

CONTENTS

Particulars	Page No.
1. Corporate Information	1
2. Managing Director's review	2
3. Notice	3
4. Annexure to Notice	5
5. Director's Report	6
6. Management Discussion and Analysis	8
7. Report on Corporate Governance	12
8. Annexure to report on Corporate Governance	
—CFO Certificate	20
—Auditor's Certificate	20
9. Auditor's Report	21
10. Annexure to the Auditor's Report	22
11. NBFC Auditor's Report	24
12. Financials and Notes on Accounts	25
13. NBFC Schedule to the Balance-Sheet	36
14. Balance-Sheet abstracts	40
15. Attendance Slip and Proxy Form	41



CORPORATE INFORMATION

BOARD OF DIRECTOR

Kapil Aggarwal	Chairman
Rohit Gupta	Managing Director
Anil Kumar Chaddha	Director
Sanjeev Mahajan	Director
Ashok Kumar Kathuria	Director

REGISTERED OFFICE

8/19, 3rd Floor, W.E.A.
Pusa Lane, Karol Bagh
New Delhi-110005
Tel: 011-42503441-444
Fax: 011-42503445
E-mail: csl@consolidatedsecurities.biz

AUDITORS

R. Mahajan & Associates
Chartered Accountants
402, Jain Bhawan, W.E.A
Karol Bagh
New Delhi-110005

BANKERS

HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS

MAS Services Limited
T-34, 2nd Floor,
Okhla Industrial Area Phase-2,
New Delhi-110020

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Anju Batra

CHIEF FINANCIAL OFFICER

Mr. Rohit Gupta



MANAGING DIRECTOR'S REVIEW

Dear Shareholders,

It has been a tumultuous year to say the least. The global financial system was shaken to its very core. The world reeled under the onslaught of financial market contagion, flu epidemic and terrorist attacks.

India in particular was buffeted by the Mumbai 26/11 terrorist attacks, the Satyam corporate fraud, flight of FIIs and dramatically falling export demand. However, there was a silver lining to the cloud, with Indian financial system coming out fairly unscathed, largely due to the prudence shown by RBI. The other big positive event was the return of Congress Government, leading a much more stable coalition.

The new government with Dr Manmohan Singh at the helm, has the opportunity to really kickstart the long forstalled reforms on infrastructure, retail, labour, judiciary and governance.

As a company we are very conservative. We are hungry for growth, but are all the time conscious about the risks that we take. This strategy has held us in good stead in our early years of operations, and especially so in the last financial year. Over the last financial year we have focused more on preserving the balance sheet strength rather than looking for growth.

We undertook steps to limit our exposure to the volatile capital markets, and have been fairly successful in doing that. We have successfully navigated the treacherous path, this unprecedented crisis created and are now well set to grow our business interests in the coming years.

We look forward to your continuing support.

Thanks,

Rohit Gupta
Managing Director



NOTICE

NOTICE IS HEREBY GIVEN that the Seventeen Annual General Meeting of the Members of Consolidated Securities Limited will be held on Wednesday, the 30th day of September, 2009 at 9.30 a.m. at Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anil Kumar Chaddha, who retires by rotation and being eligible, offers him self for re-appointment.
3. To appoint a Director in place of Mr. Ashok Kumar Kathuria, who retires by rotation and being eligible, offers him self for re-appointment.
4. To appoint Statutory Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and in this regard to consider and if, thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. R. Mahajan & Associates, Chartered Accountants, New Delhi, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

By Order of the Board

Sd/-

Anju Batra

Company Secretary

Place: New Delhi

Date: 31st July 2009

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.
2. Corporate Members are requested to send a duly certified copy of the Board Resolution to the Registered Office of the Company, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 24th September 2009, to Wednesday, 30th September 2009 (both days inclusive).
4. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their own copies to the meeting. We hope you will



help us in our endeavor to control Cost.

5. Additional information, in terms of clause 49 of the Listing Agreement with Stock Exchanges, regarding appointment/reappointment of Directors as set out in Item no 2 & 3 of the Notice is also annexed hereto separately and forms part of the Notice.
6. Members desirous of any information/clarification on the accounts are requested to write to the Company at least 10 days in advance so as to enable the management to keep the same ready at the Annual General Meeting.
7. Please send your requests for transfer/transmission/consolidation and demat of shares, change of address to our Registrar and Transfer Agents (RTA) - MAS Services Ltd. at T-34, 2nd Floor, Okhla Industrial Area Phase-2, New Delhi-110020
8. Non-Resident Indian Shareholders are requested to inform M/s. MAS Services Limited immediately:
 - a. The change in the residential status on return to India for permanent settlement.
 - b. The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and

address of the bank, if not furnished earlier.

9. Members attending the meeting are requested to bring with them their Client ID and DP ID Numbers/Folio Numbers for identification. Further members/proxies should bring the attendance slip duly filled in for attending the meeting.
10. Members having multiple folios in identical names or in joint names in the same order are requested to send the share certificate(s) to the Company's Registrar & Transfer Agents, M/s. MAS Services Limited for consolidation of all such shareholding into one folio to facilitate better service.
11. Shareholders holding shares in certificate form are requested to de-materialize their holding in electronic form.
12. The Company has designated an exclusive email id viz investor@consolidatedsecurities.biz to enable the investors to post their queries/suggestions/grievances and monitor its redressal.

By Order of the Board
Sd/-

Place: New Delhi
Date: 31st July 2009

Anju Batra
Company Secretary



ANNEXURE TO THE NOTICE

Details of Directors seeking re-appointment in the ensuing Annual General Meeting to be held on 30th September 2009 pursuant to the requirement of Clause 49 of the Listing Agreement :

Name of Director	Anil Kumar Chaddha	Ashok Kumar Kathuria
Date of Birth	24.09.1959	24.02.1959
Nationality	Indian	Indian
Date of appointment	29.10.2005	29.10.2005
Qualification	Commerce graduate, FCWA, FCS	B.A.
Expertise in specific functional areas	More than 27 years of rich experience in the field of corporate finance, stock market and company law matters.	He has more than 21 years of experience in the field of administration.
Shareholding in CSL	Nil	Nil
List of outside Directorships	Euro Financial Services Ltd. Ardour Finman Pvt. Ltd. Space Power Control Pvt. Ltd. Rainy Investments Pvt Ltd. Keystone Exim Pvt. Ltd. Logic Eastern (India) Pvt. Ltd.	Mundra Credit & Investment Pvt Limited
Chairmanship/membership of the committee of the Board of the Company	Nil	Member-Audit Committee Chairman-Investor Relations & Share Transfer Committee
Chairmanship/membership of the committee of the Board of other Company	Nil	Nil



Dear Shareholders,

Your Directors have pleasure in placing before you the Seventeenth Annual Report together with the Audited Annual Accounts of your Company for the year ended 31st March, 2009.

I. Financial Performance

Particulars	(Rs.in crores)	
	Current year ended 31.03.2009	Previous year ended 31.03.2008
Total Income	78.10	177.27
Gross Profit	8.45	25.63
Less : Depreciation	0.03	0.01
Profit before Tax	8.42	25.61
Provision for Taxation	(0.97)	7.48
Net Profit	9.39	18.12
Profit /(Loss) brought forward from previous Year	25.37	10.87
Profit available for appropriation	34.76	28.99
Transfer to Reserve fund in terms of Section 451C(1) of R.B.I Act, 1934	1.88	3.62
Proposed Dividend	Nil	Nil
Balance carried forward	32.88	25.37

2. Business Operations

Even though the stock market conditions were not good & recessionary conditions prevail all over the world and notwithstanding the fact that your company's business is directly related and dependent on the stock market conditions, your company has done a good job & earned a respectable No. of Rs. 8.42 crores as profit before taxes.

3. Dividend

After a slowdown during the year 2008-09, now the economy is recovering & showing signs of growth. Your Company is seeing the opportunities for future growth which requires capital. Therefore, your Directors do not recommend any dividend for the year ended 31st March, 2009.

4. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company does not have any activity relating to conservation of energy, technology absorption. There was no foreign exchange earnings and outgo.

5. Particulars of Employees

None of the employees were in receipt of the remuneration exceeding the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 & hence no such statement is required to be furnished.

6. Director's Responsibility Statement

In pursuant to Section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, your directors hereby state and confirm:

- that in the preparation of the annual accounts for the financial year ended 31st March 2009, the applicable accounting standards has been followed
- that the Directors has selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profits or loss of the company for the year under review
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities
- that the Directors had prepared the annual accounts for the financial year ending 31st March 2009 on a going concern basis.

7. Directors

In accordance with the provisions of the Companies Act, 1956 and Article 89 of the Articles of Association of the Company, Mr. Anil Kumar Chaddha and Mr. Ashok Kumar Kathuria, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The necessary resolutions with regard to above are being placed before the shareholders for their approval. The Board recommends their re-appointment as Directors on the Board of the Company in this Annual General Meeting.



Mr. Bhushan Lal Amarnath Gupta who has joined the Board in year 2007, ceased to be director with effect from 4th February 2009. Your directors wish to place on record their sincere appreciation & thanks for the significant and valuable contribution made by him during his association with the company.

8. **Audit Committee**

The existing Audit Committee is in fully compliance to section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement & consists of the following:

Mr. Sanjeev Mahajan, –Chairman
Mr. Kapil Aggarwal and Mr. Ashok Kumar Kathuria-
Members

9. **Public Deposits**

The Company has not accepted any deposits from the public during the year and the board passed a resolution to the same effect as required by RBI Guidelines.

10. **Auditor' Report and Auditors**

The Auditors, M/s. R. Mahajan & Associates, Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and, being, eligible, offer themselves for re-appointment. They have given a certificate that their appointment, if made, will be within the limits under Section 224(1-B) of the Companies Act, 1956. Necessary resolution in this regard is proposed at the forthcoming Annual General Meeting. The Board recommends their re-appointment. The observations of the Auditors and notes on statement of accounts are self-explanatory.

11. **Reserve Bank of India's Directions**

Your Company, being a Non Banking Finance Company (NBFC), continues to comply with all the requirements prescribed by the Reserve Bank of India from time to time.

12. **Listing**

The equity shares of the company are listed at Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE).

13. **Management Discussion and Analysis**

The report on Management Discussion and Analysis Report is given separately and forms part of this report.

14. **Corporate Governance**

The detailed Report on Corporate Governance as prescribed by the Listing Agreement is annexed and forms part of this Annual Report. The Auditor's Certificate on compliance of the provisions of the Corporate Governance as mentioned in the Listing Agreement is also attached. Your company has been in fully compliance with all the conditions of the Corporate Governance norms stipulated in Clause 49 of the Listing Agreement.

15. **Compulsory De-mat**

As per SEBI Guidelines, the shares of the Company are required to be compulsorily traded in dematerialized form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE 718F01018.

As on 31st March, 2009, a total of 36,25,980 Equity Shares of the Company, which translates to 90.56% of the Share Capital stand dematerialized.

Members are requested to dematerialize their shares for their better convenience.

16. **Acknowledgment**

Your company continues to receive the necessary support & trust of all the members, depositors and customer. Your directors wish to place their sincere appreciation to them as well as to the bankers, Government and all the regulatory authorities including SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies and the Depositories.

Your Directors also pleased to record their appreciation for the hard work, competence, loyalty, cooperation and professionalism put in by the employees at all levels which has enabled the company in achieving good performance in the emerging competitive environment.

Further your directors also take this opportunity to express their sincere gratitude to all the shareholders.

Place: New Delhi
Date: 31st July 2009

For on & behalf of the Board

Rohit Gupta Ashok Kumar Kathuria
Managing Director Director



MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY OVERVIEW

The year 2008-09 has been an unprecedented year with extremely difficult economic conditions across the globe. Growth momentum dipped significantly for the economies across the world over the past few quarters. Most developed countries are experiencing the deepest recession since World War II. According to estimates released by IMF in March '09, the world's advanced economies will contract by as much as 3.5% on average this year, with a 2.8% decline in the US and a 6.2% drop in Japan. Governments and regulators across the globe have responded swiftly and are trying to arrest the slowdown and to steer their economies back onto growth path. These measures have started bearing the desired results by restoring stability and confidence in the markets. Lehman brothers, Bear Sterns and many other prominent American and European banks went down. The effect of various adverse global developments was evident in the India economy also. Due to this global slowdown, the Indian economy has seen some loss in its growth momentum.

Notwithstanding the above & other challenges, India managed 6.7% economic growth in 2008-09. The growth rate during 2008-09 is lower than the average of over 9% in the previous three fiscal years, but not as low as expected by certain analysts.

Growth prospects for India appear relatively positive compared with most peers. Many believe that its growth rate may stick to mid-single digits despite the turmoil across the globe. This stems from the fact that India largely reflects:

- (a) a large and predominantly domestic-focused economy with a large services sector;
- (b) a large market for strong non-leveraged and non-discretionary domestic consumption;
- (c) relatively low dependence on exports; and
- (d) stable and sound financial system which remains healthy, well capitalised and prudently regulated.

Another feature of the year 2008-09 was a sharp rise in the wholesale price index to nearly 13% in August 2008

and an equally sharp fall close to 0% in March 2009.

The weakening of the U. S economy, failure of several large international financial institutions and banks, triggered a worldwide slowdown in 2008-09. Despite global financial crisis, inflow of foreign capital to the country has increased sharply in 2008-09. The slowdown has adversely affected the Indian exports because the economies like US, UK and other European countries which account for more than half of India's exports have been under the grip of slowdown. However, the Indian financial sector has shown tremendous stability and unlike developed countries, there hasn't been closure of any financial institution or bank.

The rapid fall in inflation, and the strong and sharp monetary easing adopted by the Reserve Bank of India carry promises for support to the domestic economy over the medium term. The fall in commodity prices from the earlier peaks is likely to reduce India's trade and current account deficit significantly in 2009-10 despite shrinkage in exports. The comfortable reserve position provides an additional cushion for India. Further, mandated priority sector lending, the farm loan waiver package, the hike in minimum support prices (MSPs) provided to farmers and expanding social safety net programmes including the flagship rural employment guarantee programme are also likely to impart additional dimensions of resilience to India's vast rural economy. India continues to face numerous challenges at the moment like a slowdown in the industrial production in some sectors; a failing monsoon, the increasing government deficits and its resulting adverse impact on the interest rates. The government is expected to take adequate measures to tackle these challenges by increasing public investments, maintaining adequate liquidity in the financial system without compromising on the quality of credit. With a likely stable Central Government now in place, investment spending, particularly infrastructure creation, is expected to continue. The Indian economy is, therefore, likely to grow at a reasonable pace, earlier than others. The Indian financial sector has weathered the credit crisis better than in most other economies. It has benefitted from the



prudence of its policy makers. Reforms and continuous strengthening of the regulatory environment have greatly improved the efficiency and transparency in the capital markets. Over the years the financial services industry has become more vibrant with the development of new products and services to meet the varying needs of a growing mass of clientele. Indian capital markets have grown significantly with a proliferation of intermediaries such as investment banks and securities firms in addition to the banks that provide a host of services in the sector.

The pro-active fiscal and monetary measures taken by the Government and Reserve Bank of India seem to be showing results & Indian economy is showing signs of revival.

The impact of the credit crisis on the global equity markets was felt in January 2008, reached its peak in October 2008 with a spate of failures of some of the biggest financial institutions in the developed world. Capital became scarce as risk aversion peaked. Business environment worsened with a liquidity crunch and emerging markets bore the brunt of this. Indian equity markets took a severe beating as foreign institutional investors (FIIs) pulled money out of India.

While the net FII inflows during the fiscal year FY08 was around USD 12 billion, an almost equal amount was withdrawn by them during FY09. The investment climate was also affected by lack of primary activity. The equity capital markets had witnessed high levels of activity including some large IPOs in FY08. However, the volatility and the gloomy outlook led to an almost complete halt to equity capital raising activity.

FY09 saw only 51 deals involving an amount of Rs. 163 billion. This was just about 10% of the amount raised in FY08 which had witnessed 230 public equity deals raising capital of Rs. 1,602 billion. The Benchmark BSE Sensex, which had crossed the 21,000 level in January 2008, saw a steep fall to close at 15,644 as on 31st March 2008 and continued the southward journey for the most part of the following year to close at 9,708 as on 31st March 2009, a decline of 38% in FY09 and a decline of 53% from its peak. However, with the Indian electorate giving a clear

mandate in favour of stability and growth, we have already witnessed a sharp upward momentum, including the unprecedented imposition of circuit breakers twice on the upswing on 17th May 2009. If the equity markets hurt us all beyond expectations last year, they may well surprise us on the other side once we start noticing more definite signs of economic recovery, globally and in India. Growth in the corporate debt markets was stunted during the second half of FY09 by a severe liquidity crunch, higher interest rates and counter party fears.

However, 2,177 deals with a volume of Rs. 2,617 billion during FY09 compares well with the total number of 2,269 deals worth Rs. 2,109 billion in FY08. The corporates as yet do not seem to view the debt markets as a credible alternative to equity capital markets in raising capital. But as the government and regulators seem inclined to taking steps to develop the corporate bond market in India with an objective of reducing the cost of raising debt capital, we believe this segment will grow faster than other segments in the future and gradually become a major source of capital required by corporates, supplementing traditional bank credit.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Your company is a non-accepting public deposits Non Banking Financial Company (NBFC) registered with the Reserve Bank of India. NBFCs as an important segment of the financial sector play a crucial role in enhancing credit delivery to the dispersed, underbanked and underserved sections of the economy. A developing economy like India always craves for financial resources. Demand for credit is great and often organised traditional financing institutions (like banks and financial institutions) do not meet such demand thus creating a space for other types of financing. Money lender is an age old institution filling such space. Opening up of economy gave a further boost to the demand for credit.

The NBFCs are governed and supervised by the RBI. Despite the fact of world wide financial crisis and slowdown in the key sectors of the Indian economy which led the NBFCs to face severe cash shortage in 2008-09, the overall profitability of NBFCs in this fiscal stood higher



at 18.90% as compared to those of scheduled commercial banks whose average profitability has been at lower side of 10.08%, according to the ASSOCHAM.

Your company has been in fully compliance with all the guidelines, regulations & directions of Reserve Bank of India, as applicable.

OPPORTUNITIES AND THREATS

At a systematic level, earnings of NBFCs could be under pressure in the short term because of higher refinancing cost. Further return on equity for NBFCs could also remain under pressure in the short term because of the unsecured book losses, pressure on interest spreads due higher refinancing cost, especially for NBFCs with larger mismatches till equity is leveraged. Funding and liquidity could also pose a major challenge over the short to medium term. NBFCs which focus on a single product segment avoid risk and those which have strong management systems will be the only ones that will be up for the challenge in the next one year.

Changing lifestyles & globalisation provides opportunities to sustained higher demand for credit. Further the equity markets after a phase of sharp downward movement, has shown some recovery since March 2009.

SEGMENT – WISE OR PRODUCT - WISE PERFORMANCE

The Company is engaged mainly in the business of investment activities and all other activities of the company revolve around this main business and as such, there are no separate reportable segments.

BUSINESS OUTLOOK

The Company has already curtailed its activities in arbitrage division in view of decreasing margins in that business on account of more and more player entering the arena competing for the same opportunities, higher expenses for compensation due to increased demand for trained arbitguers and high attrition levels among the employees.

In view of the fact that Indian equities was in the midst of a down turn, your directors has not made any fresh

strategic investment during the year. During the year, the company has made only short term investments which were encashed immediately on seeing an upward movement in the market. During the year, part of the balance convertible warrants of M/s Asian Oilfield Services Ltd was converted into equity shares.

This year has been a year of consolidation for us, given the adverse business environment. At Consolidated Securities we continue to build a strong and healthy organization. The environment that we operate in is not always conducive, and that is why we need to be proactive and ready for mid course correction. Our focus has been to preserve the strength of the balance sheet. We have largely focuses on treasury operations, having decided not to make incremental investments as the external environment was too uncertain for comfort.

Our treasury operations manage the surplus liquidity of the company on a short term basis. We follow a multistrategy approach with an aim to achieve absolute returns and optimise our yields while laying adequate emphasis on preserving and maintaining the safety of our capital.

During the year, the arbitrage opportunities reduced due to low market volumes. Our flexible approach to managing liquidity allowed us to swiftly shift a part of treasury assets to cash or cash equivalents to impart higher liquidity to the balance sheet.

OUTLOOK

Despite the drop in our GDP growth rate, the longterm India story and the opportunities that it will offer across sectors remains intact. In fact India has already distinguished itself with a positive GDP growth whereas major nations are grappling with negative economic growth or recession.

With a likely stable government in place, India is expected to resume its journey to higher growth sooner than later.

The financial services sector is expected to grow as the conditions stabilise and start improving, early signs of which are already visible. Meanwhile, though the equity markets operated in a lacklustre way with some hope of a



revival as seen in first quarter of the current year, the debt markets hold exciting opportunities as they will become the more dominant source of capital for corporates planning for expansion in the future. The regulators also continue to implement various measures to activate this market and we should start seeing encouraging results in short to medium term.

We believe our approach towards business that focuses on key areas – cost flexibility, balance sheet flexibility and constant focus on risk has kept us in good stead and will continue to do so. We will be ready to capitalise on opportunities for business growth as they present themselves.

RISKS AND CONCERNS.

Risk forms an integral part of any business. The company's business is directly related to the Indian stock market conditions, which is highly volatile though the market index has been improving during the last few months. Further the risk of overall globalization also affects the capital market.

As the main business of your company is making strategic investments, the top management tries to identify the risks involved therein based on their expertise in this field & also after carrying out in depth research on the same.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

The Company has a proper & effective internal control system procedure commensurate with the nature and size of business. The Company has well-defined organizational structure and clearly defined authority levels.

These controls are designed in such a way so as to ensure that financial and other records are reliable for preparing financial information and other reports and for maintaining regular accountability of the company's assets.

FINANCIAL PERFORMANCE

During the year under review, the Company's profit

before tax stood at Rs. 8.42 crores as against Rs. 25.61 crores during the previous year 2007-08. The Company has earned PAT of Rs. 9.39 crores as against Rs. 18.12 crores during previous year showing decline on account of effect of global recession.

The earning per share (EPS) for the year ended 31st March 2009 was Rs. 23.45 as compared to Rs. 45.26 for the year ended on 31st March 2008

POST BALANCE SHEET ITEMS

CSL has sold its entire holding in M/s Moving Picture Company (India) Ltd.

HUMAN RESOURCES

Human resources are the most valuable asset of the company as they hold the key to the success of the organization. The company give due importance for maintaining cordial relations of employer-employees. CSL believes that human resources is not only a tool of the organization of recruitment but an important link which increases the performance level of the employees & gives them the work satisfaction.

The Company has an adequate system of recognizing and rewarding the employees. The Company's remuneration and incentive schemes are as per the industry, which is updated from time to time.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis of financial condition and result of operation of the Company describing the Company's objectives, expectations or predictions are "forward looking statements" within the meaning of applicable Securities Laws and Regulations. Investors are cautioned that actual results could differ materially from those express /implied. Important factors that could make a difference to the Company's operations includes economic conditions, Government policies, taxation laws, market conditions, over which the company does not have any control. This report must be read in conjunction with Company's financial statements and notes on accounts.



REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

Your Directors present the Company's Report on Corporate Governance.

1. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on Corporate Governance is that it is set of processes, customs, policies and laws and institutions affecting the way a company is directed, administered or controlled. The Corporate Governance philosophy is founded on transparency, accountability, full disclosures, values, ethics and fairness. A sound corporate governance enhance the shareholders value in the long run.

2. Board of Directors

A. Composition of Board

The Board of Directors of the Company has an optimum combination of Executive and Non Executive Directors with in-depth knowledge and experience in their specialized fields ,where more than fifty percent of the Board is comprised of Non Executive Independent Directors. As on 31st March 2009, there are five (5) directors on the Board of the company out of which three(3) directors are non executive and independent

directors. The size & composition of the Board confirms the compliance of Clause 49 of the Listing Agreement.

B. Functioning of the Board

The Company's Board plays a pivotal role in ensuring good corporate governance. The Board meets atleast once a quarter to review the financial results. The Board meetings are generally scheduled well in advance. The notice and agenda of each board meeting is given in writing to each director well in advance of board meeting. The members of the Board have complete freedom to recommend inclusion of any matter for discussion in consultation with the Chairman.

C. Board Meetings

During the year 2008-09, the Board of Directors met 7 (seven) times on 19th April 2008, 16th June 2008, 31st July 2008, 31st October 2008, 4th December 2008, 30th January 2009 and 13th March 2009. The attendance at the Board Meetings during the financial year and the last Annual General Meeting as also the number of other Directorships and Committee Memberships are given below:

Name of Director	Category of Director	Attendance	
		Board Meeting	Last AGM
Mr. Rohit Gupta	Non-Executive Promoter Director	7	Yes
Mr. Ashok Kumar Kathuria	Non-Executive Promoter Director	7	Yes
Mr. Anil Kumar Chadha	Non-Executive Independent Director	6	No
Mr. Kapil Aggarwal	Non-Executive Independent Director	7	No
Mr. Sanjeev Mahajan	Non-Executive Independent Director	6	Yes



No. of other directorships and committee membership is as follows;

Name of Director	No. of other Directorships	No. of other Committee Memberships/Chairman-ships*
Mr.Rohit Gupta	5	1. Member-Audit Committee- Samrat Forgings Limited
Mr. Ashok Kumar Kathuria	1	Nil
Mr.Anil Kumar Chadha	5	Nil
Mr.Kapil Aggarwal	1	Nil
Mr.Sanjeev Mahajan	1	Nil

*Represent Memberships/Chairmanships of Audit Committees and Investor Grievance Committee.

Directors who relinquished office during the year ended 31st March 2009

Name	Category	No. of board meetings attended	Last AGM attended	Other directorships	Other Committee Membership/ Chairmanship
Mr. Bhushan Lal Gupta	Non-Executive Independent Director	4	No	4	10

Note: Mr. Bhushan Lal Gupta resigned w.e.f. 4th February 2009

D. Remuneration of Directors

Neither any sitting fee nor any other remuneration is paid to any Director.

E. Code of Conducts

The Board of Directors has adopted a code of conduct for all Board members and other senior Management of the Company which serve as a guide on the standard of values & principles to be followed by company in running its affairs. The code of conduct has already been posted on the website of the Company at www.consoildated.in. However we were facing some technical problems in the said website, therefore a new website of the company is under preparation & the same will be duly intimated to the Stock Exchanges. All Board members and senior management personnel have affirmed compliance with this Code for the year ended 31st March 2009. A declaration of compliance of this code signed by the

Managing Director & CFO is annexed as Annexure to this report.

Further the company has adopted code of conduct for prohibition of insider trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

3. Audit Committee

A. Composition

The Audit Committee consists of three non-executive directors. The Audit Committee has been constituted as per the requirement under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Company Secretary acts as the Secretary of the Committee. During the year, the Audit Committee met 5 (five) times. The composition & attendance for the year ended 31st March 2009 is as follows:

Name of Directors	Designation	Category	Attendance
Mr. Sanjeev Mahajan	Chairman	Non-Executive Independent Director	5
Mr. Kapil Aggarwal	Member	Non-Executive Independent Director	5
Mr. Ashok Kumar Kathuria	Member	Non-Executive Director	5



The chairman of the Audit Committee was present in the last annual general meeting of the Company held on 30th September 2008.

B. Role of Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment/re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services
4. Reviewing, with the management, the quarterly and annual financial statements before submission to the board for approval, focusing primarily on:
 - ❖ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - ❖ Any changes in accounting policies and practices and reasons for the same
 - ❖ Major accounting entries involving estimates based on the exercise of judgment by management
 - ❖ Significant adjustments made in the financial statements arising out of audit findings
 - ❖ Compliance with listing and other legal requirements relating to financial statements
 - ❖ Disclosure of any related party transactions
 - ❖ Qualifications in the draft audit report.
5. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
6. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

7. Discussion with internal auditors any significant findings and follow up there on.
8. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
9. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
10. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

C. Review of information by Audit Committee

The Audit Committee shall mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor

D. Powers of Audit Committee

The audit committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

4. Remuneration Committee

Since there is no managerial remuneration paid during the year, the Company has not constituted any Remuneration Committee.



5. Investor Relations & Share Transfer Committee

The Company has a Investor Relations & Share Transfer Committee to oversee investor grievances and redress shareholder's grievances like non receipt of balance-sheet/annual report and other related matters and also oversees and review the matters connected with the delay in transfer of securities. The Committee comprises of two directors viz Mr. Ashok Kumar Kathuria and Mr. Rohit Gupta. Mr. Ashok Kumar Kathuria, a non-executive director has been appointed as the Chairman of the Committee. The Board has designated Ms. Anju Batra,

Company Secretary of the Company as the Compliance Officer.

During the year, 9 (Nine) meetings of the Committee were held. All the members of the Committee were present in the meeting.

During the year under review, no complaint was received from any shareholder/investor. No complaint was pending at the beginning/end of the year

6. General Body Meetings

The last three annual general meetings were held as under:

AGM	Year	Date	Venue	Time	Special Resolution(s) Passed
14th	2005-06	30.09.2006	Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi -110005	09.30 a.m.	Nil
15th	2006-07	29.09.2007	Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi -110005	09.30 a.m.	Nil
16th	2007-08	30.09.2008	Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi -110005	10.30 a.m.	Nil

B. Postal Ballot

No postal ballots were used for voting at these meetings in respect of the resolutions passed thereat. No special resolution is proposed to be conducted through postal ballot at the ensuing AGM also.

7. Disclosures

- a) During the year 2008-09, other than the transactions entered in the normal course of the company, the Company has not entered any materially significant related party

transaction with its Promoters/ Directors/ Senior Employees or relatives etc., which could have a potential conflict with the interest of the Company at large. The details of the related parties transaction have been reported in Schedule 13–notes to accounts in compliance with AS 18.

- b) During the year under review, the Company has duly complied with the requirements of the regulatory authorities on capital markets. During the year, the Company has paid an



amount of Rs. 2,50,000/- towards settlement & administrative charges imposed by SEBI in its consent order dated 23rd October 2008 towards the delay in filing the disclosures under Regulation 6(2) & 6(4) for the year 1997 and Regulation 8(3) of SEBI (SAST) Regulations, 1997 for the years 1998-2003 & 2005. No other penalties have been imposed on the Company by the stock exchanges, SEBI or other statutory authorities.

- c) The Company do not have any Whistler Blower Policy. However, the Company promotes a favorable environment for employees & has never denied access to any personnel to approach audit committee so as to ensure ethical and fair conduct of the business of the company.
- d) The Company follows the Accounting Standards laid by the Institute of Chartered Accountants of India to the extent applicable.
- e) The Company has a code of conduct for its Board and Senior Management and the same is posted on the website of the Company. The Company has obtained compliance certificate from all concerned.
- f) The Company has formulated a Code in accordance with SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time. This Code is intended to prohibit any dealing by Directors/Officers/ Designated Employees while in possession of unpublished Price Sensitive Information.
- g) The Company is complying with all mandatory requirements on Corporate Governance as specified in Clause 49 of the Listing Agreement and has not adopted any non-mandatory requirement of Clause 49.

8. Means of Communication

Quarterly /Annual results

The quarterly/annual financial results are usually

published in 'The Hindu-Business Line' / 'Financial Express' (English)(all editions) and in 'Veer Arjun' / 'Jansatta' (Hindi) All material information about the Company is promptly sent to the stock exchanges. The Annual Report of the Company is sent to all the shareholders at their registered address.

9 General Information for Shareholders

9.1 Annual General Meeting

The 17th AGM is scheduled as follows:

Date, Day & Time 30th September, 2009
(Wednesday)
at 9.30 AM

Venue Hotel Swati Deluxe
Banquet Hall
17A/32, Gurudwara Road,
W.E.A., Karol Bagh,
New Delhi 110005

9.2. Financial Calendar 2009-10 (tentative)

Approval of quarterly/Annual Results

For the quarter ending June 09	July 09
For the quarter ending Sep. 09	October 09
For the quarter ending Dec. 09	January 10
For the quarter/year ended March 10	April 10/ June 10

9.3 Book Closure dates

Thursday, 24th September, 2009 to
Wednesday, 30th September, 2009 (both days
inclusive).

9.4 The Company is listed at the following stock exchanges

The Delhi Stock Exchange Ltd. (DSE)
The Bombay Stock Exchange Limited (BSE)

Annual Listing Fees for the Financial Year 2009-10 have been duly paid to DSE and BSE.

9.5 Stock Code

The Delhi Stock Exchange Ltd. : 03173
The Bombay Stock Exchange Ltd. : 530067



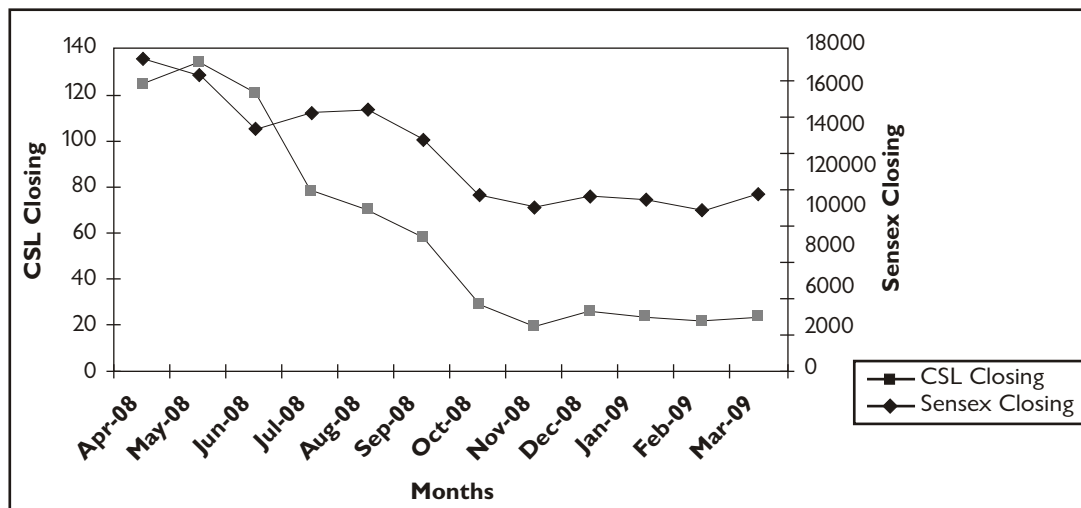
9.6 Stock Market Data

BSE Scrip Code: 530067

For the period: April 2008-March 2009

Period	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	Volume (Nos)
April 2008	120.10	147	112.20	124.05	25900
May 2008	130.25	165.00	118.20	133.30	34445
June 2008	135.00	141.80	103.35	119.75	27384
July 2008	108.00	116.80	64.50	77.15	28233
August 2008	89.95	103.80	68.00	69.55	26218
September 2008	67.05	74.00	54.00	56.95	19259
October 2008	63.00	63.00	28.00	28.55	11816
November 2008	29.85	30.90	19.70	19.70	8760
December 2008	20.50	28.85	18.10	25.75	41151
January 2009	26.90	29.85	21.90	23.15	14254
February 2009	22.00	24.50	19.85	21.20	14847
March 2009	20.15	23.30	16.70	23.30	6354

9.7 Performance in comparison with BSE



9.8 Registrar and Share Transfer Agent

M/s MAS Services Limited
 T-34, 2nd Floor,
 Okhla Industrial Area Phase-2,
 New Delhi-110 020
 Tel: 011-26387281, 82, 83; Fax: 011-26787384
 Email: mas_serv@yahoo.com

9.9 Share Transfer System

For the smooth working of share transfers, the Company has appointed MAS Services Ltd. as its Registrar and Share Transfer Agent. The share transfers in physical form are approved by the Investor Relations & Share Transfer Committee which meets periodically to approve such share transfer/transmission.



The total number of shares transferred during the year were, 15,500, which were duly registered & returned to the respective transferee. Further the Company obtains six monthly certificate from practicing company secretary regarding the adherence to the timely transfer of shares as stipulated under clause 47 (c) of the Listing Agreement.

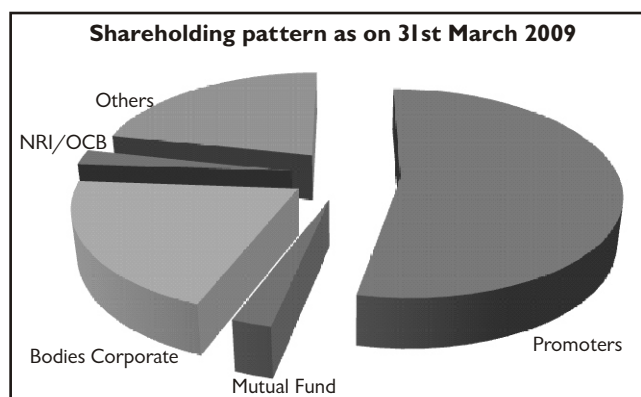
9.10 Distribution of shareholding

Distribution of shareholding as on 31st March, 2009 is as under:-

Shareholding of Nominal Value of Rs.	No. of Shareholders		Number of Shares	Amount	
	Number	%		Rs.	%
Upto – 5,000	808	77.543	157193	1571930	3.926
5001-10,000	109	10.461	87511	875110	2.186
10,001-20,000	39	3.743	57375	573750	1.433
20,001-30,000	30	2.879	74895	748950	1.871
30,001-40,000	7	0.672	23723	237230	0.593
40,001-50,000	6	0.576	26923	269230	0.672
50,001-1,00,000	21	2.015	156739	1567390	3.915
1,00,001 & above	22	2.111	3419441	34194410	85.405
Total	1042	100	4003800	40038000	100

Shareholding pattern of the Company as on 31st March 2009 was as under:

Category	No. of shares held	% of Equity Capital
Promoters	21,33,363	53.28
Mutual Funds	1,00,000	2.50
Bodies Corporate	8,14,829	20.35
Non-Resident Indians/OCB	91,461	2.28
Others	8,64,147	21.59
Total	4003800	100



9.11 Dematerialization of shares

Conversion of shares from physical form to electronic form is known as dematerialization. To enable the investors in easy access to the demat system, the Company has signed up with both, National Securities Depository Limited (NSDL) and Central Depository

Services (India) Limited (CDSL). The connectivity has been established through MAS Services Ltd. The International Securities Identification Number (ISIN) allotted to the Company is INE 718F01018.

As on 31st March, 2009, a total of 36, 25,980 Equity Shares of the Company, which translates to 90.56% of the Share Capital stand dematerialized.



9.12 Relationship between Directors inter-se

Name of Director	Relationship with other directors on the Board	Remarks
Mr. Kapil Aggarwal	Nil	Nil
Mr. Rohit Gupta	Nil	Nil
Mr. Anil Kumar Chaddha	Nil	Nil
Mr. Ashok Kumar Kathuria	Nil	Nil
Mr. Sanjeev Mahajan	Nil	Nil
Mr. Bhushan Lal Amarnath Gupta	Nil	Nil

Note: Mr. Bhushan Lal Gupta resigned w.e.f. 4th February 2009

9.13 Address for investor's correspondence

For share transfer/transmission/
Dematerialization or other query relating
to the securities of the Company

M/s MAS Services Limited
T-34, 2nd Floor
Okhla Industrial Area, Phase-2,
New Delhi-110 020
Tel: 011-26387281, 82, 83, Fax: 011-26787384
Email: mas_serv@yahoo.com

For General Correspondence

Secretarial Department
Consolidated Securities Limited
8/19, 3rd Floor, Pusa Lane, W.E.A.,
Karol Bagh, New Delhi-110005
Tel: 011-42503441-44 Fax: 011-42503445

Email id for investor grievance
Compliance Officer

investor@consolidatedsecurities.biz
Ms. Anju Batra,
Company Secretary
& Manager (Legal)

DECLARATION –COMPLIANCE WITH THE CODE OF CONDUCT

In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, I, Rohit Gupta, CFO & Managing Director of the Company, hereby declare that the all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2009.

Place: New Delhi

For Consolidated Securities Limited

Date: 31st July 2009

Rohit Gupta
CFO & Managing Director



CEO AND CFO CERTIFICATION

The Board of Directors
Consolidated Securities Limited
8/19, 3rd Floor, Pusa Lane,
W.E.A., Karol Bagh,
New Delhi-110005

We, the undersigned, do hereby confirm and certify under Clause 49 of the Listing Agreement that :-

1. We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended March 31, 2009 and its schedule and notes on accounts, as well as the Cash Flow Statement and to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit 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.
2. We also certify, that based on our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have

evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the Audit Committee, as may be applicable
 - significant changes in internal control during the year; if any,
 - there were no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; if any, and
 - there were no instances of 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 system.

For Consolidated Securities Limited

Place: New Delhi
Date: 31st July 2009

Rohit Gupta
CFO & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Auditors' Certificate On Corporate Governance As Stipulated Under Clause 49 Of The Listing Agreement

CERTIFICATE

To
The members of
Consolidated Securities Limited
New Delhi

We have examined the compliance of conditions of Corporate Governance by Consolidated Securities Limited for the year ended March 31, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R.Mahajan & Associates
Chartered Accountants

Place : New Delhi
Date : 31st July 2009

Ratnesh Mahajan
Partner
Membership No.85484



AUDITOR'S REPORT

The Shareholders,

CONSOLIDATED SECURITIES LIMITD

New Delhi.

1. We have audited the attached Balance Sheet of M/s. CONSOLIDATED SECURITIES LIMITD as at 31st March 2009 and also the Profit & Loss Account and Cash Flow Statement of the company for the period on that date. The financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statement based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, (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 a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the annexure referred in paragraph 3 above: -
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books of accounts.
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement complied with the requirements of the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e. On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f. In our opinion and to the best of our information and according to the explanations given to us the accounts read with notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and also give a true and fair view: -
 - (i) In the case of Balance Sheet of the State of affairs of the company as at 31st March 2009
 - (ii) In the case of Profit & Loss Account of the Profit for the year ended on that date.
 - (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For R.Mahajan & Associates
Chartered Accountants

Place : New Delhi
Date : 30th June 2009

Ratnesh Mahajan
Partner
Membership No.85484



ANNEXURE TO THE AUDITOR'S REPORT

(Annexure Referred to in paragraph (3) of our Audit Report of even date on the Accounts of Consolidated Securities Ltd. for the year ended 31st March 2009)

1.
 - a. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, 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. During the year, the company has not disposed off substantial part of fixed assets.
2.
 - a. The management has conducted physical verification of inventory of shares held as stock-in-trade at reasonable intervals.
 - b. 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 is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3.
 - a. The Company has granted unsecured loan to one company covered in the register maintained under section 301 of the companies Act, 1956. and the amount involved is Rs.4087 Lacs and the year end balance of such loan was Rs. Nil.
 - b. In our opinion the rate of interest and other conditions of loans given by the company are prima facie not prejudicial to the interest of the Company.
 - c. The receipt of principal amount and interest was regular.
 - d. There is no overdue amount of the loan given to the companies.
 - e. The Company had taken unsecured loan from one company covered in the register maintained under section 301 of the companies Act, 1956. The amount involved during the year was Rs. 20 Lacs and the year end balance of loan taken from such parties was Rs. Nil.
4.
 - f. In our opinion the rate of interest and other conditions of loans given by the company are prima facie not prejudicial to the interest of the Company.
 - g. Payment of the principal & interest is also regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures 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 & services. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there is no transaction that needs to be entered into the register maintained under section 301. Accordingly, the provision of Clause v (b) of the paragraph 4 of the Order is not applicable to the company.
6. The company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58 A, 58 AA or any other relevant provision of the Companies Act, 1956 and rules made there under. Hence, the clause (vi) of the order is not applicable.
7. The Company has an internal audit system commensurate with its sizes and nature of its business.
8. We have been informed that the Central government has not prescribed maintenance of cost records under section 209(1)(d) of the



Companies Act, 1956.

9. a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues to the extent applicable have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st 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 Sales Tax, Custom Duty, Wealth Tax, cess which have not been deposited on account of any dispute.
10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. Company has not taken any loans from financial institutions and also not issued any debenture. Hence question of default does not arise.
12. According to the information and explanations given to us, the company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and accordingly paragraph 4 (xii) of the order is not applicable
13. In our opinion, considering the nature of activities carried on by the company during the year, the provisions of any special statute applicable to chit fund/ Nidhi/mutual benefit fund/societies are not applicable to the company.
14. According to the information and explanations given to us, proper records have been maintained in respect of transaction and contracts in respect of shares, securities, debentures and other investments and timely entries have been made therein. The shares and other investment have been held by the company in its own name.
15. As explained by the management, company has not given guarantee for loans taken by other from banks or financial Institutions.
16. Based on information and explanations given to us by the management, the company has not obtained any term loans.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
18. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us and the records examined by us, the company has not issued any debentures. Accordingly, the provisions of clause 4 (xix) issued are not applicable to the company.
20. The company has not raised any money by public issues during the year.
21. According to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For R.Mahajan & Associates
Chartered Accountants

Place : New Delhi
Date : 30th June 2009

Ratnesh Mahajan
Partner
Membership No.85484



To,

The Board of Director

Consolidated Securities Limited

8/19, 3rd Floor, Pusa Lane,

W.E.A., Karol Bagh,

New Delhi - 110005.

Dear Sir,

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1988 issued by Reserve Bank of India, on the matters specified in para 3 and 4 of the said Directions to the extent applicable to the Company, we report that:

1. The Company had applied for registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 and has been granted certificate of registration by Reserve Bank of India on 03rd March 2003 having Registration No. B-14.00652.
2. The Company has passed a resolution for non-acceptance of public Deposits.
3. The Company has not accepted any public deposits during the year 2008-09.

4. For the financial year ended 31.03.2009, the Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to the Company.

Place: New Delhi

Date : 30.06.2009

For R. Mahajan & Associates

Chartered Accountants

(Ratnesh Mahajan)

Partner

M. No. 085484



BALANCE SHEET AS ON 31 MARCH 2009

(Amount in Rs.)

PARTICULARS	SCHEDULE	AS ON 31st March 2009	AS ON 31st March 2008
SOURCES OF FUNDS			
SHARE HOLDERS FUNDS			
Share Capital	1	40,038,000.00	40,038,000.00
Reserve & Surplus	2	413,096,933.24	319,216,067.99
LOAN FUNDS			
Secured Loan	3	564,823.00	8 72,467.82
Deferred Tax Liability		-	80,752.00
		453,699,756.24	360,207,287.81
APPLICATION OF FUNDS			
FIXED ASSETS			
	4		
Gross Block		3,134,027.76	2 ,962,637.76
Less : Depreciation		941,539.76	6 62,190.76
Net Block		2,192,488.00	2 ,300,447.00
Investments	5	268,057,831.51	224,398,907.00
Deferred Tax Assets		19,905,270.00	-
CURRENT ASSETS LOANS & ADVANCES			
(a) Stock In Hand	6	61,408,600.00	40,824,128.00
(b) Sundry Debtors	7	3,515.23	41,408,504.56
(c) Cash & Bank Balances	8	38,629,848.06	28,825,370.64
(d) Loans & Advances	9	69,328,867.39	24,512,102.77
		169,370,830.68	135,570,105.97
CURRENT LIABILITIES & PROVISIONS			
(a) Current Liabilities	10	216,400.05	1,165,594.35
(b) Provisions		5,610,263.90	896,577.81
		5,826,663.95	2 ,062,172.16
NET CURRENT ASSETS			
		163,544,166.73	133,507,933.81
		453,699,756.24	360,207,287.81

As per our report of even date attached
For **R.MAHAJAN & ASSOCIATES**
CHARTERED ACCOUNTANTS

For & on behalf of the Board of Directors

[RATNESH MAHAJAN]

Partner

M.No.085484

Place : New Delhi

Date : 30.06.2009

(Kapil Aggarwal)

Chairman

(Rohit Gupta)

Managing Director

(Ashok K. Kathuria)

Director

(Anju Batra)

Company Secretary

**PROFIT AND LOSS ACCOUNT** FOR THE YEAR ENDED ON 31 MARCH 2009

(Amount in Rs.)

PARTICULARS	SCHEDULE	AS ON 31st March 2009	AS ON 31st March 2008
INCOME			
Sale of Investment (Shares)		338,163,715.33	35,851,005.48
Sale of Shares		370,270,561.79	1,474,297,757.26
Closing Stock		61,408,600.00	40,824,128.00
Interest		7,805,898.04	470,636.18
(Including T.D.S of Rs.1602287.10 Previous year Rs.74091.19/-)			
Profit from sale of Mutual fund		1,376,449.87	-
Income From Share Trading		868,704.08	218,749,816.58
Dividend Income		984,919.08	2,337,427.10
Other Income		150,000.00	170,107.15
		781,028,848.19	1,772,700,877.75
EXPENDITURE			
Opening Stock		40,824,128.00	69,425,869.00
Cost of Investment Sold (Shares)		169,167,608.00	28,565,328.14
Purchase of shares		473,806,464.24	1,388,806,943.56
Administrative & Office Expenses	11	12,051,011.17	16,552,574.84
Interest & Financial Charges	12	717,064.53	13,091,903.43
Depreciation		280,178.00	155,825.00
		696,846,453.94	1,516,598,443.97
Profit before taxes		84,182,394.25	256,102,433.78
Less : Provision for Tax Expenses			
(a) Current Tax		10,207,245.00	74,766,638.00
(b) Fringe Benefit Tax		80,306.00	95,115.00
Add/(Less) Deferred Tax		19,986,022.00	33,703.00
Profit After taxes		93,880,865.25	181,206,977.78
Less Transferred to Statutory Reserves		18,776,173.00	36,241,396.00
		75,104,692.25	144,965,581.78
Profit / (Loss) Brought Forward		253,670,880.99	108,705,299.21
Profit / (Loss) carried over to Balance Sheet		328,775,573.24	253,670,880.99
Earning Per share		23.45	45.26
Significant Accounting Policies & Notes On Accounts	13		

As per our report of even date attached
For **R.MAHAJAN & ASSOCIATES**
CHARTERED ACCOUNTANTS

For & on behalf of the Board of Directors

[RATNESH MAHAJAN]

Partner

M.No.085484

Place : New Delhi

Date : 30.06.2009

(Kapil Aggarwal) (Rohit Gupta) (Ashok K. Kathuria) (Anju Batra)
Chairman Managing Director Director Company Secretary


SCHEDULES TO THE BALANCE SHEET

27

(Amount in Rs.)

PARTICULARS	AS ON 31st March 2009	AS ON 31st March 2008
SCHEDULE - 1 SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
4500000 Equity Shares of Rs.10/- each	45,000,000.00	45,000,000.00
ISSUED SUBSCRIBED AND PAID UP		
(40,03,800 Equity Shares of Rs.10/- each fully paid up)	40,038,000.00	40,038,000.00
	40,038,000.00	40,038,000.00

SCHEDULE - 2 RESERVE & SURPLUS		
General Reserve :		
Balance as per last Balance Sheet	400,000.00	400,000.00
	400,000.00	400,000.00
STATUTORY RESERVES		
Opening Balance	65,145,187.00	28,903,791.00
Addition during the year	18,776,173.00	36,241,396.00
Balance	83,921,360.00	65,145,187.00
PROFIT & LOSS ACCOUNT		
Opening Profit & Loss A/c	253,670,880.99	108,705,299.21
Net Profit / (Loss) during the year	75,104,692.25	144,965,581.78
	328,775,573.24	253,670,880.99
	413,096,933.24	319,216,067.99

SCHEDULE - 3 SECURED LOANS		
HDFC BANK LTD. (Ag. Hypothecation of Car)	-	195,515.82
ICICI BANK LTD. (Ag. Hypothecation of Car)	564,823.00	676,952.00
	564,823.00	872,467.82

SCHEDULE - 4 FIXED ASSETS										
Particulars (Assets)	Gross Block				Depreciation				Net Block	
	Balance As on 01.04.2008	Addition	Sale/ Transfer	Total as on 31.03.2009	As on 01.04.2008	During the year	Sale/ Adjustment	Total As on 31.03.2009	As on As on 31.03.2009	As on As on 31.03.2008
Fur. & Fixture	296998.76	-	-	296998.76	245255.76	18,800	-	264055.76	32943.00	51743.00
Car	1951411.00	-	-	1951411.00	250922.00	185,384	-	436306.00	1515105.00	1700489.00
Mobile	37920.00	-	10,750	27170.00	1412.00	1,718	829	2301.00	24869.00	36508.00
Office Equipment	228018.00	-	-	228018.00	145917.00	10,831	-	156748.00	71270.00	82101.00
Scooter	91185.00	-	-	91185.00	5199.00	8,663	-	13862	77323.00	85,986.00
LCD Television	72500.00	52,000.00	-	124500.00	3633.00	5,603	-	9236	115264.00	68867
Airconditioner	43,500.00	-	-	43500.00	32.00	2066	-	2098	41402.00	43,468.00
Computer	218,705.00	89,400.00	-	308105.00	9,677.00	44220	-	53897	254208.00	209,028.00
Photocopy Machine	0.00	40,740.00	-	40740.00	-	1829	-	1829	38911.00	
Invertor	22,400.00	-	-	22400.00	143.00	1064	-	1207	21193.00	22,257.00
TOTAL RS.	2962637.76	182140.00	10750.00	3134027.76	662190.76	280178.00	829.00	941539.76	2192488.00	2300447.00
Pr.Year	1750901.76	1,290,836	79,100	2,962,637.76	516063.76	155825.00	9,698.00	662190.76	2300447.00	1234838.00



SCHEDULES TO THE BALANCE SHEET

(Amount in Rs.)

PARTICULARS	QUOTED NO.OF SHARES AS ON 31.03.2009	QUOTED NO.OF SHARES AS ON 31.03.2008	AS ON 31st March, 2009	AS ON 31st March 2008
SCHEDULE - 5 INVESTMENTS				
LONG TERM INVESTMENTS				
INVESTMENT IN SHARES				
Asian Oilfield Services Ltd.	1649216	2550000	61,746,579.51	53,054,449.00
Moving Picture Co.(India) Ltd.	3500000	3500000	35,790,458.00	35,790,458.00
Neha International Ltd.	-	250000	-	10,500,000.00
Ritesh Properties & Indus Ltd.	-	1201000	-	66,055,000.00
INVESTMENT IN WARRANTS				
Asian Oilfield Services Ltd. (370000 Warrant of AOSL (Prev.Year 1270000) of Rs.20.50/- each to be converted into 370000 equity shares of Rs.10/- at a premium of Rs. 10.50/-	-	370000	-	7,585,000.00
Asian Oilfield Services Ltd.* (1390000 Warrant of AOSL of Rs.76/- each to be converted into 1390000 equity shares of Rs.10/- at a premium of Rs. 66/-	-	1390000	-	10,564,000.00
Bhagya Nagar India Ltd.* (4000000 Warrant of Bhagyanagar India Ltd. of Rs.90/- each to be converted into 4000000 equity shares of Rs.10/- at a premium of Rs. 80/-	-	4000000	-	36,000,000.00
Moving Pictgure Co.(India) Ltd. (1700000 Warrant of Moving Picture Co. (India) Ltd. of Rs.10/- each to be converted into 1700000 equity shares of Rs.10/- each.	-	1700000	-	1,700,000.00
Neha International Ltd. (750000 Warrant of Neha International Ltd. of Rs.10/- each to be converted into 750000 equity shares of Rs.10/- at a premium of Rs.32\-	-	750000	-	3,150,000.00
INVESTMENT IN MUTUAL FUND				
RELIANCE LIQUID FUND TREASURY PLAN	467733.117	-	10,022,164.27	-
RELIANCE MONEY MANAGER FUND	134789.207	-	160,498,629.73	-
			268,057,831.51	224,398,907.00

Aggregate value of quoted Investment Rs. 97537037.51/- (Pr. Year Rs. 165399907/-)

Aggregate market value of quoted Investment Rs. 65168941/- (Pr. Year Rs. 535187600/-)

*During the year the management has decided not to make the balance payment due on warrants & have surrendered their rights for conversion of warrants (1110000 warrants of M/s Asian Oilfield Services Ltd. & all the warrants of M/s Bhagya Nagar India Ltd.) into Equity Shares in view of the market rate of these shares being lower than conversion cost would have been paid by the company.


SCHEDULES TO THE BALANCE SHEET

(Amount in Rs.)

PARTICULARS	AS ON 31st March 2009	AS ON 31st March 2008
CURRENT ASSETS, LOANS AND ADVANCES		
SCHEDULE - 6 STOCK IN HAND		
Stock in hand	61,408,600.00	40,824,128.00
(As taken valued & certified by the management)		
	61,408,600.00	40,824,128.00
SCHEDULE - 7 SUNDRY DEBTORS		
(Unsecured considered good by the management)		
Debts outstanding for a period exceeding		
Six months	-	-
Other debts	3,515.23	41,408,504.56
	3,515.23	41,408,504.56
SCHEDULE - 8 CASH & BANK BALANCES		
Cash in Hand	54,725.00	570,467.00
Balance with Scheduled Banks in Current Accounts	28,575,123.06	28,254,903.64
Fixed deposits with Scheduled Banks	10,000,000.00	-
	38,629,848.06	28,825,370.64
SCHEDULE - 9 LOANS & ADVANCES		
Loans	44,313,209.59	-
Advance for Purchase of Property	23,386,055.00	17,944,848.00
Interest accrued on FDR	397,697.03	-
Advance for purchase of Assets	-	4,0740.00
Share Application Money	-	5,000,000.00
Staff Advance	123,000.00	33,000.00
Prepaid Expenses	23,246.00	50,000.00
Income Tax refundable 2006-07	841,014.77	841,014.77
Security Deposits	244,645.00	602,500.00
	69,328,867.39	24,512,102.77
CURRENT LIABILITIES & PROVISIONS		
SCHEDULE - 10 CURRENT LIABILITIES		
Sundry Creditors	-	-
Other Liabilities	216,400.05	1,165,594.35
	216,400.05	1,165,594.35
PROVISIONS		
Provision for Income Tax	5,604,957.90	866,962.81
Provision for Fringe Benefit Tax	5,306.00	29,615.00
	5,610,263.90	896,577.81
	5,826,663.95	2,062,172.16



SCHEDULES TO THE PROFIT AND LOSS ACCOUNT

(Amount in Rs.)

PARTICULARS	AS ON 31st March 2009	AS ON 31st March 2008
SCHEDULE - 11 ADMINISTRATIVE AND OFFICE EXPENSES		
Salary & Bonus	2,187,092.00	11,832,807.00
Stipend	26,660.00	0.00
Printing & Stationery	69,458.00	80,968.00
Traveling & Conveyance	385,943.00	1,064,461.71
Business Promotion	151,087.89	318,007.03
Courier Charges	46,133.00	44,707.00
Publishing Expenses	134,411.00	92,405.00
Demat Expenses	4,406.00	16,010.00
Postage, Telegram Expenses	13,101.00	23,377.00
Telephone Expenses	247,465.31	212,722.81
Meeting & Conference Exp.	7,410.00	7,563.00
Annual Listing Fees	31,456.00	230,600.00
Internet Card	0.00	7,250.00
Rent	1,063,770.00	724,290.00
EDP Expenses	87,596.44	75,614.00
Legal & Professional Charges	5,470,848.00	185,649.00
Annual Custody Charges	8,990.00	9,056.00
Books & Periodicals	0.00	7,725.00
Auditor's Remuneration	110,300.00	112,360.00
Filing Fees	2,500.00	5,556.00
Donation	0.00	126,000.00
Repair & Maintenance (Others)	78,408.00	89,990.00
Income Tax	38,825.19	115.00
Website Designing Charges	5,462.00	11,500.00
Electricity Expenses	184,335.00	119,308.00
Generator Repair & Maintenance	153,226.00	0.00
Vehicle Running Expenses	302,468.43	156,641.14
Car Interest	73,208.18	26,787.32
Office Expenses	42,282.00	41,910.00
Diwali Expenses	0.00	56,310.00
Staff Welfare	56,922.00	92,845.00
Insurance Expenses	11,647.00	20,794.00
STT	988,922.67	573,730.82
Loss on Assets	9,921.00	69,402.00
Misc. Expenses	56,756.06	116,113.01
	12,051,011.17	16,552,574.84
SCHEDULE - 12 INTEREST & FINANCIAL CHARGES		
Interest Paid	715,911.48	13,089,930.00
Bank Charges	1,153.05	1,973.43
	717,064.53	13,091,903.43



SCHEDULES TO THE ACCOUNTS

SCHEDULE – 13 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) System of Accounting :

- (i) The books of accounts are maintained on mercantile basis except where otherwise stated.
- (ii) The financial statements are prepared under the historical cost convention in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India and as per the relevant representational requirements of the Companies Act, 1956.
- (iii) Accounting policies not specifically referred to are consistent with generally accepted accounting practices, except where otherwise stated.

b) Revenue Recognition:

- i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can reliably measured.
- ii) Interest income is recognized on time proportion basis.
- iii) Dividend income is recognized on receipt.
- iv) Profit / Loss on sale of investments is accounted on the trade dates.

c) Valuation of Investment:

Investments are classified into long term investments and current investments. Long term investments are stated at cost and provision wherever required, made to recognize any decline, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and provision wherever required, made to recognize any decline in carrying value.

d) Valuation of Fixed Assets:

Fixed Assets are stated in books at historical cost inclusive of all incidental expenses.

Cost comprises the purchase price and any attributable cost of bringing the assets to working condition for its intended use.

e) Depreciation:

- i) Depreciation on the assets has been provided on SLM basis at the rates prescribed by schedule XIV of the Companies Act, 1956.

f) Retirement Benefits:

No provision has been made for the retirement benefits payable to the employees & the liability for the same will be provided when it is incurred.

g) Inventories

Inventories are valued at cost or net releasable value, whichever is lower.

h) Accounting for Taxes on Income

- i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- ii) 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 and measured using relevant enacted tax rates.
- iii) Fringe Benefit Tax are determined on the Fringe Benefit at the rate in force.



SCHEDULES TO THE ACCOUNTS

SCHEDULE – 13 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

II. NOTES ON ACCOUNTS

1. Contingent Liability:
 - a) Unpaid liability on partly paid up shares- Nil (Nil)
 - b) Estimated amount of contract remaining to be executed on capital accounts- Nil (Nil)
2. Claim against the company not acknowledged as debts- Nil (Nil)
3. In the opinion of Board of Directors & best of their knowledge & belief the provisions of all known liabilities are adequate.
4. In the opinion of Board of directors, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
5. None of the employees was in receipt of annual remuneration as prescribed under the provision of section 217(2A) of the Companies Act, 1956.
6. CIF value of Imports: Nil (Nil)
7. Earning & Expenditure in Foreign Currency: Nil (Nil)
8. The activities of the company do not involve conservation of energy or absorption of technology.
9. The figure in the brackets pertains to the previous year.
10. The figures of the previous years have been regrouped and rearranged wherever it considered necessary.
11. Payments to Auditor's includes:

	2008-09	2007-08
Audit Fee	82,725.00	84,270.00
Tax Audit Fees	27,575.00	28,090.00
	110,300.00	112,360.00

12. Director's remuneration: Nil (Nil)
13. Amount due to / from the parties are subject to confirmation.
14. Company is dealing in shares. So the closing stock of shares has been shown as Stock-in-Trade but some shares purchased during the year by the company for earning income by way of dividends and for long term purposes being strategic investments are shown under investments (includes warrants the holding period whereof is more than one year).
15. Deferred Tax Liabilities/Assets have been provided in accordance with AS-22. The break up of the deferred tax assets & liabilities are as under :

Nature of Timing Difference	Deferred Tax Assets /(Liabilities) as at 01st April, 2008.	Adjustment for the Current Year	Deferred Tax Assets /(Liabilities) as at 31st March, 2009.
Depreciation	(80752)	101193	20441
Business Loss	Nil	19884829	19884829
Total	(80752)	19986022	19905270

16. Provisions:

Provisions are recognized where the company has present legal or constructive obligation, as a result of past event, for which it is probable that an outflow of economic benefits will be required to settle the obligation and the reliable estimate can be made for the amount of the obligation.



SCHEDULES TO THE ACCOUNTS

17. Impairment of Assets:

The carrying amounts of assets are reviewed at the balance sheet date to determine whether there are any indications of impairment. If the carrying amount of the fixed assets exceeds the recoverable amount at the reporting, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use, the value in use determined by the present value estimated future cash flows. Here carrying amounts of fixed assets are equal to recoverable amounts.

18. As per Accounting Standard (AS-20) on Earning per share (EPS) issued by the ICAI, the particulars of EPS for the equity shareholders are as below:

S. N.	Particulars	Current year 2009	Previous Year 2008
1	Net Profit (loss) as per P/L A/c	93880865	181206978
2	Average No. of equity shares used as denominator for calculating EPS	4003800	4003800
3	EPS (Basic & Diluted) (Rs.)	23.45	45.26
4	Face value of each equity share (Rs.)	10	10

19. Related Party Disclosure:

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are disclosed below:

(A) Name of related parties and description of relationship:

(1) Holding Company :

- a) Mundra Credit & Investment (P) Ltd

(2) Other related parties where the Directors / Relatives have significant influence

- a) Rajasthan Global Securities Ltd.
b) Deep Deposits & Leasing (P) Ltd.

(3) Key Management Personal:

- a) Mr. Rohit Gupta

(4) Relatives of Key Management Personnel.

- a) Mr. Satpaul Gupta

(B) Transaction during the year and balances outstanding at the year end in respect of transactions entered into during the year with the related parties.

Nature of transactions	Refer to (A) (1)	Refer to (A) (2)	Refer to (A) (3)	Refer to (A) (4)
Sale of shares	Nil	(Nil) (9500000)		
Advance		408700000 (34500000)		
Unsecured Loan		2000000 (479550000)		
Rent			118800 (118800)	
Salary				130000 (100000)
Balances as on 31st March,2009	Nil	Nil		

() Indicates figures of Previous year.



SCHEDULES TO THE ACCOUNTS

SCHEDULE – 13 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

20. As per information available with the company, no amount is due to any Undertaking/ Enterprise covered under the Micro, Small and Medium Enterprise Development Act, 2006.
21. Since the Company is dealing in one segment, No separate Segment reporting is given.
22. Quantitative Information regarding Opening Stock, Purchase, Sale and Closing Stock of Shares.

	As on 31st March 2009		As on 31st March 2008	
	No. of Shares	Value	No. of Shares	Value
Opening Stock	1572640	40824128.00	1728865	69425869.00
Purchase	4125525	473806464.24	9958194	1388806943.56
Sales	4667627	370270561.79	10114419	1474297757.26
Closing Stock	1030538	61408600.00	1572640	40824128.00



CASH FLOW STATEMENT

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

(Amount in Rs.)

PARTICULARS	AS ON 31ST MARCH, 2009	AS ON 31ST MARCH, 2008
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Tax & Extraordinary items	84,182,394.25	256,102,433.78
Adjustment for :		
Depreciation	280,178.00	155,825.00
Loss on sale of Assets	9,921.00	69,402.00
Profit / Loss on sale of investment	(168,996,107.33)	(7,285,677.34)
Operating Profit before Working Capital changes	(84,523,614.08)	249,041,983.44
Adjustment for Current Assets & Loans & Advances		
1) Sundry Debtors	41,404,989.33	(40,873,504.56)
2) Loans & Advances	(44,816,764.62)	(734,200.94)
3) Stock In Hand	(20,584,472.00)	28,601,741.00
Current Liabilities	(949,194.30)	(1,202,471.65)
Cash generated from operations	(109,469,055.67)	234,833,547.29
Direct Taxes Paid	5,573,864.91	73977735.19
	-115042920.58	160,855,812.10
B. CASH FLOW FROM INVESTING ACTIVITIES		
Profit on Sale of Investments	168,996,107.33	7285677.34
Sale / Purchase of share investments (net)	(43,658,924.51)	(174,177,523.86)
Purchase of Fixed Assets	(182,140.00)	(1,290,836.00)
	125,155,042.82	(168,182,682.52)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short Term Borrowings	-307644.82	360,407.32
Net Decrease in cash & cash equivalents	9,804,477.42	(6,966,463.10)
Cash & cash equivalents at the beginning of period	28,825,370.64	35,791,833.74
Cash & cash equivalents at the end of period	38,629,848.06	28,825,370.64

As per our report of even date attached

For R. Mahajan & Associates

Chartered Accountants

Ratnesh Mahajan

Partner

M.No. 085484

Place: New Delhi

Date: 30.06.2009

For and on behalf of the Board of Directors

Kapil Aggarwal

(Chairman)

Rohit Gupta

(Managing Director)

Ashok Kumar Kathuria

(Director)

Anju Batra

(Company Secretary)



SCHEDULES TO THE BALANCE SHEET

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(Amount in Lacs)

PARTICULARS	Amount Outstanding	Amount Overdue
Liabilities side		
1 Loan and advances availed by the non - banking financial company inclusive of interest accrued thereon but not paid:	Nil	Nil
(a) Debentures		
Secured	Nil	Nil
Unsecured (other than falling within the meaning of public deposits*)	Nil	Nil
(b) Deferred Credits	Nil	Nil
(c) Terms Loans	5.65	Nil
(d) Inter-corporate loans and borrowing	Nil	Nil
(e) Commercial Paper	Nil	Nil
(f) Other Loans (specify nature)	Nil	Nil
* Please see Note 1 below		
Assets side	Amount outstanding	
2 Break-up of Loans and advances including bills receivables [other than those including in (4) below] :		
(a) Secured	Nil	
(b) unsecured	443.13	
3 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :	Nil	
(a) Financial lease		
(b) Operating lease		
(ii) Stock on hire including hire charges under sundry debtors	Nil	
(a) Assets on hire		
(b) Repossessed Asserts		
(iii) Others loans counting towards AFC activities	Nil	
(a) Loans where assets have been repossessed		
(b) Loans other than (a) above		



SCHEDULES TO THE BALANCE SHEET

37

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(Amount in Lacs)

Particulars	Amount outstanding
4 Break-up of investments:	
Current Investments:	
I. Quoted :	
(i) Shares :	
(a) Equity	614.09
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil
2. Unquoted :	
(i) Shares :	
(a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (Building)	Nil
Long Term investments :	
I. Quoted:	
(i) Shares :	
(a) Equity	975.37
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others -warrants	Nil
2. Unquoted :	
(i) Shares :	
(a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	1705.21
(iv) Government Securities	Nil
(v) Otherts (please specify)	Nil



SCHEDULES TO THE BALANCE SHEET

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

5 Borrower group-wise classification of assets financed as in (2) and (3) above :

(Amount in Lacs)

Category	Amount net of provisions		Total
	Secured	Unsecured	
Please see note 2 below			
1. Related Parties **			
(a) Subsidiaries	Nil	Nil	Nil
(b) companies in the same group	Nil	Nil	Nil
(c) other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
Total	Nil	Nil	Nil

6 Investor Group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
Please see note 3 below		
1. Related Parties **		
(a) Subsidiaries	Nil	Nil
(b) Companies in the Same Group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	Nil	Nil
Total	Nil	Nil
* Market rate is not available hence cost has been taken.		
** As per Accounting Standard of ICAI (Please see Note 3)		

7 Other information

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



SCHEDULE TO THE BALANCE SHEET

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

Note

1. As defined in paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
3. All Accounting Standards and guidance Notes issued by ICAI are applicable including for for valuation of investments and other assets as also assets required in satisfaction of debt. However, market value in respect of quoted in respect quoted investments and and break up/fair value/ Nav in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

As per our report of even date attached

For and on behalf of the Board of Directors

For R. Mahajan & Associates

Chartered Accountants

Kapil Aggarwal

(Chairman)

Rohit Gupta

(Managing Director)

Ratnesh Mahajan

Partner

M.No. 085484

Place: New Delhi

Date: 30.06.2009

Ashok Kumar Kathuria

(Director)

Anju Batra

(Company Secretary)



BALANCE SHEET ABSTRACT

23. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details:

Registration No.

5	1	4	6	2
---	---	---	---	---

 State Code

5	5
---	---

 Balance Sheet

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

 Day Month Year

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

Public Issue

				N	I	L
--	--	--	--	---	---	---

 Right Issue

				N	I	L
--	--	--	--	---	---	---

 Bonus Issue

				N	I	L
--	--	--	--	---	---	---

 Private Placement

				N	I	L
--	--	--	--	---	---	---

III. Position of mobilization and deployment of funds (Amount in Rupees in Thousands)

Total Assets

		4	5	3	7	0	0
--	--	---	---	---	---	---	---

 Total Liabilities

		4	5	3	7	0	0
--	--	---	---	---	---	---	---

Sources of Funds (Amount in Rupees in Thousands)

Paid up Capital

		4	0	0	3	8
--	--	---	---	---	---	---

 Secured Loans

				5	6	5
--	--	--	--	---	---	---

 Reserve & Surplus

		4	1	3	0	9	7
--	--	---	---	---	---	---	---

 Unsecured Loans

				N	I	L
--	--	--	--	---	---	---

 Deferred Tax Liability

				N	I	L
--	--	--	--	---	---	---

Application of Funds (Amount in Rupees in Thousands)

Net Fixed Assets

			2	1	9	3
--	--	--	---	---	---	---

 Investments

		2	6	8	0	5	8
--	--	---	---	---	---	---	---

 Net Current Assets

		1	6	3	5	4	4
--	--	---	---	---	---	---	---

 Deffered Tax Assets

			1	9	9	0	5
--	--	--	---	---	---	---	---

 Accumulated Losses

				N	I	L
--	--	--	--	---	---	---

IV. Performance of company (Amount in Rupees Thousands):

Turnover

		7	1	9	6	2	0
--	--	---	---	---	---	---	---

 Total Expenditure

		6	3	5	4	3	8
--	--	---	---	---	---	---	---

 Profit/Loss before tax

			8	4	1	8	2
--	--	--	---	---	---	---	---

 Profit/Loss after tax

			9	3	8	8	1
--	--	--	---	---	---	---	---

 Earning per share in Rupees

		2	3	.	4	5
--	--	---	---	---	---	---

 Dividend rate %

				N	I	L
--	--	--	--	---	---	---

V. Generic Names of Three Principal Products/Services of company (as per monetary terms):

Item Code no. Production Description

1	Sale Purchase of Shares
N I L	NIL
N I L	NIL

As per our report of even date attached
 For **R.MAHAJAN & ASSOCIATES**
 CHARTERED ACCOUNTANTS

For & on behalf of the Board of Directors

[RATNESH MAHAJAN]

Partner

M.No.085484

Place : New Delhi

Date : 30.06.2009

(Kapil Aggarwal)	(Rohit Gupta)	(Ashok K. Kathuria)	(Anju Batra)
Chairman	Managing Director	Director	Company Secretary



CONSOLIDATED SECURITIES LIMITED

Regd. Office: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh,
New Delhi 110005

ATTENDANCE SLIP

Please fill Attendance Slip and Hand it over at the entrance of the Meeting Hall

D.P. Id*	
----------	--

Folio No.	
-----------	--

Client Id*	
------------	--

Name and address of the Shareholder _____

Number of Share(s) held : _____

I/We hereby record my presence at the 17th ANNUAL GENERAL MEETING of the Company to be held on Wednesday, 30th day of September, 2009 at 9.30 A.M. At Hotel Swati Deluxe Banquet Hall, 17A/32 Gurudwara Road, W.E.A., Karol Bagh, New Delhi 110 005.

Signature of the shareholder(s) or Proxy

Name of the Proxy in Block Letters _____
(in case a proxy attends the meeting)



CONSOLIDATED SECURITIES LIMITED

Regd. Office: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh,
New Delhi 110005

PROXY FORM

D.P. Id*	
----------	--

Folio No.	
-----------	--

Client Id*	
------------	--

I/We _____ of _____

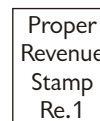
being a member/members of the Company hereby appoint Shri/Smt. _____

_____ of _____ or falling him/her

_____ of _____ as my/our Proxy to vote for me/us on my/our behalf at the 17th ANNUAL GENERAL MEETING of the Company to be held on Wednesday, 30th day of September, 2009 at 9.30 A.M. At Hotel Swati Deluxe Banquet Hall, 17A/32 Gurudwara Road, W.E.A., Karol Bagh, New Delhi 110 005 and at any adjournment thereof.

Signed _____ day of _____ 2009

* Applicable for investor holding shares in electronic form



Note: 1. The Proxy need not be a member

2. The Proxy form duly signed and stamped should reach the Company's Registered Office atleast 48 hours before the time of meeting.

