqualified within the meaning of sub-section (3) of Section 226 of the Companies Act, 1956, for such appointment.

## PARTICULARS OF EMPLOYEES

There are no employees in receipt of remuneration in excess of amount specified in section 217(2A) read with Companies (particulars of employees) rules 1975 as amended.

## SUBSIDIARY COMPANIES

The company does not have any subsidiary company.

## FIXED DEPOSITS

The Company has not accepted any fixed deposits during the year.

## STATUTORY INFORMATION

The Company's (Disclosure of particulars in the report of Board of Directors) rules 1988, requires the disclosure of particulars regarding conservation of energy in Form A and technology Absorption in Form B prescribed by the rules. The requirement of Forms A and B are not applicable, as our company is not a manufacturing company.

The company had no foreign Exchange out-go or inflow during the year.

## ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the co-operation patronage, assistance and guidance by their business associates, bankers and clients and other business constituents for their continued support throughout the year. Your Directors also sincerely acknowledge the significant contributions made by all the employees for their dedicated services to the Company.

The Board would like to take this opportunity to express its gratitude to you all, partners in our enterprise, for your confidence, encouragement and unstinting support.

**For & on Behalf of the Board of Directors**  
**VIJAY BHUSHAN**  
 DIRECTOR  
**NISHA AHUJA**  
 DIRECTOR

PLACE : New Delhi.  
 Dated: July 25, 2009

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to practice transparency in its operations and maintain a professional approach, accountability and equity in its dealing with its stakeholders, the creditors, the government, the depositories and the employees and every individual who comes in contact with the company.

The company believes that its vision coupled with its business principles and core dimensions, would create the culture of High Performance Environment to enhance overall stakeholder value. The Company believes that fairness in corporate procedures, full disclosures in reporting system, total transparency in corporate culture, fiduciary and trustee relationship and maximization of shareholders value are the pillars on which the structure of the Corporate Governance rests.

With emphasis on transparency, integrity and accountability the Board of directors of the Company adopted the principles of good corporate governance by setting up an Audit Committee & Shareholders'/Investors' Grievance Committee. Given below is the report of the directors on Corporate Governance in accordance with the provisions of Clause 49 of the Listing Agreement.

#### 1. Board of Directors

The Board of Directors comprises 7 directors, out of which 4 directors are non-executive promoter-directors and 3 directors are independent Directors.

The Board is responsible for the management of the business and meets at least

once in a quarter for discharging its role and functions and to consider quarterly performance of the Company and financial results. During the year under review, 5 Board Meetings were held on May 2, 2008, June 12, 2008, July 27, 2008, and October 10, 2008, January 22, 2009. The gap between any two consecutive meetings did not exceed four months. To enable the board to discharge its responsibilities effectively and take informed decisions, the necessary information is made available to the Board through agenda. The Board members in consultation with the Chairman may bring up other matters for consideration at the Board meetings. Requisite information under the statute and as per the revised guidelines on Corporate Governance and other material and significant information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company.

### Details about the Company's Board of Directors:

| Name of the Director     | Category of Directorship  | Attendance    |          | *No. of other Directorship | **No. of other Board Committee |           |
|--------------------------|---------------------------|---------------|----------|----------------------------|--------------------------------|-----------|
|                          |                           | Board Meeting | Last AGM |                            | As Chairman                    | As Member |
| Mr. Vijay Bhushan        | Promoter / Non- Executive | 5             | Yes      | 4                          | —                              | 4         |
| Mrs. Nisha Ahuja         | Promoter / Non- Executive | 5             | Yes      | 4                          | —                              | —         |
| Mr. Jogesh C. Ahuja      | Non- Executive            | 5             | No       | 1                          | —                              | —         |
| Mrs. Sant Kumari Agrawal | Non- Executive            | 5             | No       | —                          | —                              | —         |
| Mr. Ravindra Singh #     | Independent               | 2             | No       | —                          | —                              | —         |
| Mr. Shanker Singal       | Independent               | 5             | Yes      | —                          | —                              | —         |
| Mr. R. C. Mody           | Independent               | 4             | No       | —                          | —                              | —         |

\*Directorships in Private Limited companies, Associations, Memberships of Managing committees of various Chambers/ Bodies as well as Alternate Directorships are excluded.

\*\* In accordance with Clause 49 of the Listing Agreement, Membership/ Chairmanship of only the Audit Committees and Shareholders'/Investor's Grievance Committees of all Public Limited Companies have been considered.

# Appointed on 12<sup>th</sup> June, 2008.

Brief resume of Directors being re-appointed at the ensuing Annual General Meeting, nature of their expertise in specific functional areas is furnished hereunder:

- (i) Sh. R.C.Mody  
 Sh. R.C.Mody is a post graduate, Certified Associate of Indian Institute of Bankers, Chief General Manager( Retd), Reserve Bank of India, Industrial & Export Credit having experience of more than 35 years in the Reserve Bank of India.
- (ii) Sh. Shanker Singal  
 Sh. Shanker Singal is the fellow member of Institute of Chartered Accountants of India with over two decade experience. His extensive experience in the field of Company Law can be exploited to the utmost benefit of the Company.

## CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management personnel. The said Code of Conduct has also been posted on the website of Bharat Bhushan Group.

All the Board members and senior management personnel have affirmed compliance with this Code for the year ended 31<sup>st</sup> March 2009.

## BOARD COMMITTEES

### A. AUDIT COMMITTEE

The audit Committee of the Board is comprising of four Non executive Directors majority being independent viz. Mr. Shanker Singal, Mr. Vijay Bhushan, Mr. R.C. Mody and Mr. Ravindra Singh. Mr. Shanker Singal, Independent Director, chairs the Audit Committee. All the members of the Committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance and corporate strategy. The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and the quality of the financial reporting.

The Composition of the Audit Committee meets the requirements of section 292A of the Companies Act, 1956, and clause 49 of the Listing Agreement. The Company Secretary acts as a secretary of the Audit Committee meeting.

### MEETINGS

During the year under review, the Committee met five times held on May 02, 2008, June 12, 2008, July 29, 2008, and October 10, 2008 and January 01, 2009. The attendance of the members of the meeting was as follows:

| Name of the member | Status          | No. of meetings attended |
|--------------------|-----------------|--------------------------|
| Mr. Shanker Singal | Independent     | Five                     |
| Mr. Vijay Bhushan  | Non - Executive | Five                     |
| Mr. R.C. Mody      | Independent     | Four                     |
| Mr. Ravindra Singh | Independent     | Two                      |

## B. REMUNERATION OF DIRECTORS/REMUNERATION COMMITTEE

As the Company is not having any Executive Director, therefore, no remuneration committee has been constituted by the Company.

## C. SHAREHOLDERS/INVESTOR GRIEVANCE COMMITTEE

The Board has constituted Shareholders'/ Investors' Grievance Committee comprising of Mrs. Nisha Ahuja, Mr. R.C. Mody, (Independent Director) and Mr. Jogesh C. Ahuja. The Committee is chaired by Mrs. Nisha Ahuja, non-executive director.

The Company has been taking all steps to ensure that Shareholder's/Investor's Grievances activities are given due priority and matters/issues are resolved at the earliest. The Committee reviews complaints received and appropriate action is taken promptly. The Committee also oversees the performance of the Registrars and Transfer Agents and recommends measures to improve the level of investor services. To protect the interests of investors an exclusive e-mail ID was formed namely, [investorgrievance@bharatbhushan.com](mailto:investorgrievance@bharatbhushan.com) to redressal of investor Complaints in which the investors would be able to register their complaints and also take necessary follow-up actions thereon. The said email ID has also been posted on the website of Bharat Bhushan Group. The company secretary acts as a compliance officer of the meeting.

During the year the Company received 67 requests/complaints from shareholders. All the complaints were attended to promptly and resolved to the satisfaction of the shareholders. There was no complaint outstanding as on 31<sup>st</sup> March, 2009. The committee met at regular intervals considering the volume of investor correspondence/grievance. Three meetings of Shareholders'/Investors Grievance Committee were held during the financial year ended 29<sup>th</sup> July, 2008 viz., on 10<sup>th</sup> October, 2008 & on 22<sup>nd</sup> January, 2009. The attendance of each member of the Committee is given below:

| Name of the member | Status          | No. of meetings attended |
|--------------------|-----------------|--------------------------|
| Mrs. Nisha Ahuja   | Non – Executive | Three                    |
| Mr. Jogesh Ahuja   | Non – Executive | Three                    |
| Mr. R.C. Mody      | Independent     | Three                    |

## GENERAL BODY MEETINGS:

The last three Annual General Meetings of the Company were held as under:

| Financial Year | Location   | Date       | Time       |
|----------------|--|------------|------------|
| 2005-2006      | Shah Auditorium,<br>Rajniwas Marg, Delhi – 110 054 | 29.09.2006 | 11.30 A.M. |
| 2006-2007      | Shah Auditorium,<br>Rajniwas Marg, Delhi – 110 054 | 29.09.2007 | 11.30 A.M. |
| 2007-2008      | Shah Auditorium,<br>Rajniwas Marg, Delhi – 110 054 | 29.09.2008 | 11.30 A.M. |

## DISCLOSURES

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.**  
None of the transactions with any of the related parties were in conflicts with the interest of the Company.
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.**  
The Company has complied with all the requirements of the Listing agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by SEBI, Stock Exchanges or any other Statutory Authority on matters relating to capital markets, in the last three years.

## MEANS OF COMMUNICATION

- QUARTERLY RESULTS**  
Pursuant to the Clause 41 of the Listing Agreement of the Company with the Stock Exchanges, the Company regularly intimated quarterly Unaudited as well as Audited financial results to Stock Exchanges immediately after they are taken on record by the Board. Quarterly results were published in "The Pioneer" (English) and "Vir Arjun" (Hindi) at Delhi.
- The Company posts its financial results on SEBI website [sebidifar.nic.in](http://sebidifar.nic.in) for all the quarters.
- Management discussion and analysis forms part of the Report of the Directors.

## GENERAL SHAREHOLDERS INFORMATION

- Annual General Meeting**  
Date : September 21<sup>st</sup>, 2009  
Venue : Shah Auditorium, 2, Rajniwas Marg, Civil Lines, Delhi - 110054  
Time : 11.30 A.M.
- Announcement of Quarterly Results during the year ended 31.03.2009**  
Quarter ended : Dates of Announcement  
June, 2008 : 29<sup>th</sup> July, 2008.  
September, 2008 : 10<sup>th</sup> October, 2008.  
December, 2008 : 22<sup>nd</sup> January, 2009.  
March, 2009 : 08<sup>th</sup> May, 2009.
- Announcement of quarterly results for the year ended 31.03.2010**  
June, 2009 : Last week of July 2009  
September, 2009 : Last week of October 2009

December, 2009 : Last week of January, 2010  
March, 2010 : Last week of April, 2010 or  
Last week of June, 2010

- Book Closure**  
The dates of the Book Closure are from 14<sup>th</sup> September, 2009 to 20<sup>th</sup> September, 2009
- Dividend**  
Your Directors recommended payment of dividend 0.40 paisa per share subject to the approval of shareholders in the ensuing Annual General Meeting and will be paid on or after September 2009.
- A Equity Shares listed on : The Bombay Stock Exchange & The Delhi Stock Exchange Association Ltd., New Delhi  
Stock Exchange at  
B. Annual Listing Fees : Duly paid to both the above Stock Exchanges for the year 2009-10

## Stock Code

- Trade Symbol at Stock Exchanges : Bombay Stock Exchange  
Stock Code: BHAR BHUSH  
Stock No. : 511501
- Demat ISIN in NSDL and CDSL : INE900A01013

## 7) Stock Market data (in Rs./per share) for the period: April 2008 to March 2009

| Months         | BSE        |           |
|----------------|------------|-----------|
|                | High (Rs.) | Low (Rs.) |
| April 2008     | 12.65      | 10.00     |
| May 2008       | 12.75      | 9.22      |
| June 2008      | 15.35      | 9.23      |
| July 2008      | 12.85      | 10.20     |
| August 2008    | 12.70      | 10.03     |
| September 2008 | 11.70      | 9.03      |
| October 2008   | 10.76      | 7.70      |
| November, 2008 | 11.50      | 8.65      |
| December, 2008 | 10.24      | 8.50      |
| January, 2009  | 10.00      | 7.82      |
| February, 2009 | 8.66       | 7.52      |
| March, 2009    | 8.93       | 7.61      |

## 8) Share Price performance in comparison to broad based indices-BSE Sensex

Company's share price performance in comparison to BSE Sensex for the financial year 2008-09

| Period         | Company's share price | BSE Sensex |
|----------------|-----------------------|------------|
| April 2008     | 107.16                | 110.50     |
| May 2008       | 106.97                | 104.93     |
| June 2008      | 118.60                | 86.05      |
| July 2008      | 108.93                | 91.76      |
| August 2008    | 101.58                | 93.07      |
| September 2008 | 93.67                 | 82.20      |
| October 2008   | 85.02                 | 62.57      |
| November 2008  | 81.67                 | 58.12      |
| December 2008  | 88.37                 | 61.67      |
| January 2009   | 74.42                 | 60.24      |
| February 2009  | 74.42                 | 56.84      |
| March 2009     | 78.14                 | 62.06      |

## 9. Registrar and Share Transfer Agents:

### For shares held in Physical Mode / Deposit Mode

M/s Alankit Assignments Ltd.  
205-208, Anarkali Market,  
Jhandewalan Extn.,  
New Delhi – 110 055.  
Tel: 51540061/63, Email: [rta@alankit.com](mailto:rta@alankit.com)

## 10. Share Transfer System

The Company's Registrars and Share Transfer Agents, **M/s Alankit Assignments Ltd.** (Alankit), having its registered office at 205-208, Anarkali Market, Jhandewalan Extn., New Delhi – 110 055 have adequate Infrastructure to process the share transfers. Share transfer is usually affected within a maximum period of 15 days from the date of receipt, if the documents submitted are in order. The Board of directors confirms all share transfers/transmission. In the demat segment as well Alankit is acting as Registrar for providing the connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

## Dematerialisation of Shares

The shares of the Company are available under dematerialization form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). The Company's shares are compulsorily traded in dematerialized form as per SEBI guidelines.

As on 31 March, 2009, 26,77,979 shares have been dematerialized representing 79.22% of the total shares. (26,77,979 shares were in dematerialized form

representing 79.22% of the total shares as on 31<sup>st</sup> March, 2009)  
International Securities Identification Number- 900A01013 (with NSDL and CDSL)

## DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>st</sup> MARCH, 2009

| Share holding of nominal value |     | Shareholders  |                 | Share/ Debenture Amount |            |
|--------------------------------|-----|---------------|-----------------|-------------------------|------------|
| Rs.                            | Rs. | Number        | % To Total      | Rs.                     | % To Total |
| (1)                            | (2) | (3)           | (4)             | (5)                     | (6)        |
| Upto 5000                      |     | 3731          | 87.13           | 7987430                 | 23.629     |
| 5001 – 10000                   |     | 342           | 7.99            | 2862640                 | 8.468      |
| 10001 – 20000                  |     | 107           | 2.49            | 1623550                 | 4.803      |
| 20001 – 30000                  |     | 40            | 0.934           | 1017720                 | 3.011      |
| 30001 – 40000                  |     | 16            | 0.374           | 582370                  | 1.723      |
| 40001 – 50000                  |     | 10            | 0.234           | 489870                  | 1.44       |
| 50001 – 100000                 |     | 14            | 0.327           | 1030420                 | 3.048      |
| 100001 and above               |     | 22            | 0.514           | 18210000                | 53.87      |
| <b>Total</b>                   |     | <b>100.00</b> | <b>33804000</b> | <b>100.00</b>           |            |

## 11. SHAREHOLDING PATTERN AS ON MARCH 31, 2009

| CATEGORY   | NO.OF SHARE HOLDERS | % AGE HOLDING |
|--|---------------------|---------------|
| <b>A. Shareholding of Promoter and Promoter Group</b>                                      |                     |               |
| (1) Indian   |                     |               |
| (a) Individuals/ Hindu Undivided Family  | 20                  | 46.519        |
| (b) Central Government/State Government(s)   | —                   | —             |
| (c) Bodies Corporate   | —                   | —             |
| (d) Financial Institutions/Banks   | —                   | —             |
| Any Other  | —                   | —             |
| Sub Total  | 20                  | 46.519        |
| (2) Foreign  | —                   | —             |
| (a) Individuals(Non- Resident Individuals/ Foreign Individuals)                            | —                   | —             |
| (b) Bodies Corporate   | —                   | —             |
| (c) Institutions   | —                   | —             |
| (d) Any other  | —                   | —             |
| SUB -TOTAL   | 20                  | 46.519        |
| <b>B. Public Shareholding</b>  |                     |               |
| (1) Institutions   | —                   | —             |
| (a) Mutual Funds and UTI   | 1                   | 0.15          |
| (b) Financial Institutions/Banks   | —                   | —             |
| (c) Central Government/State Government(s)   | —                   | —             |
| (d) Venture Capital Funds  | —                   | —             |
| (e) Insurance Companies  | —                   | —             |
| (f) Foreign Institutional Investors  | —                   | —             |
| (g) Foreign Venture Capital Investors  | —                   | —             |
| (h) Any Other  | —                   | —             |
| SUB -TOTAL   | 1                   | 0.15          |
| (2) Non- Institutions  | —                   | —             |
| (a) Bodies Corporate   | 97                  | 3.83          |
| (b) Individuals-   | —                   | —             |
| (i) Individual shareholders holding nominal share capital upto Rs.1 lakh                   | 4122                | 42.599        |
| (ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh          | 9                   | 5.77          |
| (c) Non Resident   | —                   | —             |
| (i) Indian   | 32                  | .899          |
| (ii) OCB   | 1                   | .370          |
| SUB -TOTAL   | 4261                | 53.47         |
| Total Public Shareholding  |                     |               |
| <b>C. Shares held by Custodians and against which depository Receipts have been issued</b> |                     |               |
| <b>GRAND TOTAL</b>   | <b>3380400</b>      | <b>100</b>    |

## 12. Address for Correspondence

The Company's registered office is situated at 5-E, Rani Jhansi Road, Jhandewalan Extn., New Delhi –110055. The shareholders may address their communication / suggestion / queries to: Bharat Bhushan Share & Commodity Brokers Ltd. 5-E, Rani Jhansi Road, Jhandewalan Extn., Delhi-110055 Phone: (011) 23540997-8-9, 43566777, Fax: (011) 23540996 Email: nse@bharatbhushan.com investorgrievance@bharatbhushan.com

## 13. Transfer of unclaimed amount to the Investor Education and Protection Fund:

The Investors are advised to claim the uncashed dividends for the year 2001-2002 onwards lying in the unpaid dividend accounts of the Company before the same gets credited to the Investor Education and Protection Fund. During the year under review the Company has credited a sum Rs.1,54,840 /- (unclaimed dividend for the year (2001-2002) to the Investor Education and Protection Fund pursuant to section 205C of the Companies Act, 1956 and the

Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001.

## DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Since the company is not having any CEO/CFO, hence the declaration under Clause 49 of the Listing Agreement need not to be given.

Place: Delhi  
Date: 25<sup>th</sup> July, 2009.

Vijay Bhushan  
Chairman

Dear Sirs,

### Sub: CEO /CFO Certificate

To the Board of Directors of Bharat Bhushan Share & Commodity Brokers Ltd.,

Dear Sirs,

a) We have reviewed the financial statements and the cash flow of Bharat Bhushan Share & Commodity Brokers Ltd. ('the Company') for the year ended 31<sup>st</sup> March 2009 and to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which 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. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.

d) We have indicated to the Auditors and Audit committee:

- Significant Changes in the internal control over financial reporting during the year;
- Significant changes in accounting policies during the year and that the same have been disclosed suitably, in the notes to the financial statements;
- Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 25 July, 2009.

Satish Aggarwal  
Manager Finance

To,

The Members of  
Bharat Bhushan Share & Commodity Brokers Ltd.

## CERTIFICATE

We have examined the compliance of conditions of Corporate Governance by Bharat Bhushan Share & Commodity Brokers Ltd. for the year ended on 31<sup>st</sup> March 2009 as stipulated in clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. 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, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement except that the company is not having CEO/ CFO.

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.

Place : New Delhi  
Date : 25<sup>th</sup> July, 2009

For P.BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS

(AMIT GOEL)  
PARTNER  
M. No. 92648



## Auditors' Report

To the Members,

### Bharat Bhushan Share & Commodity Brokers Ltd.

We have audited the attached Balance Sheet of Bharat Bhushan Share & Commodity Brokers Ltd. as at 31<sup>st</sup> March, 2009 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the statements. An audit also included assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
  - a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinions, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion the Balance Sheet Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e) As per the information and explanations given to us, none of the directors of the Company is disqualified as on 31<sup>st</sup> March, 2009 from being appointed as 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 explanation given to us, the said accounts read together with the Significant Accounting Policies and other notes on accounts and annexures thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view, in conformity with the accounting principles generally accepted

in India;

- (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2009.
- (ii) In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
- (iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

FOR P. BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS

PAWAN BHOLUSARIA  
PARTNER  
M.NO.80691

Place : New Delhi  
Date : 8-05-2009

### ANNEXURE TO AUDITOR'S REPORT

#### (RE: BHARAT BHUSHAN SHARE & COMMODITY BROKERS LTD.)

Referred to in Paragraph 2 of our report of even date for the year ended 31<sup>st</sup> March, 2009

- i.) In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. The Company has not disposed of substantial part of fixed assets during the year and therefore going concern status of the Company is not affected.
- ii.) In respect of its inventories :
  - a. According to the information and explanations given to us the Inventories have been Physically verified by the management during the year at reasonable Intervals.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The company has maintained the proper records of inventories. The discrepancies noticed on verification between the physical verification and the book records were not material and have been properly dealt with in the books of accounts.
- iii.) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956: Accordingly, paragraphs 4(iii)(a), (b), (c), (d), (e), (f) and (g) of the order are not applicable.
- iv.) In our opinion and according to the information and explanation given to us, there is adequate internal control System

commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and also for the sale of goods 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 we have been informed of any instance of major weaknesses in the aforesaid Internal Control System.

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

a. According to the information and explanations given to us, the particulars of contracts or arrangements, that needed to be entered into in the register required to be maintained under Section 301 of the Companies Act, 1956 have been so entered.

b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into in the register maintained under Section 301 of the Companies Act, 1956 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 deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Act.

vii.) According to the information and explanations given to us, the Company has an internal audit system commensurate with its size and nature of its business.

viii.) The nature of business activities is such that clause 4(viii) of Companies (Auditors Report) 2003 regarding maintenance of cost record, is not applicable to the Company.

ix.) In respect of statutory dues :

a. According to the records of the Company and information and explanation given to us, undisputed statutory dues including provident fund, Investor education and protection fund, employee state Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Cess and other statutory dues to the extent applicable have been regularly deposited with the appropriate authorities. There are no undisputed amount payable in respect of the aforesaid dues which were outstanding as at 31<sup>st</sup>, March 2009 for a period of more than six months from the date of becoming payable.

b. According to the information and explanation given to us, there are no dues of Income Tax/Sales Tax/ Wealth tax/ Service Tax/Custom tax/excise duty /Cess, outstanding on account of any dispute.

x.) The Company has not any accumulated losses and also not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.

xi.) As the Company has not any outstanding dues of financial institutions, banks or debenture holders during the year, paragraph 4 (xi) of the order is not applicable.

xii.) According to the information and explanation given to us, adequate documents & records have been maintained by the

Company in respect of loans and advances granted on the basis of Security by way of pledge of shares, debentures and other securities.

xiii.) As the Company is not a chit fund or a nidhi/mutual benefit funds/society to which the provisions of special statute relating to chit fund are applicable, paragraph 4 (xiii) of the order is not applicable.

xiv.) According to information & explanation given to us, the Company has maintained proper records of transactions and contracts in respect of trading in shares, securities, debentures and other investments and timely entries have been made therein. All the shares / debentures / units etc. have been held by the company in its own name or pledged with others except for certain shares pending for dematerialisation or bad deliveries pending for rectification.

xv.) According to the information and explanation given to us, during the year, the company has not given any guarantee for loans taken by others from banks or financial Institutions.

xvi.) According to the information and explanation given to us, during the year, the Company has not obtained any term Loan.

xvii.) On the basis of overall examination of the balance sheet of the Company and information and explanation given to us, we report that during the year, the company has not raised funds either on short term basis or long term basis.

xviii.) During the year, the Company has not made any preferential allotment of shares.

xix.) The company has not issued any debentures during the year.

xx.) The company has not raised any money by way of public issue, during the year.

xxi.) In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year nor we have been informed of such case by management.

FOR P. BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS  
PAWAN BHOLUSARIA

Place : New Delhi  
Date : 8-05-2009

PARTNER  
M.NO.80691

## BALANCE SHEET AS AT 31ST MARCH, 2009

(AMOUNT IN RUPEES)

| PARTICULARS  | ANNEXURE | AS AT            |                  |
|--|----------|------------------|------------------|
|  |          | 31ST MARCH, 2009 | 31ST MARCH, 2008 |
| <b>SOURCE OF FUNDS</b>                             |          |                  |                  |
| <b>SHAREHOLDERS FUND</b>                           |          |                  |                  |
| SHARE CAPITAL                                      | I        | 33804000         | 33804000         |
| RESERVES & SURPLUS                                 | II       | 29524697         | 28721334         |
|  |          | <u>63328697</u>  | <u>62525334</u>  |
|  |          | 63328697         | 62525334         |
| <b>APPLICATION OF FUNDS</b>                        |          |                  |                  |
| <b>FIXED ASSETS</b>                                |          |                  |                  |
| GROSS BLOCK  | III      | 3333391          | 3206056          |
| LESS : DEPRECIATION                                |          | 2381161          | 2135845          |
| NET BLOCK  |          | 952230           | 1070211          |
| <b>INVESTMENTS</b>                                 |          |                  |                  |
|  | IV       | 52424980         | 40771799         |
| <b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>        |          |                  |                  |
| STOCK IN TRADE                                     |          | 4938274          | 8151888          |
| SUNDRY DEBTORS                                     |          | 0                | 3000             |
| CASH & BANK BALANCES                               |          | 4843522          | 9801343          |
| LOANS & ADVANCES                                   |          | 7540165          | 13271059         |
|  |          | <u>17321961</u>  | <u>31227290</u>  |
|  |          | 17321961         | 31227290         |
| <b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b> |          |                  |                  |
| CURRENT LIABILITIES                                | VI       | 3391785          | 6981227          |
| PROVISIONS   |          | 3840050          | 3423247          |
|  |          | <u>7231835</u>   | <u>10404474</u>  |
|  |          | 7231835          | 10404474         |
| <b>NET CURRENT ASSETS</b>                          |          | 10090126         | 20822816         |
| <b>DEFERRED TAX ASSET / LIABILITY (NET)</b>        |          | (138639)         | (139492)         |
| <i>(Refer Annexure X : Note No. 9)</i>             |          |                  |                  |
| <b>TOTAL</b>                                       |          | <u>63328697</u>  | <u>62525334</u>  |
|  |          | 63328697         | 62525334         |

SIGNIFICANT ACCOUNTING POLICIES  
NOTES ON ACCOUNTS

IX  
X

AS PER OUR REPORT OF EVEN DATE  
FOR P.BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS

FOR & ON BEHALF OF THE BOARD

PAWAN BHOLUSARIA  
PARTNER

SAPNA JAIN  
COMPANY SECRETARY

VIJAY BHUSHAN  
DIRECTOR

NISHA AHUJA  
DIRECTOR

PLACE : NEW DELHI  
DATE : 8-5-2009

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

(AMOUNT IN RUPEES)

| PARTICULARS   | ANNEXURE    | CURRENT YEAR ENDED<br>31ST MARCH, 2009 | PREVIOUS YEAR ENDED<br>31ST MARCH, 2008 |
|---|-------------|--|---|
| <b><i>INCOME</i></b>                                    |             |  |   |
| <b><i>INCOME FROM OPERATIONS &amp; OTHER INCOME</i></b> | <b>VII</b>  | 6360198                                | 13340574                                |
|   |             | <u>6360198</u>                         | <u>13340574</u>                         |
| <b><i>EXPENDITURE</i></b>                               |             |  |   |
| <b><i>ADMINISTRATIVE &amp; OTHER EXPENSES</i></b>       | <b>VIII</b> | 3166912                                | 4045903                                 |
|   |             | <u>3166912</u>                         | <u>4045903</u>                          |
| PROFIT BEFORE DEPRECIATION & TAX                        |             | 3193286                                | 9294671                                 |
| LESS : DEPRECIATION                                     |             | 245316                                 | 306101                                  |
| PROVISION FOR TAXATION                                  |             |  |   |
| - CURRENT   |             | 535000                                 | 880000                                  |
| - DEFERRED - CHARGE/ (SAVINGS)                          |             | -853                                   | (73227)                                 |
| - FRINGE BENEFITS                                       |             | 28500                                  | 24000                                   |
| PROFIT AFTER DEPRECIATION AND TAX                       |             | 2385324                                | 8157797                                 |
| ADD : SURPLUS BROUGHT FORWARD                           |             | 19127667                               | 14183389                                |
| PROFIT AVAILABLE FOR APPROPRIATION                      |             | <u>21512990</u>                        | <u>22341186</u>                         |
| <b><i>APPROPRIATIONS</i></b>                            |             |  |   |
| PROPOSED DIVIDEND                                       |             | 1352160                                | 1352160                                 |
| DIVIDEND TAX ON ABOVE                                   |             | 229800                                 | 229800                                  |
| TRANSFERRED TO RESERVE FUND                             |             | 477065                                 | 1631559                                 |
| <b>SURPLUS CARRIED FORWARD</b>                          |             | <u>19453966</u>                        | <u>19127667</u>                         |
|   |             | <u>21512990</u>                        | <u>22341186</u>                         |
| FACE VALUE PER EQUITY SHARE                             |             | 10                                     | 10                                      |
| EARNING PER SHARE                                       |             |  |   |
| - BASIC & DILUTED                                       |             | 0.706                                  | 2.413                                   |
| <b>SIGNIFICANT ACCOUNTING POLICIES</b>                  | <b>IX</b>   |  |   |
| <b>NOTES ON ACCOUNTS</b>                                | <b>X</b>    |  |   |

AS PER OUR REPORT OF EVEN DATE  
FOR P.BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS

FOR & ON BEHALF OF THE BOARD.

PAWAN BHOLUSARIA  
PARTNER

SAPNA JAIN  
COMPANY SECRETARY

VIJAY BHUSHAN  
DIRECTOR

NISHA AHUJA  
DIRECTOR

PLACE: NEW DELHI  
DATE : 8-5-2009

## ANNEXURE - I

(AMOUNT IN RUPEES)

| PARTICULARS  | AS AT<br>31ST MARCH, 2009 | AS AT<br>31ST MARCH, 2008 |
|--|---------------------------|---------------------------|
| <b><u>AUTHORISED</u></b>                               |                           |                           |
| <b><u>SHARE CAPITAL</u></b>                            |                           |                           |
| 70,00,000 EQUITY SHARES OF RS.10/- EACH                | 70000000                  | 70000000                  |
| <b><u>ISSUED, SUBSCRIBED &amp; PAID UP</u></b>         |                           |                           |
| 33,80,400 EQUITY SHARES OF RS. 10/- EACH FULLY PAID-UP | 33804000                  | 33804000                  |
| TOTAL  | 33804000                  | 33804000                  |

## RESERVES & SURPLUS

ANNEXURE II  
(AMOUNT IN RUPEES)

| PARTICULARS  | AS AT<br>31ST MARCH, 2009 | AS AT<br>31ST MARCH, 2008 |
|--|---------------------------|---------------------------|
| <b><u>CAPITAL RESERVE</u></b>  |                           |                           |
| BALANCE AS PER LAST ACCOUNT  | 400                       | 400                       |
| <b><u>RESERVE FUND</u></b><br>(CREATED PURSUANT TO RESERVE BANK OF INDIA GUIDELINES) |                           |                           |
| OPENING BALANCE  | 5617609                   | 3986050                   |
| ADDITION DURING THE YEAR   | 477065                    | 6094674                   |
|  | 6094674                   | 1631559                   |
|  | 3975658                   | 3900000                   |
| BALANCE AS PER LAST ACCOUNT  | 3975658                   | 3900000                   |
| Add: transitional effect on account of AS-15   | -                         | 75658                     |
|  | 3975658                   | 3975658                   |
| <b><u>PROFIT &amp; LOSS ACCOUNT</u></b><br>(AS PER ANNEXED ACCOUNT)                  | 19453966                  | 19127667                  |
| TOTAL  | 29524697                  | 28721334                  |

## FIXED ASSETS AS ON 31st March, 2009

ANNEXURE - III

(AMOUNT IN RUPEES)

| PARTICULARS               | AS ON<br>01.04.2008 | GROSS BLOCK                     |                            |                     | DEPRECIATION        |                 |          |                     | NET BLOCK           |                     |
|---------------------------|---------------------|---------------------------------|----------------------------|---------------------|---------------------|-----------------|----------|---------------------|---------------------|---------------------|
|                           |                     | ADDITIONS<br>DURING<br>THE YEAR | SOLD<br>DURING<br>THE YEAR | AS AT<br>31.03.2009 | AS AT<br>01.04.2008 | FOR THE<br>YEAR | ADJUSTED | AS AT<br>31.03.2009 | AS ON<br>31.03.2009 | AS ON<br>31.03.2008 |
| FURNITURE & FIXTURE       | 539145              | 0                               | 0                          | 539145              | 381907              | 34128           | 0        | 416035              | 123110              | 157238              |
| OFFICE EQUIPMENT          | 1234313             | 0                               | 0                          | 1234313             | 623773              | 58630           | 0        | 682403              | 551910              | 610540              |
| DATA PROCESSING MACHINERY | 1163232             | 127335                          | 0                          | 1290567             | 1046878             | 126968          | 0        | 1173846             | 116721              | 116354              |
| VEHICLE                   | 269366              | 0                               | 0                          | 269366              | 83287               | 25590           | 0        | 108877              | 160489              | 186079              |
| TOTAL                     | 3206056             | 127335                          | 0                          | 3333391             | 2135845             | 245316          | 0        | 2381161             | 952230              | 1070211             |
| PREVIOUS YEAR             | 3199156             | 6900                            | 0                          | 3206056             | 1829744             | 306101          | 0        | 2135845             | 1070211             | 1369412             |

## INVESTMENTS - LONG TERM

ANNEXURE IV

(Amount in Rupees)

| NAME OF THE COMPANY                                  | AS AT<br>31ST MARCH,2009 |              |         | AS AT<br>31ST MARCH,2008 |         |
|--|--------------------------|--------------|---------|--------------------------|---------|
|  | FACE<br>VALUE            | QTY<br>(NOS) | AMOUNT  | QTY<br>(NOS)             | AMOUNT  |
| <b>A. QUOTED FULLY PAID UP EQUITY SHARES (TRADE)</b> |                          |              |         |                          |         |
| ABLABS FILM LTD.                                     | 10/-                     | 1000         | 428595  | 500                      | 343560  |
| A.P. SCOOTER LTD.                                    | 10/-                     | 100          | 490     | 100                      | 490     |
| ADINATH TEXTILES LTD.                                | 10/-                     | 200          | 3572    | 200                      | 3572    |
| AGRO CHEM(PUNJAB) LTD.                               | 10/-                     | 40           | 2320    | 40                       | 2320    |
| AGRO TECH (INDIA ) LTD                               | 10/-                     | 800          | 4061    | 800                      | 4061    |
| AMBIC PROTEIN LTD.                                   | 10/-                     | 800          | 4080    | 800                      | 4080    |
| AMINSONS FOOD LTD.                                   | 10/-                     | 100          | 4185    | 100                      | 4185    |
| ANSAL PROPERTIES & INFRASTRUCTURE LTD.               | 5/-                      | 3000         | 1013260 | 2000                     | 976000  |
| ARIHANT COTSYN LTD.                                  | 10/-                     | 50           | 788     | 50                       | 787     |
| ARIHANT INDUSTRIES LTD.                              | 10/-                     | 450          | 3693    | 450                      | 3693    |
| ARLABS LTD.  | 10/-                     | 100          | 2000    | 100                      | 2000    |
| ARVIND MILL LTD.                                     | 10/-                     | 500          | 56935   | 500                      | 56935   |
| ASHIANA AGRO INDUSTRIES LTD.                         | 10/-                     | 100          | 2553    | 100                      | 2553    |
| AREVA T AND D INDIA LTD.                             | 2/-                      | 1,000        | 141,709 | 200                      | 141,709 |
| BANK OF RAJASTHAN LTD.                               | 10/-                     | 50           | -       | 250                      | -       |
| BESTAVISION ELECTRONIC LTD.                          | 10/-                     | 200          | 4066    | 200                      | 4066    |
| BHARAT NIDHI LTD.                                    | 10/-                     | 521          | 1792    | 521                      | 1792    |
| BHARAT PIPE & FITTINGS LTD.                          | 10/-                     | 200          | 6574    | 200                      | 6574    |
| BITS LTD.  | 2/-                      | 8,000        | 40320   | 8,000                    | 40320   |
| BLB LTD.   | 1/-                      | 1            | 25.61   |                          |         |
| BOMBAY EXTRACTIONS LTD.                              | 10/-                     | 400          | 6088    | 400                      | 6088    |
| BPCL LTD.  | 10/-                     | 550          | 246466  | 550                      | 246466  |
| BRITISH INDIA STEELS LTD.                            | 10/-                     | 100          | 1672    | 100                      | 1672    |
| CAREW PHIPSON LTD.                                   | 10/-                     | 100          | 3055    | 100                      | 3055    |
| CEAT LTD.  | 10/-                     | 6            | 450     | 6                        | 450     |
| CENTURY TUBES LTD.                                   | 10/-                     | 100          | 1858    | 100                      | 1858    |
| CHEMIEQUIP LTD.                                      | 10/-                     | 50           | 750     | 50                       | 750     |
| CHOKHANI INTERNATIONAL LTD.                          | 10/-                     | 700          | 4585    | 700                      | 4585    |
| CITRIC INDIA LTD.                                    | 10/-                     | 50           | 500     | 50                       | 500     |
| CITY UNION BANK LTD.                                 | 1/-                      | 5000         | 46900   | 10000                    | 93860   |
| CIPLA LTD.   | 2/-                      |              |         | 1000                     | 206180  |
| COLGATE PALMOLIVE INDIA LTD.                         | 1/-                      | 500          | 192465  | 500                      | 192465  |
| CORE PROJECT & TECHNOLOGY LTD.                       | 2/-                      |              |         | 500                      | 113540  |
| DEE PHARMA LTD.                                      | 10/-                     | 5            | 100     | 5                        | 100     |
| DIGITAL EQUIPMEN CO.LTD.                             | 10/-                     | 100          | 8747    | 100                      | 8747    |
| DRAVYA INDUSTRIES CHEM LTD.                          | 10/-                     | 600          | 4854    | 600                      | 4854    |
| ELB SCHLIFF (INDIA ) LTD.                            | 10/-                     | 100          | 1045    | 100                      | 1045    |
| EQUIPMENT COND.CABLE LTD.                            | 10/-                     | 100          | 806     | 100                      | 806     |
| ESCORTS LTD.   | 10/-                     | 500          | 71905   | 500                      | 71905   |
| EVROÑ LTD.   | 10/-                     |              |         | 500                      | 302300  |
| EMKAY GLOBE FINANCE LTD.                             | 10/-                     | 1            | 110.07  |                          |         |
| FEDDERS LLOYED LTD.                                  | 10/-                     | 1000         | 23570   | 1000                     | 23570   |
| FISHING FALCONS LTD.                                 | 10/-                     | 100          | 1000    | 100                      | 1000    |
| FIBER WEB INDIA LTD.                                 | 10/-                     | 200          | 9622    | 200                      | 9622    |
| FORTIS HEALTH CARE LTD.                              | 10/-                     | 1000         | 86890   | 1000                     | 86890   |
| GABRIEL INDIA LTD.                                   | 1/-                      | 4000         | 164160  | 4000                     | 164160  |
| GEÖGIT FINANCIAL SERVICE LTD.                        | 1/-                      | 1            | 52      |                          |         |
| GILT PACK LTD.                                       | 10/-                     | 100          | 1820    | 100                      | 1820    |
| GROVER LEASING LTD.                                  | 10/-                     | 100          | 1046    | 100                      | 1046    |
| GKW LTD.   | 10/-                     | 100          | 7361    | 100                      | 7361    |
| GTC INDUSTRIES LTD.                                  | 10/-                     | 200          | 27256   | 200                      | 27256   |

## INVESTMENTS - LONG TERM (Cont...)

| NAME OF THE COMPANY                 | FACE VALUE | AS AT     |         | AS AT     |        |
|-------------------------------------|------------|-----------|---------|-----------|--------|
|                                     |            | QTY (NOS) | AMOUNT  | QTY (NOS) | AMOUNT |
| GUJARAT B.D. LUGGAGE LTD.           | 10/-       | 100       | 1241    | 100       | 1241   |
| GUJARAT COTSYN LTD.                 | 10/-       | 200       | 7666    | 200       | 7666   |
| GUJARAT INJECT LTD.                 | 10/-       | 500       | 4810    | 500       | 4810   |
| HAYRANA PETRO CHEMICALS LTD.        | 10/-       | 400       | 6920    | 400       | 6920   |
| HINDUSTAN FLUORO CARBONS LTD.       | 10/-       | 100       | 3060    | 100       | 3060   |
| HDFC BANK LTD.                      | 10/-       | 850       | 1110716 | 100       | 141701 |
| HOTLINE TELETUBE COMPONENTS LTD.    | 10/-       | 200       | 3276    | 200       | 3276   |
| ISPL INDUSRTIAL LTD.                | 10/-       | 100       | 1735    | 100       | 1735.  |
| IFB VENTURE CAPITAL LTD.            | 10/-       | 100       | 4803    | 100       | 4803   |
| INDIAN ORGANIC COMPANY LTD.         | 10/-       | 100       | 3053    | 100       | 3053   |
| ITC LTD.                            | 1/-        | 3000      | 551842  | 3000      | 551842 |
| INDIA MAIZE & CHEMICALS LTD.        | 10/-       | 100       | 765     | 100       | 765    |
| INDIA POLYFIBERS LTD.               | 10/-       | 50        | 590     | 50        | 590    |
| INDIA SECUIRTES LTD                 | 10/-       | 200       | 8786    | 200       | 8786   |
| INDIAN HOTELS LTD.                  | 1/-        | 1230      | 157920  | 1000      | 141820 |
| INDO JAPAN PHOTO LTD.               | 10/-       | 300       | 3030    | 300       | 3030   |
| INTERNATIONAL CERAMIC LTD.          | 10/-       | 400       | 5544    | 400       | 5544   |
| INTERGRATED KINETIC FIN. LTD.       | 10/-       | 100       | 1500    | 100       | 1500   |
| INDIA CEMENT CAPITAL LTD.           | 10/-       | 400       | 8470    | 400       | 8470   |
| INDORAMA SYNTHETICS (INDIA) LTD.    | 10/-       | 2000      | 145640  | 2000      | 145640 |
| IDBI LTD.                           | 10/-       | 1200      | 146544  | 1200      | 146544 |
| INSILCO LTD.                        | 10/-       | 5000      | 79050   | 5000      | 79050  |
| JAI MATA INDUSTRIES LTD.            | 10/-       | 500       | 7553    | 500       | 7553   |
| ORION PAPER AND INDUSTRIES LTD.     | 10/-       | 100       | 4575    | 100       | 4575   |
| KARNATAKA CEMENT LTD.               | 10/-       | 200       | 1650    | 200       | 1650   |
| DHAMPUR SUGAR KASHIPUR LTD.         | 10/-       | 12        | 6787    | 12        | 6787   |
| KEDIA AGGLONERATED MARBLED LTD.     | 10/-       | 100       | 1715    | 100       | 1715   |
| KESORAM INDUSTRIES LTD.             | 10/-       | 20        | 3300    | 20        | 3300   |
| KHAITAN HOSTOMB SPINNERS LTD.       | 10/-       | 125       | 1875    | 125       | 1875   |
| KONGRAR INTERGRATED FIBER LTD.      | 10/-       | 400       | 4000    | 400       | 4000   |
| KUNAL ENGINEERING CO.LTD.           | 10/-       | 53        | 1590    | 53        | 1590   |
| LOHIA STARLINGER LTD.               | 10/-       | 20        | 1733    | 20        | 1733   |
| LUNAR DIAMONDS LTD.                 | 10/-       | 200       | 8510    | 200       | 8510   |
| MEGAWARE COMPUTER LTD.              | 10/-       | 100       | 1545    | 100       | 1545   |
| MAN INDUSTRIES INDIA LTD.           | 10/-       | 200       | 2500    | 200       | 2500   |
| MANGLORE CHEM. & FERT. LTD.         | 10/-       | 100       | 2650    | 100       | 2650   |
| MANSAROVAR PAPER & IND. LTD.        | 10/-       | 260       | 3932    | 260       | 3932   |
| MICRO ACCESSORIES LTD.              | 10/-       | 100       | 2050    | 100       | 2050   |
| MINERVA HOLDING LTD.                | 10/-       | 5         | 2828    | 5         | 2828   |
| MINI DIAMONDS ( INDIA ) LTD.        | 10/-       | 100       | 2051    | 100       | 2051   |
| MRINAL TEXT. ( INDIA ) LTD.         | 10/-       | 100       | 2802    | 100       | 2802   |
| MODERN INSULATORS LTD.              | 10/-       | 50        | 740     | 50        | 740    |
| MODI INDUSTRIES LTD.                | 10/-       | 100       | 1801    | 100       | 1801   |
| MOHAN MEAKIN LTD.                   | 5/-        | 100       | 1285    | 100       | 1285   |
| MUKESH STEEL LTD.                   | 10/-       | 100       | 2550    | 100       | 2550   |
| MPHASIS BFL LTD.                    | 10/-       | -         | -       | 1000      | 194550 |
| NAGURJUNA FINANCE LTD.              | 10/-       | 200       | 6404    | 200       | 6404   |
| NAHAR EXPORTS LTD.                  | 5/-        | 28        | 4894    | 28        | 4894   |
| NAHAR SPPINING MILLS LTD            | 5/-        | 22        | 3846    | 22        | 3846   |
| NAVINON LTD.                        | 10/-       | 200       | 10516   | 200       | 10516  |
| NELCO LTD.                          | 10/-       | 1500      | 238635  | 1500      | 238635 |
| NIRAJ PETRO CHEMICALS LTD.          | 10/-       | 100       | 745     | 100       | 745    |
| NIRUP SYNCHROME LTD.                | 10/-       | 400       | 6442    | 400       | 6442   |
| NODURON FOUNDER (MAHARASHTRA ) LTD. | 10/-       | 50        | 2289    | 50        | 2289   |

## INVESTMENTS - LONG TERM (Cont...)

| NAME OF THE COMPANY                         | AS AT<br>31ST MARCH,2009 |              |         | AS AT<br>31ST MARCH,2008 |         |
|---|--------------------------|--------------|---------|--------------------------|---------|
|   | FACE<br>VALUE            | QTY<br>(NOS) | AMOUNT  | QTY<br>(NOS)             | AMOUNT  |
| NORTHERN DIGITAL EXCHANGE LTD.              | 10/-                     | 100          | 1391    | 100                      | 1391    |
| NOVA IRON & STEELS LTD.                     | 10/-                     | 300          | 2673    | 300                      | 2673    |
| NATIONAL THERMAL POWER CORPORATION LTD.     | 10/-                     | 4000         | 376440  | 4000                     | 376440  |
| OPTO CIRCUIT INDIA LTD.                     | 10/-                     | 1350         | 276230  | 500                      | 231070  |
| ORISA SPONG LTD.                            | 10/-                     | 200          | 135306  | 200                      | 135306  |
| OCEAN INFRASTRUCTURE LTD.                   | 10/-                     | 500          | 5780    | 500                      | 5780    |
| OIL & NATURAL GAS CORPORATION LTD.          | 10/-                     | 1875         | 1707487 | 1875                     | 1707487 |
| ORKAY SYNTHETIC LTD.                        | 10/-                     | 200          | 2324    | 200                      | 2324    |
| OSWAL AGRO FURANE LTD.                      | 10/-                     | 200          | 2580    | 200                      | 2580    |
| OSWAL CHEMICALS & FERT. LTD.                | 10/-                     | 200          | 6952    | 200                      | 6952    |
| POWERGRID CORPORATION LTD.                  | 10/-                     | 200          | 22364   | 200                      | 22364   |
| PUNJ LLOYD LTD.                             | 2/-                      | 1000         | 424989  | 700                      | 378042  |
| PUNJAB NATIONAL FERTILISERS & CHEMICAL LTD. | 10/-                     | 100          | 1949    | 100                      | 1949    |
| POLAR LATEX LTD.                            | 10/-                     | 300          | 8319    | 300                      | 8319    |
| POLAR MARMO AGGLOMERATED LTD.               | 10/-                     | 200          | 3392    | 200                      | 3392    |
| PARTAP STEEL ROLLING MILLS (1934) LTD.      | 10/-                     | 200          | 3454    | 200                      | 3454    |
| P. FIZER LTD.                               | 10/-                     | 7600         | 4696854 | -                        | -       |
| PREMIER VINYL FLOORING LTD.                 | 10/-                     | 125          | 3950    | 125                      | 3950    |
| PSL HOLDING                                 | 10/-                     | 1000         | 141280  | 1000                     | 141280  |
| PNB MUTUAL FUND                             | 10/-                     | 150          | 1242    | 150                      | 1242    |
| R.S.SOFTWARE LTD                            | 10/-                     | 1000         | 83690   | 1000                     | 83690   |
| RADHA KRISHNA CEMENT LTD.                   | 10/-                     | 100          | 1398    | 100                      | 1398    |
| RAJASTHAN BREWERIES LTD.                    | 10/-                     | 100          | 3452    | 100                      | 3452    |
| RAJASTAN PERTO SYNTH. LTD.                  | 10/-                     | 100          | 2920    | 100                      | 2920    |
| RELIANCE CAPITAL LTD.                       | 10/-                     | 50           | 1665    | 50                       | 1665    |
| RELIANCE COMMUNICATION LTD.                 | 5/-                      | 1009         | 49724   | 1009                     | 49724   |
| RELIANCE INFRASTRUCTURE LTD.                | 10/-                     | 75           | 9373    | 75                       | 9373    |
| RELIANCE NATURAL RESOURCES LTD.             | 5/-                      | 1009         | 898     | 1009                     | 898     |
| RELIANCE INDUSTRIES LTD.                    | 10/-                     | 1109         | 1107890 | 1109                     | 1107890 |
| RICHMEN SILK LTD.                           | 10/-                     | 200          | 2152    | 200                      | 2152    |
| RUCHI STRIPS & ALLOYS LTD.                  | 10/-                     | 100          | 2537    | 100                      | 2537    |
| S.M ENERGY TECHNIQUE LTD.                   | 10/-                     | 300          | 6101    | 300                      | 6101    |
| SAMTEL ( INDIA ) LTD.                       | 10/-                     | 23           | 1285    | 23                       | 1285    |
| KOHINOOR FOODS LTD                          | 10/-                     | -            | -       | 200                      | 22214   |
| SENTHUR SHOES LTD.                          | 10/-                     | 100          | 2152    | 100                      | 2152    |
| SHALIMAR WIRE LTD.                          | 10/-                     | 250          | 7507    | 250                      | 7507    |
| SHAMKEN COTSYNL LTD.                        | 10/-                     | 1000         | 10000   | 1000                     | 10000   |
| SHIVALIK FERTILIZERS LTD.                   | 10/-                     | 100          | 1217    | 100                      | 1217    |
| SHRIYANS STEEL LTD.                         | 10/-                     | 100          | 1742    | 100                      | 1742    |
| SIEMENS LTD.                                | 2/-                      | 500          | 126730  | -                        | -       |
| SOMKAN MARINE FOOD LTD.                     | 10/-                     | 500          | 5045    | 500                      | 5045    |
| SOL PHARMA LTD,                             | 10/-                     | 2            | 1955    | 2                        | 1955    |
| STERLING BASIC ORGANIC LTD.                 | 10/-                     | 900          | 9000    | 900                      | 9000    |
| SUBHASH DALAL LTD.                          | 10/-                     | 100          | 3230    | 100                      | 3230    |
| SWIL INDIA LTD,                             | 10/-                     | 50           | 1500    | 50                       | 1500    |
| SUNFLAG IRON & STEEL COMPANY LTD.           | 10/-                     | 1500         | 31440   | 1500                     | 31440   |
| SURAJ VANASPATI LTD.                        | 10/-                     | 300          | 5580    | 300                      | 5580    |
| TATA STEEL LTD.                             | 10/-                     | 4497         | 2402340 | 1497                     | 449100  |
| TAMILNADU INDUSTRIAL EXPLOSIVES LTD.        | 10/-                     | 100          | 1415    | 100                      | 1415    |
| TATA CONSULTANCY SERVICES LTD.              | 1/-                      | 1038         | 991496  | 1038                     | 991496  |
| THAPAR AGRO LTD.                            | 10/-                     | 100          | 1795    | 100                      | 1795    |
| TOSHA PICTURE TUBE LTD.                     | 10/-                     | 200          | 2180    | 200                      | 2180    |
| U.B. PETRO PRODUCTS LTD.                    | 10/-                     | 300          | 6696    | 300                      | 6696    |
| UCAL POWER SYSTEM LTD.                      | 10/-                     | 200          | 7472    | 200                      | 7472    |



## INVESTMENTS - LONG TERM (Cont...)

| NAME OF THE COMPANY   | AS AT<br>31ST MARCH,2009 |                    |                 | AS AT<br>31ST MARCH,2008 |                 |
|---|--------------------------|--------------------|-----------------|--------------------------|-----------------|
|   | FACE<br>VALUE            | QTY<br>(NOS)       | AMOUNT          | QTY<br>(NOS)             | AMOUNT          |
| UNIPON INDIA LTD.   | 10/-                     | 200                | 8138            | 200                      | 8138            |
| UNITED DRILLING TOOLS LTD.  | 10/-                     | 100                | 1952            | 100                      | 1952            |
| UTI MASTER PLUS   | 10/-                     | 400                | 5444            | 400                      | 5444            |
| UTI MASTER SHARE  | 10/-                     | 350                | 8995            | 350                      | 8995            |
| UFLEX LTD.  | 10/-                     | 500                | 95040           | 500                      | 95040           |
| VIJAY BANK  | 10/-                     | 300                | 7112            | -                        | -               |
| VITTAMAZDA LTD.   | 10/-                     | 300                | 2457            | 300                      | 2457            |
| VICTOR GASKETS LTD.   | 1/-                      | 100                | 0               | 100                      | 0               |
| WHIRL POOL WASHING MACHINES LTD.  | 10/-                     | 100                | 1245            | 100                      | 1245            |
| ZEE NEWS LTD.   | 10/-                     | 1000               | 62810           | 1000                     | 62810           |
| <b>B. QUOTED FULLY PAIDUP PREFERENCE SHARES (NON TRADE)</b>                       |                          |                    |                 |                          |                 |
| 15% Non cumulative Redemable preference shares<br>of Mansarover Paper & Ind. Ltd. | 10/-                     | 200                | 2376            | 200                      | 2376            |
| 9 % Pref Sh. of Shaw Wallace Gelatines Ltd.                                       | 7/-                      | 400                | 4000            | 400                      | 4000            |
| TATA STEEL LTD. (CCPS)  | 2/-                      | 6300               | 630000          | 6300                     | 630000          |
| <b>C. FULLY PAID-UP UNQUOTED UNITS IN MUTUAL FUNDS (TRADE)</b>                    |                          |                    |                 |                          |                 |
| DWS CREDIT OPPURTUNITIES CASH FUND  |                          | 687326.217         | 8004326         |                          |                 |
| HDFC Floating Rate Income Fund  |                          |                    |                 | 492309                   | 5936957         |
| ICICI PRUDENTIAL LIQUID PLAN GROWTH   |                          | 45515.398          | 966010          | 1393265                  | 20583485        |
| ICICI PRUDENTIAL GIFT INVESTMENT PLAN (PF OPTION)                                 |                          | 576526.797         | 10100000        | -                        | -               |
| HDFC CASH MANAGEMENT FUND (Growth)  |                          | 138703             | 2005391         | -                        | -               |
| UTI MONEY MARKET FUND (Growth)  |                          | 421686             | 10000000        | -                        | -               |
| <b>D. QUOTED FULLY PAIDUP DEBENTURES (TRADE)</b>                                  |                          |                    |                 |                          |                 |
| 15 % Secured Fully Redemable NCD of<br>Apple Leasing & Ind. Ltd.                  | 50/-                     | 20                 | 802             | 20                       | 802             |
| 14 % Secured Redeemable NCD of castrol Ind ltd                                    | 100/-                    | 2                  | 145             | 2                        | 145             |
| Zero Interest Secured NCD of Mukerian papers ltd                                  | 70/-                     | 900                | 63000           | 900                      | 63000           |
| <b>E. FULLY PAIDUP UNQUOTED EQUITY SHARES (NON TRADE)</b>                         |                          |                    |                 |                          |                 |
| Bharat Bhushan Equity Traders Ltd   | 10/-                     | 250000             | 2500000         | 250000                   | 2500000         |
| <b>F. WARRANTS (NON TRADE)</b>  |                          |                    |                 |                          |                 |
| DCM Shriram Industries Ltd.   |                          | 288                | —               | 288                      | —               |
| Mukerian Paper Ltd.   |                          | 900                | —               | 900                      | —               |
| Usha Ispat Ltd.   |                          | 100                | 300             | 100                      | 300             |
| Vardhman Polytext Ltd.  |                          | 1400               | —               | 1400                     | —               |
| <b>GRAND TOTAL</b>  |                          | <b>2225579.608</b> | <b>52424980</b> | <b>2233963</b>           | <b>40771799</b> |

### NOTES:

#### NATURE OF INVESTMENT:-

##### QUOTED INVESTMENT

|                |          |          |
|----------------|----------|----------|
| — Cost Price   | 18848953 | 11751057 |
| — Market Price | 13833518 | 12963607 |

##### UNQUOTED INVESTMENTS

###### Units of Mutual Funds

|                            |          |          |
|----------------------------|----------|----------|
| — Cost Price               | 31075727 | 26520442 |
| — Net Asset Value of units | 31221838 | 27526387 |

##### OTHERS

|              |         |         |
|--------------|---------|---------|
| — Cost Price | 2500300 | 2500300 |
|--------------|---------|---------|

**CURRENT ASSETS, LOANS AND ADVANCES**

ANNEXURE V

(AMOUNT IN RUPEES)

| PARTICULARS  | AS AT<br>31ST MARCH, 2009 | AS AT<br>31ST MARCH, 2008 |
|--|---------------------------|---------------------------|
| <b><u>A. CURRENT ASSETS</u></b>  |                           |                           |
| STOCK IN TRADE<br>(AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)<br>(AS PER SCHEDULE 'A' ATTACHED) | 4938274                   | 8151888                   |
| <b><u>SUNDRY DEBTORS</u></b><br>(UNSECURED, CONSIDERED GOOD)                                       |                           |                           |
| MORE THAN SIX MONTHS   | 0                         | 0                         |
| OTHERS   | 0                         | 3000                      |
| CASH IN HAND (AS CERTIFIED BY THE MANAGEMENT)  | 2160                      | 2626                      |
| <b><u>BALANCE WITH SCHEDULED BANK IN</u></b>   |                           |                           |
| — CURRENT ACCOUNTS   | 2204793                   | 7274363                   |
| — FIXED DEPOSITS   | 1500000                   | 1500000                   |
| — INTEREST ACCRUED BUT NOT DUE ON ABOVE  | 131348                    | 31135                     |
| — UNPAID DIVIDEND ACCOUNT  | 1005221                   | 993219                    |
| <b>TOTAL (A)</b>   | <b><u>9781796</u></b>     | <b><u>17956231</u></b>    |
| <b><u>B. LOANS &amp; ADVANCES</u></b><br>(UNSECURED, CONSIDERED GOOD, UNLESS STATED OTHERWISE)     |                           |                           |
| LOANS & ADVANCES : STANDARD  |                           |                           |
| — SECURED  | 0                         | 6550000                   |
| — UNSECURED  | 1900000                   | 900000                    |
| INTEREST RECEIVABLE ON ABOVE LOANS   | 42403                     | 105206                    |
| ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR<br>VALUE TO BE RECEIVED                             | 2139343                   | 2738640                   |
| ADVANCE INCOME TAX & TAX DEDUCTED, AT SOURCE<br>( INCLUDING FRINGE BENEFIT TAX )                   | 1932239                   | 1451033                   |
| SECURITY DEPOSIT WITH GOVERNMENT DEPARTMENTS AND OTHERS  | 1526180                   | 1526180                   |
| <b>TOTAL (B)</b>   | <b><u>7540165</u></b>     | <b><u>13271059</u></b>    |
| <b>TOTAL (A)+(B)</b>   | <b><u>17321961</u></b>    | <b><u>31227290</u></b>    |

## STOCK IN TRADE

## SCHEDULE - A

(Amount in Rupees)

| NAME OF THE COMPANY                          | FACE VALUE | AS AT            |           | AS AT            |           |
|--|------------|------------------|-----------|------------------|-----------|
|  |            | QTY (NOS)        | AMOUNT    | QTY (NOS)        | AMOUNT    |
|  |            | 31ST MARCH, 2009 |           | 31ST MARCH, 2008 |           |
| <b>A. FULLY PAID UP QUOTED EQUITY SHARES</b> |            |                  |           |                  |           |
| ABSOLUTE AEROMATIC LTD.                      | 10/-       | 7200             | 0         | 7200             | -         |
| AMBUJA CEMENT LTD.                           | 10/-       | 75               | 0.00      | 75               | 0.00      |
| AMBUJA ELECTRO CASTING LTD.                  | 10/-       | 1100             | 0.00      | 1100             | 0.00      |
| ANDHRA CEMENT LTD.                           | 10/-       | 1162             | 20102.60  | 1162             | 28527.00  |
| ASIAN CONSOLIDATE LTD.                       | 10/-       | 200              | 0.00      | 200              | 0.00      |
| ASIAN HOTELS LTD.                            | 10/-       | 0                | 0.00      | 250              | 35263.00  |
| BIRLA 3M LTD.                                | 10/-       | 500              | 137509.00 | 500              | 137509.00 |
| BKV INDUSTRIES LTD.                          | 10/-       | 8300             | 12865.00  | 8300             | 12865.00  |
| BPCL LTD.                                    | 10/-       | 50               | 15583.00  | 50               | 15583.00  |
| BPL DISPLAY DEVICES LTD.                     | 10/-       | 210              | 0.00      | 210              | 0.00      |
| CHEMIQUIP LTD.                               | 10/-       | 50               | 0.00      | 50               | 0.00      |
| CIPLA LTD.                                   | 2/-        | 1875             | 47265.00  | 1875             | 47265.00  |
| DAURALA ORGANICS LTD.                        | 10/-       | 300              | 0.00      | 300              | 0.00      |
| DCL FINANCE LTD.                             | 10/-       | 1050             | 0.00      | 1050             | 0.00      |
| DCM SHRI RAM INDUSTRIES LTD.                 | 10/-       | 724              | 5792.00   | 724              | 5792.00   |
| GENLEC LTD.                                  | 10/-       | 50               | 0.00      | 50               | 0.00      |
| GLAXO INDIA LTD.                             | 10/-       | 1000             | 505400.00 | 1000             | 505400.00 |
| GLOBAL FOOD LTD.                             | 10/-       | 5100             | 0.00      | 5100             | 0.00      |
| GNFC LTD.                                    | 10/-       | 25               | 721.25    | 25               | 722.00    |
| HARYANA PETRO CHEMICALS LTD.                 | 10/-       | 300              | 0.00      | 300              | 0.00      |
| HARYANA SHEET GLASS LTD.                     | 10/-       | 1750             | 0.00      | 1750             | 0.00      |
| HCL INFOSYSTEMS LTD.                         | 2/-        | 5000             | 285630.00 | 5000             | 285630.00 |
| HCL TECHNOLOGIES LTD                         | 2/-        | 400              | 40820.00  | 400              | 57130.00  |
| HDFC BANK LTD.                               | 10/-       | 0                | 0.00      | 750              | 178565.00 |
| HELIOUS MATHES LTD.                          | 10/-       | 2800             | 23401.00  | 2800             | 23401.00  |
| HERO HONDA MOTORS LTD.                       | 2/-        | 100              | 24663.00  | 100              | 24663.00  |
| HINDUSTAN LEVER LTD.                         | 1/-        | 1010             | 141220.00 | 1010             | 141220.00 |
| ICP SECURITIES LTD.                          | 10/-       | 1800             | 0.00      | 1800             | 0.00      |
| I.F.B INDUSTRIES LTD.                        | 10/-       | 49               | 982.94    | 49               | 983.00    |
| IFB FINANCE LTD.                             | 10/-       | 1422             | 0.00      | 1422             | 0.00      |
| INDIA LEASE DEVELOPMENT LTD.                 | 10/-       | 4000             | 31240.00  | 4000             | 28000.00  |
| INDIA MAIZE & CHEMICAL LTD.                  | 10/-       | 270              | 0.00      | 270              | 0.00      |
| INDOKEM LTD.                                 | 10/-       | 50               | 158.00    | 50               | 275.00    |
| INDORAMA SYNTHETICS LTD.                     | 10/-       | 2000             | 40900.00  | 2000             | 68500.00  |
| INTEGRATED FINANCE CO.LTD                    | 10/-       | 3200             | 14240.00  | 3200             | 18088.00  |
| IFCI LTD.                                    | 10/-       | 5000             | 96500.00  | 5000             | 220500.00 |
| KASHIPUR SUGAR LTD. (DHAMPUR)                | 10/-       | 2000             | 4000.00   | 2000             | 4000.00   |
| KANORIA INDUSTRIES LTD.                      | 10/-       | 200              | 0.00      | 200              | 0.00      |
| KESORAM TEXTILES LTD.                        | 2/-        | 5500             | 0.00      | 5500             | 0.00      |
| LARSEN & TUBRO LTD.                          | 2/-        | 532              | 30563.00  | 266              | 30563.00  |
| LAURAL ORGANICS LTD.                         | 10/-       | 5100             | 0.00      | 5100             | 0.00      |
| LIBERTY SHOES LTD.                           | 10/-       | 600              | 15018.00  | 600              | 15018.00  |
| LLYOD ELECTRIC COMPANY LTD.                  | 10/-       | 1200             | 8436.00   | 1200             | 8436.00   |
| LIQUID BENCHMARK LTD.                        |            | 1                | 817.00    | 0                | 0.00      |
| MADHYA BHARAT PAPER MILLS LTD.               | 10/-       | 1000             | 0.00      | 1000             | 0.00      |
| MAHINDRA & MAHINDRA LTD.                     | 10/-       | 346              | 81379.20  | 346              | 81379.00  |
| MODERN INSULATORS LTD.                       | 10/-       | 50               | 0.00      | 50               | 0.00      |
| MUKERIAN PAPER LTD.                          | 10/-       | 2000             | 0.00      | 2000             | 0.00      |
| MANGALORE REFINERY & PETRO CHEMICAL LTD.     | 10/-       | 1000             | 41000.00  | 1000             | 59910.00  |
| MORGAN VENTURE LTD.                          | 10/-       | 500              | 1603.00   | 500              | 1603.00   |
| NATIONAL ALUMINIUM LTD.                      | 10/-       | 500              | 71970.00  | 500              | 71970.00  |
| NELCO LTD.                                   | 10/-       | 500              | 16600.00  | 500              | 33155.00  |

## STOCK IN TRADE (Cont...)

| NAME OF THE COMPANY  | AS AT<br>31ST MARCH,2009 |               |                | AS AT<br>31ST MARCH,2008 |                |
|--|--------------------------|---------------|----------------|--------------------------|----------------|
|  | FACE<br>VALUE            | QTY<br>(NOS)  | AMOUNT         | QTY<br>(NOS)             | AMOUNT         |
| NESTLE INDIA LTD.  | 10/-                     | 378           | 91515.30       | 378                      | 91515.00       |
| NOVA ELECTRO MAGNETICS LTD.                                  | 10/-                     | 400           | 0.00           | 400                      | 0.00           |
| ONWARD TECHNOLOGIES LTD.                                     | 10/-                     | 250           | 2612.50        | 250                      | 6288.00        |
| ORGANIC CHEMICAL LTD.  | 10/-                     | 1050          | 0.00           | 1050                     | 0.00           |
| ORKAY SILK LTD.  | 10/-                     | 1300          | 0.00           | 1300                     | 0.00           |
| OSWAL YARN LTD.  | 10/-                     | 12800         | 0.00           | 12800                    | 0.00           |
| PENAR ALUMINIUM LTD.   | 10/-                     | 1000          | 1220.00        | 1000                     | 3110.00        |
| PENTA FOR SOFT TECH  | 10/-                     | 5000          | 2650.00        | 5000                     | 7650.00        |
| PFIMEX INTERNATIONAL LTD.                                    | 10/-                     | 1470          | 0.00           | 1470                     | 0.00           |
| PFIZER LTD.  | 10/-                     | 100           | 34452.50       | 100                      | 34452.00       |
| PHONIX INTERNATIONAL LTD.                                    | 10/-                     | 2000          | 8600.00        | 2000                     | 8600.00        |
| PROCTER & GAMBLE INDIA LTD.                                  | 10/-                     | 486           | 191936.65      | 486                      | 191937.00      |
| PRAKASH INDUSTRIES LTD.                                      | 10/-                     | 7200          | 330480.00      | 7200                     | 1774440.00     |
| PENINSULA LAND LTD.  | 2/-                      | 2500          | 4952.00        | 2500                     | 4952.00        |
| RAM GOPAL POLYTEX LTD.                                       | 10/-                     | 10300         | 0.00           | 10300                    | 0.00           |
| RANBAXY LABORATORY LTD.                                      | 5/-                      | 89            | 14747.30       | 166                      | 54374.00       |
| RATHI ALLOY & STEEL LTD.                                     | 10/-                     | 2950          | 0.00           | 2950                     | 0.00           |
| RAUNAQ FINANCE LTD.  | 10/-                     | 1600          | 0.00           | 1600                     | 0.00           |
| RAVI SPINING LTD.  | 10/-                     | 9900          | 0.00           | 9900                     | 0.00           |
| RCS VANASPATI LTD.   | 10/-                     | 300           | 0.00           | 300                      | 0.00           |
| REGENCY CERAMICS LTD.  | 10/-                     | 500           | 2775.00        | 500                      | 3300.00        |
| RELIANCE CAPITAL LTD.  | 10/-                     | 1597          | 235939.27      | 1597                     | 235940.00      |
| RELIANCE INDUSTRIES LTD.                                     | 10/-                     | 1945          | 771737.10      | 1945                     | 771737.00      |
| RELIANCE COMMUNICATION LTD.                                  | 5/-                      | 1945          | 340083.25      | 1945                     | 574358.00      |
| RELIANCE INFRA LTD.  | 10/-                     | 146           | 75270.30       | 146                      | 108336.00      |
| RELIANCE NATURAL RESOURCES LTD.                              | 5/-                      | 1945          | 10386.30       | 1945                     | 10386.00       |
| SETIA PAPER LTD.   | 10/-                     | 1000          | 0.00           | 1000                     | 0.00           |
| SHAW WALLACE GELATINES LTD.                                  | 10/-                     | 0             | 0.00           | 500                      | 120145.00      |
| SIBER SOFT. ER. INDIA LTD.                                   | 10/-                     | 200           | 0.00           | 200                      | 0.00           |
| SIDDARTHA SUPER SPINNING MILL LTD.                           | 10/-                     | 1000          | 0.00           | 1000                     | 0.00           |
| SILVER LINE TECH LTD.  | 10/-                     | 320           | 1932.80        | 320                      | 8928.00        |
| SILVERLINE ANIMATION TECHNO LTD.                             | 10/-                     | 128           | 0.00           | 128                      | 0.00           |
| SONAL COSMETICS EXPORT LTD.                                  | 10/-                     | 300           | 0.00           | 300                      | 0.00           |
| STEEL AUTHORITY OF INDIA LTD.                                | 10/-                     | 1000          | 42060.00       | 1000                     | 42060.00       |
| SUKETU FASHION LTD.  | 10/-                     | 8700          | 0.00           | 8700                     | 0.00           |
| SUPER HOUSE LTD.   | 10/-                     | 500           | 1075.00        | 500                      | 0.00           |
| TATA POWER LTD.  | 10/-                     | 500           | 123525.00      | 500                      | 123525.00      |
| TATA STEEL. LTD.   | 10/-                     | 4500          | 926550         | 7000                     | 1652350.00     |
| UNIPLAS INDIA LTD.   | 10/-                     | 400           | 0.00           | 400                      | 0.00           |
| USHA INDIA LTD.  | 10/-                     | 100           | 0.00           | 100                      | 0.00           |
| USHA ISPAT LTD.  | 10/-                     | 300           | 0.00           | 300                      | 0.00           |
| VIJAYA BANK LTD.   | 10/-                     | 300           | 7005.00        | 300                      | 14865.00       |
| WHIRLPOOL INDIA LTD.   | 10/-                     | 25            | 300.00         | 25                       | 300.00         |
| <b>B. QUOTED FULLY PAID UP PREFERENCE SHARES (NON TRADE)</b> |                          |               |                |                          |                |
| <b>C. PARTLY PAIDUP QUOTED EQUITY SHARES</b>                 |                          |               |                |                          |                |
| PUSHPSONS INDUSTRIES LTD. (Rs.5/- Paid-up)                   | 10/-                     | 17000         | 0.00           | 17000                    | 0              |
| <b>D. FULLY PAID UP UNQUOTED UNITS IN MUTUAL FUNDS</b>       |                          |               |                |                          |                |
| BENCHMARK MUTUAL FUND  | 1000/-                   | 0             | 0.00           | 1                        | 817            |
| BIRLA ADVANTAGE FUND   | 10/-                     | 0             | 0.00           | 0                        | 0              |
| TEMPLETON LIQUID PLUS FUND                                   | 10/-                     | 6.50          | 90.22          | 12636                    | 165608         |
| <b>TOTAL</b>   |                          | <b>184582</b> | <b>4938274</b> | <b>201022</b>            | <b>8151888</b> |

## CURRENT LIABILITIES & PROVISIONS

ANNEXURE VI

(AMOUNT IN RUPEES)

| PARTICULARS                               | AS AT<br>31ST MARCH, 2009 | AS AT<br>31ST MARCH, 2008 |
|---|---------------------------|---------------------------|
| <b>A. CURRENT LIABILITIES</b>             |                           |                           |
| SUNDRY CREDITORS                          |                           |                           |
| - DUE TO MICRO & SMALL ENTERPRISES        | 0                         | 0                         |
| - OTHERS                                  | 852791                    | 800933                    |
| CHEQUE OVER ISSUED IN CURRENT A/C         | 0                         | 1574716                   |
| ADVANCES FROM CUSTOMERS                   | 1537911                   | 3614230                   |
| INVESTOR EDUCATION AND PROTECTION FUND    | 0                         | 0                         |
| - UNPAID DIVIDEND                         | 1001083                   | 991348                    |
| <b>TOTAL (A)</b>                          | <b>3391785</b>            | <b>6981227</b>            |
| <b>B. PROVISIONS</b>                      |                           |                           |
| FOR INCOME TAX                            | 1860000                   | 1325000                   |
| FOR FRINGE BENEFIT TAX (NET OF PAYMENTS)  |                           |                           |
| FOR DIVIDEND TAX                          | 229800                    | 229800                    |
| FOR PROPOSED DIVIDEND                     | 1352160                   | 1352160                   |
| FOR DIMINUTION IN THE VALUE OF INVESTMENT | 374050                    | 374050                    |
| FOR GRATUITY                              | 24040                     | 142237                    |
| <b>TOTAL (B)</b>                          | <b>3840050</b>            | <b>3423247</b>            |
| <b>TOTAL (A)+ (B)</b>                     | <b>7231835</b>            | <b>10404474</b>           |

## INCOME FROM OPERATIONS & OTHER SOURCES

ANNEXURE - VII

(AMOUNT IN RUPEES)

| PARTICULARS  | CURRENT YEAR ENDED<br>31ST MARCH, 2009 | PREVIOUS YEAR ENDED<br>31ST MARCH, 2008 |
|--|--|---|
| PROFIT/LOSS FROM SALE/PURCHASE<br>AND DIFFERENCE IN SECURITIES DEALING (NET)                         | 101254                                 | 274485                                  |
| GAIN ON SALE OF INVESTMENT - TRADE (NET)   | 2722023                                | 9705355                                 |
| INTEREST INCOME (GROSS)<br>(INCLUDING TAX DEDUCTED AT SOURCE RS.26495/-<br>PREVIOUS YEAR RS.20833/-) |  |   |
| — ON LOANS/ICD'S   | 452438                                 | 418658                                  |
| — ON FIXED DEPOSITS WITH BANKS   | 683705                                 | 1136143                                 |
| BROKERAGE / SERVICES CHARGES   | 412498                                 | 636695                                  |
| DIVIDEND INCOME ON LONG TERM INVESTMENTS- TRADE  | 339336                                 | 319822                                  |
| DIVIDEND INCOME ON STOCK IN TRADE  | 162389                                 | 188356                                  |
| OTHER INCOME<br>(INCLUDING TAX DEDUCTED AT SOURCE - RS.34648/-<br>PREVIOUS YEAR RS.44436/-)          | 1484288                                | 1696073                                 |
| EXCESS PROVISION WRITTEN BACK  | 2267                                   | -                                       |
| <b>TOTAL</b>   | <b>6360198</b>                         | <b>13340574</b>                         |

**ADMINISTRATIVE AND OTHER EXPENSES**ANNEXURE - VIII  
(AMOUNT IN RUPEES)

| <b>PARTICULARS</b>                     | <b>CURRENT YEAR ENDED<br/>31ST MARCH, 2009</b> | <b>PREVIOUS YEAR ENDED<br/>31ST MARCH, 2008</b> |
|--|--|---|
| SALARIES & OTHER BENEFITS              | 1262052  | 1175369   |
| RENT                                   | 24000  | 224408  |
| REPAIRS & MAINTANANCE                  | 62608  | 132549  |
| ELECTRICITY EXPENSES                   | 452434   | 529000  |
| POSTAGE, TELEGRAM & TELEPHONE EXPENSES | 323594   | 312529  |
| INSURANCE EXPENSES                     | 18773  | 8243  |
| MEMBERSHIP & SUBSCRIPTION              | 71220  | 61943   |
| PRINTING & STATIONERY                  | 77298.5  | 71618   |
| STAFF WELFARE                          | 88470  | 55949   |
| LISTING FEES                           | 25000  | 25000   |
| DIRECTORS' SITTING FEE                 | 56000  | 43000   |
| TRAVELLING & CONVEYANCE                | 45441  | 46845   |
| VEHICLE RUNNING & MAINTENANCE          | 6480   | 870   |
| LEGAL AND PROFESSIONAL CHARGES         | 130500   | 423182  |
| ADVERTISEMENT EXPENSES                 | 39632  | 32041   |
| SECURITIES TRANSACTIONS TAX            | 9665   | 212692  |
| MISCELLANEOUS EXPENSES                 | 259788   | 459255  |
| AUDITOR'S REMUNERATION                 | 67738  | 71023   |
| OFFICE EXPENSES                        | 146219   | 160387  |
| <b>TOTAL</b>                           | <b><u>3166912</u></b>                          | <b><u>4045903</u></b>                           |

**BHARAT BHUSHAN SHARE & COMMODITY BROKERS LIMITED  
SIGNIFICANT ACCOUNTING POLICIES**

(Annexed to and forming part of the statement of accounts for the year ended 31st March, 2009)

**A. SYSTEM OF ACCOUNTING :-**

- (i) The accounts have been prepared under the historical cost convention except where otherwise stated.
- (ii) The company follows the mercantile system of accounting.

**B. REVENUE RECOGNITION :-**

- 1. Income / Expenses/ Revenues are accounting for on accrual basis in accordance with the Accounting Standard (AS-9) issued by the Institute of Chartered Accountants of India. Accordingly, wherever there are uncertainties in the ascertainment / realization of Income, the same is not accounted for.

**C. FIXED ASSETS :-**

Fixed assets are stated at cost less depreciation.

**D. DEPRECIATION :-**

Depreciation is charged on all the assets on the straight-line method in the manner and at the rates specified in schedule XIV to the Companies Act, 1956.

**E. INVESTMENTS :-**

Investments (long term) are valued at cost less permanent diminution, if any.

**F. STOCK IN TRADE :-**

Stock in Trade of shares/Debentures/Units etc. is valued at scrip wise lower of cost or net realizable value.

**G. DEFERRED REVENUE EXPENDITURE :-**

Preliminary and share issue expenses are amortized over a period of Ten years.

**H. EMPLOYEES BENEFITS:-**

Employee benefits are recognized / accounted for on the basis of revised AS-15 detailed as under:-

- (a) Short term employee benefits are recognized as expense at the undiscounted amount in the profit & loss account of the year in which they are incurred.
- (b) Employee benefits under defined benefit plans comprise of gratuity which is accounted for as at the year end based on actuarial valuation by following the projected unit credit (PUC) method.
- (c) Leave encashment benefits are paid to employees at the year end.
- (d) Termination benefits are recognized as an expense as and when incurred.
- (e) The actuarial gains & losses arising during the year are recognized in profit & loss account of the year without restoring to any amortization.

**I. DEFERRED TAXATION :-**

Tax liability of the company is estimated considering the provisions of the Income Tax Act, 1961. Deferred Tax is recognized subject to the consideration of prudence, on timing difference, 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.

**J. IMPAIRMENT OF FIXED ASSETS**

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in prior years.

**K. CONTINGENCIES**

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

**NOTES ON ACCOUNTS**

(Annexed to and forming part of the statement of accounts for the year ended 31st March 2009)

- 1. There was no employee(s) in receipt of remuneration aggregating more than Rs.24,00,000/- p.a. or Rs.2,00,000/- or more p.m. where employed for a part of the period (Previous year Rs. Nil).

**2. CONTINGENT LIABILITIES:-**

| S. No. | Particulars   | As at 31st March, 2009<br>(In Rs.) | As at 31st March, 2008<br>(In Rs.) |
|--------|---|------------------------------------|------------------------------------|
| a.     | Claims against the company/disputed Liability not acknowledged as debt(Net) | 9006058                            | 9006058                            |
| b.     | Liability in respect of partly paid up Equity Shares.                       | 80000                              | 80000                              |

- 3. Unclaimed Dividend payable account are yet to be reconciled and therefore the same has been taken as per books.
- 4. Provision for diminution in the value of investments is charged to Profit & Loss Account and shown correspondingly under the compliance with Non Banking Financial (Non Deposit Accepting or Holding )Companies Prudential Norms (Reserve Bank Directions, 2007).
- 5. In the opinion of the management, current assets, Loans and advances are approximately of the value stated, if realized, in the ordinary course of the business.
- 6. (a) Brokerage / Service charges of Rs. 412498/- (Previous Year Rs. 636695/-) represents brokerage earned from Commodity Trading (NCDEX and MCX).
- (b) Other Income includes Rs.14,84,288/- (Previous year Rs. 16,82,000/-) being amount recovered on account of reimbursement of expenses.

7. Auditor's Remuneration includes: -

| PARTICULARS     | FOR THE YEAR ENDED<br>31ST MARCH 2009 | FOR THE YEAR ENDED<br>31ST MARCH 2008 |
|-----------------|---------------------------------------|---------------------------------------|
| Audit Fee       | 33000                                 | 33000                                 |
| Tax Audit Fee   | 11000                                 | 10000                                 |
| Taxation Matter | 11000                                 | 10000                                 |
| Others          | 12738                                 | 16023                                 |
| <b>TOTAL</b>    | <b>67738</b>                          | <b>71023</b>                          |

8. Operating Lease (Disclosure pursuant to Accounting Standard AS-19 for Leases)

- a) - Minimum lease payments recognized in the statement of profit & loss account during the period ended 31<sup>st</sup> March 2009 is Rs.24000/- (Previous year Rs. 224408/-)

9. Break-up of Deferred Tax Assets and Deferred Tax Liabilities as at 31<sup>st</sup> March 2009 comprise of the following :

|                                     | As at<br>31ST MARCH 2009<br>(In Rs.) | As at<br>31ST MARCH 2008<br>(In Rs.) |
|-------------------------------------|--------------------------------------|--------------------------------------|
| <b>Deferred Tax Assets</b>          |                                      |                                      |
| a) Fixed Assets                     | —                                    | —                                    |
| b) Other Expenses                   | 7428                                 | 43951                                |
| <b>Deferred Tax Liability</b>       |                                      |                                      |
| a) Fixed Assets                     | 146067                               | 183443                               |
| b) Other Expenses                   | —                                    | —                                    |
| <b>Deferred Tax Liability (Net)</b> | <b>138639</b>                        | <b>139492</b>                        |

10. EARNING PER SHARE (EPS):-

The numerators and denominators used to calculate Basic and Diluted Earning per share :

|  |                  | Year Ended<br>31ST MARCH 2009 | Year Ended<br>31ST MARCH 2008 |
|--|------------------|-------------------------------|-------------------------------|
| Profit after taxation(Rs.)                                       | (Rs.)            | 2385324                       | 8157797                       |
| Less: Income Tax for earlier Years                               | (Rs.)            | —                             | —                             |
| <b>Net Profit available for Equity shareholders</b>              | <b>(Rs.) (A)</b> | <b>2385324</b>                | <b>8157797</b>                |
| Weighted average no of equity shares Outstanding during the year | (B)              | 3380400                       | 3380400                       |
| Nominal Value of Equity Share (Rs.)                              |                  | 10/-                          | 10/-                          |
| <b>Basic/Diluted EPS (Rs.)</b>                                   | <b>(A)/(B)</b>   | <b>0.706</b>                  | <b>2.413</b>                  |

11. In the opinion of Management, there are no separate reportable segment in terms of Accounting Standard – AS – 17 "Segment Reporting".

12. Quantitative information in respect of shares/debentures/units etc is as follows:-

|                          | FOR THE YEAR ENDED<br>31ST MARCH 2009 |                    | FOR THE YEAR ENDED<br>31ST MARCH 2008 |                    |
|--------------------------|---------------------------------------|--------------------|---------------------------------------|--------------------|
|                          | QTY.<br>(in Nos.)                     | AMOUNT<br>(in Rs.) | QTY.<br>(in Nos.)                     | AMOUNT<br>(in Rs.) |
| <b>A) STOCKS:-</b>       |                                       |                    |                                       |                    |
| a) SHARES                |                                       |                    |                                       |                    |
| OPENING                  | 188385                                | 7985463            | 240500                                | 13116027           |
| PURCHASES                | 266                                   | —                  | 85531                                 | 11298068           |
| SALES/REDEMPTION         | 4076                                  | 3084949            | 137646                                | 24993715           |
| CLOSING                  | 184575                                | 4938184            | 188385                                | 7985463            |
| b) UNITS OF MUTUAL FUND  |                                       |                    |                                       |                    |
| OPENING                  | 12637                                 | 166425             | 35295                                 | 2062250            |
| PURCHASES                | —                                     | —                  | 323                                   | 4477               |
| SALES/REDEPMTION         | 12630                                 | 195900             | 22981                                 | 2136577            |
| CLOSING                  | 7                                     | 90                 | 12637                                 | 166425             |
| <b>B) INVESTMENTS: -</b> |                                       |                    |                                       |                    |
| a) SHARES                |                                       |                    |                                       |                    |
| OPENING                  | 347467                                | 14187409           | 354806                                | 22746294           |
| PURCHASES/ADJUSTMENT     | 15883                                 | 7983633            | 247500                                | 43018163           |
| SALES/REDEMPTION         | 8450                                  | 1049682            | 254839                                | 61202916           |
| CLOSING                  | 354900                                | 21285358           | 347467                                | 14187410           |
| b) UNITS OF MUTUAL FUND  |                                       |                    |                                       |                    |
| OPENING                  | 1885574                               | 26520442           | 492309                                | 5936957            |
| PURCHASES/ADJUSTMENT     | 3799257                               | 65600000           | 2446999                               | 35237220           |
| SALES/REDEMPTION         | 3815073                               | 63602794           | 1053734                               | 14737220           |
| CLOSING                  | 1869757                               | 31075675           | 1885574                               | 26520442           |
| c) DEBENTURES            |                                       |                    |                                       |                    |
| OPENING                  | 922                                   | 63947              | 922                                   | 63947              |
| PURCHASES/ADJUSTMENT     | —                                     | —                  | —                                     | —                  |
| SALES/REDEMPTION         | —                                     | —                  | —                                     | —                  |
| CLOSING                  | 922                                   | 63947              | 922                                   | 63947              |

13. Disclosure as required by Accounting Standard – AS-18 " Related Party disclosure" are as per annexure 'I'



14. Disclosure as required by Para 13 of Non Banking Financial (Non Deposit Accepting on Holding) Companies Prudential Norms (Reserve Bank) Directions 2007 are as per annexure 'II'.

**15. Disclosure pursuant to Accounting Standard - 15**

**a) Defined Benefit Plan**

Movement in net liability

| Particulars  | Gratuity (funded)<br>31.03.2009 | Gratuity (unfunded)<br>31.03.2008 |
|--|---------------------------------|-----------------------------------|
| Present value of obligations as at the beginning of the year. (A)      | 142237                          | 257430                            |
| Adjustment for increase(Decrease) in opening obligation (B)            | -                               | (109490)                          |
| Interest Cost (C)  | 11379                           | 11835                             |
| Current service cost (D)   | 31847                           | 15973                             |
| Benefits paid (E)  | -                               | 39758                             |
| Actuarial loss on obligation (F)                                       | 49455                           | 6247                              |
| Present value of obligations as on closing of the year (G=A+B+C+D-E+F) | 234918                          | 142237                            |

**b) The amounts recognized in the balance sheet and Profit & loss account are as follows :**

| Particulars   | Gratuity (funded)<br>31.03.2009 | Gratuity (unfunded)<br>31.03.2008 |
|---|---------------------------------|-----------------------------------|
| Present value of obligation (A)                     | 234918                          | 142237                            |
| Estimated fair value of plan assets (B)             | 210878                          | Nil                               |
| Net Liability / (Asset) (C=A-B)                     | 24040                           | 142237                            |
| <b>Amounts in the Balance Sheet</b>                 | <b>31.03.2009</b>               | <b>31.03.2008</b>                 |
| Liabilities   | 24040                           | 142237                            |
| <b>Amount charged to Profit &amp; Loss Account</b>  | <b>31.03.2009</b>               | <b>31.03.2008</b>                 |
| Current Service Cost                                | 31847                           | 15973                             |
| Interest Cost                                       | 11379                           | 11835                             |
| Expected Return on Plan Asset                       | -                               | -                                 |
| Actuarial(Gain)/Loss                                | 36155                           | 6247                              |
|   | <b>79381</b>                    | <b>34055</b>                      |
| Head under which shown in the Profit & Loss account | Salary & Other benefits         | Salary & Other benefits           |

**(c) Fair value of plan assests**

|  | 31/03/2008 | 31/03/2009 |
|--|------------|------------|
| 1. Fair Value of plan assests at the beginning of the period | -          | -          |
| 2. Acquisition adjustment                                    | -          | -          |
| 3. Actual return on plan assests                             | -          | 13,300     |
| 4. Contributions   | -          | 1,97,578   |
| 5. Benefits Paid   | -          | -          |
| 6. Fair value of plan assests at the end of the period       | -          | 2,10,878   |

**d) Following are the Principal Actuarial Assumptions used as at the balance sheet date :**

| Particulars            | Gratuity |
|------------------------|----------|
| Discount Rate          | 8%       |
| Salary Escalation Rate | 5.5%     |

16. Previous year figures have been rearranged/regrouped wherever considered necessary.

17. All figures have been rounded off to the nearest rupee.

18. Additional information Pursuant to Part IV of Schedule VI to the Companies Act 1956, is attached herewith.

19. Annexure I to X form an integral part of the Accounts.

As per our report of even date  
FOR P. BHOLUSARIA & CO  
CHARTERED ACCOUNTANTS

For & on Behalf of the Board

PAWAN BHOLUSARIA  
PARTNER

SAPNA JAIN  
COMPANY SECRETARY

VIJAY BHUSHAN  
DIRECTOR

NISHA AHUJA  
DIRECTOR

PLACE : NEW DELHI  
DATE : 8-5-2009

## ANNEXURE 'I'

Referred in Note No. 13 of the Annexure 'X' to the accounts:

Related Party disclosures (As Identified by the Management and relied upon by Auditors)

As per Accounting Standard – 18 " Related Party disclosure" issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related party as defined in the Accounting Standard are given below:

### 1. A. Where control exists/Key Management Personnel alongwith their relatives

Sh. Vijay Bhushan

Mrs. Nisha Ahuja

- Mrs. Sant Kumari Agrawal

- Sh. Jogesh Ahuja

Director & Mother of (a)

Director & Husband of (b)

Enterprises under common control/enterprises where person described in "A" above is able to exercise significant influence.

- Bharat Bhushan Equity Traders Ltd.

- Bharat Bhushan & Co. (No transaction during the year)

### 2. Transactions during the year with Related Parties.

| Nature of Transactions  | Where control exists/ Key Management Personnel alongwith their relatives | Enterprises under common control /enterprises where person described in column A. is able to exercise excessive significant influence. |
|---|--|--|
|   | A  | B  |
| I. Sales of securities etc. and other similar transactions    | —  | 3028200  |
| II. Purchase of securities etc. and other similar transaction | (—)  | (80716502)   |
| III. Net derivative / difference in share dealing             | —  | (—)  |
|   |  | (48269130)   |
| IV. Amount recovered on account of reimbursement of expenses  | —  | 34019  |
|   | (—)  | (-8526873)   |
| V. Sitting fees   | —  | 1484288  |
|   | (—)  | (1682000)  |
|   | 31000  | —  |
| VI. Depository Charges Paid                                   | (26000)  | (—)  |
|   | —  | 746  |
| VII. Outstanding Balances as on 31-3-2009                     | (—)  | (786)  |
| Investments   | —  | 2500000  |
| Figure in brackets pertains to previous year                  | (—)  | (2500000)  |

## ANNEXURE 'II'

Referred in Note No. 14 of the Annexure 'X' to the accounts:

Information as on 31<sup>st</sup> March 2009 required in terms of Paragraph 13 of Non- Banking Financial Companies

| Particulars  | (Amount in Rupees) |                    |
|--|--------------------|--------------------|
|  | Amount Outstanding | Amount Overdue     |
| <b>Liabilities side:</b>   |                    |                    |
| (1) <b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not Paid:</b>                 |                    |                    |
| (a) Debentures : Secured   | —                  | —                  |
| : Unsecured  | —                  | —                  |
| (other than failing within the Meaning of public deposits)   |                    |                    |
| (b) Deferred Credits   | —                  | —                  |
| (c) Term Loans   | —                  | —                  |
| (d) Inter-corporate loans and borrowing  | —                  | —                  |
| (e) Commercial Paper   | —                  | —                  |
| (f) Public Deposits  | —                  | —                  |
| (g) Other Loans (specify nature)   | —                  | —                  |
| (2) <b>Break-up of (1) (f) above (Outstanding Public deposits inclusive of interest accrued Thereon but not paid):</b> |                    |                    |
| (a) In the form of Unsecured debentures  | —                  | —                  |
| (b) In the form of partly secured Debentures ie. Debentures where there is a shortfall in the value of security        | —                  | —                  |
| (c) Other public deposits  | —                  | —                  |
| <b>Asset side</b>  |                    | Amount Outstanding |
| (3) <b>Break-up of Loan and Advances including Bills receivables [other than those included In (4) below] :</b>        |                    |                    |
| (a) Secured  |                    | —                  |
| (b) Unsecured including interest receivable  |                    | 1942403            |

|     |   |   |                                       |          |
|-----|---|---|---------------------------------------|----------|
| (4) | <b>Break-up of Leased Assets and stock on hire<br/>And hypothecation loans counting towards<br/>EL/HP activities</b>                      |   |                                       |          |
|     | (i) Lease assets including lease rentals under<br>Sundry debtors :  |   |                                       |          |
|     | (a) Financial lease   | —   |                                       |          |
|     | (b) Operating lease   | —   |                                       |          |
|     | (ii) Stock on hire including hire charges under<br>Sundry debtors:  |   |                                       |          |
|     | (a) Assets on hire  | —   |                                       |          |
|     | (b) Repossessed Assets  | —   |                                       |          |
|     | (iii) Hypothecation loans counting towards<br>EL/HP activities:   |   |                                       |          |
|     | Loans where assets have been Repossessed  |   |                                       | —        |
|     | (b) Loans other than (a) above  |   |                                       | —        |
| (5) | <b>Break-up of Investments :</b>  |   |                                       |          |
|     | Current Investments :   |   |                                       |          |
|     | 1. Quoted :   |   |                                       |          |
|     | (i) Shares :     (a) Equity   |   |                                       | —        |
|     | (b) Preference  |   |                                       | —        |
|     | (ii) Debentures and Bonds   |   |                                       | —        |
|     | (iii) Units of mutual funds   |   |                                       | —        |
|     | (iv) Government Securities  |   |                                       | —        |
|     | (v) Others (please specify) warrants  |   |                                       | —        |
|     | 2. Unquoted :   |   |                                       |          |
|     | (i) Shares :     (a) Equity   |   |                                       | —        |
|     | (b) Preference  |   |                                       | —        |
|     | (ii) Debentures and Bonds   |   |                                       | —        |
|     | (iii) Units of mutual funds   |   |                                       | —        |
|     | (iv) Government Securities  |   |                                       | —        |
|     | (v) Others (please specify) warrants  |   |                                       | —        |
|     | Long-Term investments :   |   |                                       |          |
|     | 1. Quoted :   |   |                                       |          |
|     | (i) Shares :     (a) Equity   |   |                                       | 23779230 |
|     | (b) Preference  |   |                                       | 6376     |
|     | (ii) Debentures and Bonds   |   |                                       | 63947    |
|     | (iii) Units of mutual funds   |   |                                       | 31075727 |
|     | (iv) Government Securities  |   |                                       | —        |
|     | (v) Others (please specify)   |   |                                       | —        |
|     | 2. Unquoted :   |   |                                       |          |
|     | (i) Shares :     (a) Equity   |   |                                       | 2500000  |
|     | (b) Preference  |   |                                       | —        |
|     | (ii) Debentures and Bonds   |   |                                       | —        |
|     | (iii) Units of mutual funds   |   |                                       | —        |
|     | (iv) Government Securities  |   |                                       | —        |
|     | (v) warrants  |   |                                       | 300      |
| (6) | <b>Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :</b>                                    |   |                                       |          |
|     | Category  | Secured   | Amount net of provisions<br>Unsecured | Total    |
|     | 1. Related Parties  |   |                                       |          |
|     | (a) Subsidiaries  | —   | —                                     | —        |
|     | (b) Companies in the same group   | —   | —                                     | —        |
|     | (c) Other related parties   | —   | —                                     | —        |
|     | 2. Other than related parties   | —   | 1942403                               | 1942403  |
|     | Total   | —   | 1942403                               | 1942403  |
| (7) | <b>Investor group-wise classification of all investments (current and long term) in shares and Securities (both quoted and unquoted):</b> |   |                                       |          |
|     | Category  | Market Value/<br>Break up or fair<br>value or NAV | Book Value<br>(Net of<br>Provisions)  |          |
|     | 1. Related Parties  |   |                                       |          |
|     | (a) Subsidiaries  | —   | —                                     |          |
|     | (a) Subsidiaries  | —   | —                                     |          |
|     | (b) Companies in the same group   | —   | —                                     |          |
|     | (c) Other related parties   | 8332151.  | 2500000                               |          |
|     | 2. Other than related parties   | 45055656  | 46220930                              |          |
|     | Total   | 53387807  | 48720930                              |          |
| (8) | <b>Other information</b>  |   |                                       |          |
|     | (i) Gross Non-Performing Assets:  |   |                                       |          |
|     | (a) Subsidiaries  |   |                                       | —        |
|     | (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   |   |                                       | —        |

## BHARAT BHUSHAN SHARE & COMMODITY BROKERS LIMITED BALANCE SHEET ABSTRACT AND COMPANY GENERAL BUSINESS PROFILE AS PER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

### I. Registration Details

Registration No.

0 4 9 0 3 8

State Code

5 5

Balance Sheet Date

3 1

0 3

2 0 0 9

Date

Month

Year

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

Public Issue

N I L

Bonus Issue

N I L

Right issue

N I L

Private Placement

N I L

### Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

6 3 3 1 9

Sources of Funds

Paid-up Capital

3 3 8 0 4

Secured Loans

N I L

Application of Funds

Net fixed Assets

9 5 2

Net Current Assets

1 0 0 9 0

Accumulated Losses

N I L

Total Assets

6 3 3 1 9

Paid-up Capital  
Reserve & Surplus

2 9 5 2 5

Unsecured Loans

N I L

Investments

5 2 4 2 5

Misc. Expenditure

N I L

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

Turnover

6 3 6 0

+ Profit/Loss Before Tax

+ 2 9 4 8

Earning per Share in Rs.

0. 7 0 6

Total Expenditure

3 4 1 2

Profit/Loss After Tax

+ 2 3 8 5

Dividend @ %

4

### V. Generic Names of three Principal Products/Services of Company (As per Monetary terms)

Item Code No. (ITC Code)

N. A.

Product Description

DEALING IN SHARES &  
DEBENTURES

Item Code No. (ITC Code)

N. A.

Product Description

COMMODITY TRANSACTIONS

Item Code No. (ITC Code)

N. A.

Product Description

INVESTMENTS

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009**

| PARTICULARS  | (AMOUNT IN RS. '000)                     |   |
|--|--|---|
|  | CURRENT<br>YEAR ENDED<br>31ST MARCH,2009 | PREVIOUS<br>YEAR ENDED<br>31ST MARCH,2008 |
| <b>A. Cash flow from operating activities :</b>      |  |   |
| Net Profit before tax and extraordinary items        | 2947.97                                  | 8988.57                                   |
| Adjustments for :                                    |  |   |
| Depreciation   | 245.31                                   | 306.1                                     |
| Profit on Sale of Investments                        | (2722.02)                                | (9705.35)                                 |
| Interest/dividend                                    | (1637.86)                                | (1027.96)                                 |
| Provision for diminution in the value of investments | 0  | 0   |
| Operating profit before working capital charges      | (1166.60)                                | (1438.64)                                 |
| Adjustment for :                                     |  |   |
| Trade and other receivables                          | 6215.10                                  | (2298.18)                                 |
| Change in Inventories                                | 3213.61                                  | 7026.38                                   |
| Trade payables                                       | -3707.63                                 | 311.81                                    |
| Cash generated from operations                       | 4554.48                                  | 3601.37                                   |
| Direct taxes paid                                    | (509.71)                                 | (915.00)                                  |
| Cash flow before extraordinary items                 | 4044.77                                  | 2686.37                                   |
| Extraordinary Items                                  |  |   |
| Net cash from operating activities                   | 4044.77                                  | 2686.37                                   |
| <b>B. Cash Flow from investing activities :</b>      |  |   |
| Purchase of fixed assets                             | (127.33)                                 | (6.90)                                    |
| Purchase of investments                              | (73583.63)                               | (78255.38)                                |
| Sale of investments                                  | 64652.47                                 | 75940.14                                  |
| Interest received                                    | 1136.14                                  | 519.79                                    |
| Dividend received                                    | 501.72                                   | 508.17                                    |
| Net cash used in investing activities                | (7420.63)                                | (1294.18)                                 |
| <b>C. Cash flow from financing activities :</b>      |  |   |
| Proceeds from issue of Share Capital                 |  |   |
| Proceeds from Long Term Borrowings                   |  |   |
| Repayment of finance, lease liabilities              |  |   |
| Dividend paid  | (1352.16)                                | (1352.16)                                 |
| Tax On Dividend                                      | (229.80)                                 | (230.00)                                  |
| Net cash used in financing activities                | (1581.96)                                | (1582.16)                                 |
| Net increase in cash and cash equivalents(A+B+C)     | (4957.82)                                | (189.97)                                  |
| Cash and cash equivalents (Opening balance)          | 9801.34                                  | 9991.31                                   |
| Cash and cash equivalents (Closing balance)          | 4843.52                                  | 9801.34                                   |

For &amp; on behalf of the Board

PLACE : NEW DELHI  
DATE : 8-5-2009SAPNA JAIN  
COMPANY SECRETARYVIJAY BHUSHAN  
DIRECTORNISHA AHUJA  
DIRECTORFOR P.BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS(PAWAN BHOLUSARIA)  
Partner  
M. No. 80691

|  |                                       |
|--|---------------------------------------|
| <b>BHARAT BHUSHAN SHARE &amp; COMMODITY BROKERS LIMITED</b>  | <b>ADMISSION SLIP</b>                 |
| REGD. OFFICE : 5 E RANI JHANSI ROAD, JHANDEWALAN EXTN., NEW DELHI-110055.  |                                       |
| <b>17th Annual General Meeting - 21<sup>st</sup> September, 2009</b>   |                                       |
| Folio No. :  | No. of share held                     |
| Name of Member/Joint Holder :  | Please tick whether                   |
|  | Member <input type="checkbox"/>       |
|  | Joint Holder <input type="checkbox"/> |
|  | Proxy <input type="checkbox"/>        |
| Address :  | Signature <input type="text"/>        |
| <b>Note :</b>  |                                       |
| <ol style="list-style-type: none"> <li>1. Share holder/Proxy must bring the admission slip to the Meeting duly completed and signed and shall hand over the same at the entrance.</li> <li>2. Shareholders intending to require information about Accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.</li> </ol> |                                       |

|   |   |
|---|---|
| <b>BHARAT BHUSHAN SHARE &amp; COMMODITY BROKERS LIMITED</b>   | <b>PROXY FORM</b>   |
| REGD. OFFICE : 5 E RANI JHANSI ROAD, JHANDEWALAN EXTN., NEW DELHI-110055.   |   |
| I/We .....  |   |
| .....of   |   |
| ..... in the district of .....  |   |
| ..... being a member/s of Bharat Bhushan Share & Commodity Brokers Limited hereby appoint .....   |   |
| ..... of  |   |
| ..... in the district to  |   |
| ..... or failing him .....  |   |
| ..... of  |   |
| ..... in the district of .....  |   |
| as my/our proxy to vote for me/us on my/our behalf at the 17 <sup>th</sup> Annual General Meeting of the company to be held at Shah Auditorium, 2, Rajniwas Marg, Civil Lines, Delhi-110054 on 21 <sup>st</sup> September, 2009 and at any adjournment thereof.   |   |
| Signed this ..... day of ..... 2009.  |   |
| <b>Note :</b> <ol style="list-style-type: none"> <li>1. The form should be signed across the stamp as per specimen signatures registered with the Company</li> <li>2. The Proxy form duly completed must reach the Registered Office of the Company at 5E, Rani Jhansi Road, Jhandewalan Extn., New Delhi-110055 atleast 48 hours before the time for holding the meeting.</li> <li>3. A Proxy need not be a member.</li> </ol> | <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;">             Affix Re. 1<br/>Revenue<br/>Stamp         </div> |

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5E, Rani Jhansi Road, Jhandewalan Extension,  
New Delhi-110 055.