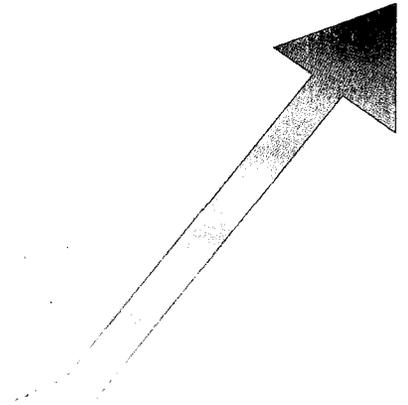


**INTER GLOBE FINANCE LIMITED**



Annual Report and Accounts 2008-09



INTER GLOBE FINANCE LIMITED

## CORPORATE INFORMATION

INTER GLOBE FINANCE LTD.

Director

### Board of Directors

Suresh Kumar Jain

Seema Gupta

Navin Tholiya

Sudip Majumdar

### Registered Office

'Aloka House', 1st Floor

6B, Bentinck Street

Kolkata - 700 001

### Auditors

Manish Mahavir & Co.

Chartered Accountants

2A, Ganesh Chandra Avenue

8th Floor, Kolkata – 700 013

### Bankers

Union Bank of India



**“ To become a World Class Finance  
Company which provides all  
financial services under one roof. ”**

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INTER GLOBE FINANCE LIMITED

# NOTICE

## of the Annual General Meeting

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of Inter Globe Finance Limited will be held on Friday, the 7th August, 2009, at 11:30 A.M. at Maharani Villa, A/6E, Vidyasagar Sarani (Barabagan), Kolkata - 700 063 to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2009, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.
3. To appoint Mr. Suresh Kumar Jain, director of the Company as Managing director of the Company for a period of five years.

### Registered Office :

Aloka House, 1st floor,  
6B Bentinck Street, Kolkata – 700 001  
Kolkata, 24th day of June, 2009

On behalf of the Board

**(Suresh Kumar Jain)**

*Director*

### Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON THE POLL. INSTEAD OF HIMSELF/HERSELF AND THE PROXY SO APPOINTED NEED NOT TO 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 MEETING.
2. The register of the members and the Share Transfer Books of the company will remain closed from 3rd August, 2009 to 7th August, 2009.
3. Members are requested to intimate immediately the change of address if any, to the Company's Share Department at the registered office of the company.
4. Member, who hold share under more than one folio in name in the same order, are requested to send the relative Share Certificate to the Company's Share Department at the registered office of the Company for consolidating the holdings to the account.
5. Members are requested to bring their copy of the Annual General Meeting as copies of the report will not be distributed at the Meeting.
6. Members are requested to produce the enclosed Attendance Slip at the entrance to the Hall.

### Registered Office :

Aloka House, 1st floor,  
6B Bentinck Street, Kolkata – 700 001  
Kolkata, 24th day of June, 2009

On behalf of the Board

**(Suresh Kumar Jain)**

*Director*



INTER GLOBE FINANCE LIMITED

# NOTICE

of the Annual General Meeting

## **Abstract of the term of the appointment of Mr. Suresh Kumar Jain as a Managing director of the company and the memorandum of interest pursuant to the section 302 of the Companies Act, 1956.**

Previously all directors of the Company were independent and non executive. The Board has now shouldered day to day affairs of the Company to Mr. Suresh Kumar Jain, who will also be Non Executive Chairman of the Company.

The Board of Directors in their meeting held on 30th April 2009 approved the payment of remuneration to Mr. Suresh Kumar Jain the director of the company as follows :

Name	Mr. Suresh Kumar Jain
Date of Birth/ Age	07-05-1952/ 57 Years
Qualification	B.Com
Residence	EC-256, Salt Lake City, Padma Vila, Sector-I, Kolkata-700 064
Tel No.	03323379615
Experience	25 years in Financial Market
Salary	Rs.25000/ -per month
HRA	Rs.5000/- per month
Traveling allowances	Rs.5000/- per month
Duties	Looking after day to day affairs of the Company.
Director in the Company	Since 11.01.2008
Previous Remunerations drawn from the Company	NIL
Period	01.05.2009 to 30.04.2014

The resolution passed by the board of directors on the 30th April 2009 in respect of the appointment of Mr. Suresh Kumar Jain as the director of the company and the terms and conditions therefore will be suitably amended by another Board Resolution dated to be decided by the Board to confirm to the terms of the approval by the Shares holders and Central Government.

### **Memorandum of Interest**

No Directors of the Company other than Mr. Suresh Kumar Jain who is also Director of the Company is concerned or interested in the aforesaid contract.

### **Registered Office :**

Aloka House, 1st floor,  
6B Bentinck Street, Kolkata – 700 001  
Kolkata, 24th day of June, 2009

On behalf of the Board

**(Seema Gupta)**  
Director



Your Company's Directors have pleasure in presenting their Sixteenth Annual Report together with Audited Accounts of your Company for the year ended 31.03.2009.

**1. FINANCIAL RESULTS :**

(Rs. in Lacs)

	2008-2009	2007-2008
Total Income/(Loss)	5173.84	2144.08
Total Expenditure	5147.72	2077.10
Gross Profit/(Loss) before Interest and Depreciation	28.02	67.01
Less : Interest	1.91	0.03
Gross Profit/(Loss) after Interest but before Depreciation	26.11	66.98
Less : Depreciation	NIL	NIL
Profit/(Loss) before Tax	26.11	66.98
Less : Provision for Tax	2.31	6.91
Profit/(Loss) after Tax	23.80	60.07
Profit/(Loss) brought forward from previous year	(419.38)	(479.45)
Balance Carried Forward to next year	(395.58)	(419.38)

**2. DIVIDEND :**

In view of accumulated losses and to keep internal accruals for reinvestment in forth coming business opportunities, the directors regret for non-recommendation of Dividend.

**3. OPERATIONS :**

During the current financial year ended 31.03.2009 the Company had achieved total turnover of Rs.5173.84 lacs in comparison to Rs: 2144.08 lacs in previous financial year 2007-08.

**4. FUTURE PROSPECTS :**

The company is making efforts continuously to improve its business operations. In view of the same, prospects of the Company appears bright in the near future.

**5. CORPORATE GOVERNANCE :**

The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement of the Stock Exchanges are complied with. A separate Section of Corporate Governance and a certificate of the Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, form part of the Annual Report.



# DIRECTORS' REPORT

to the Members

**6. DIRECTOR'S RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956 (AMENDMENT), ACT 2000 :**

The Directors hereby confirm that :

- 1) in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 2) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for that period'
- 3) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) the Directors had prepared the annual accounts on a going concern basis.

**7. AUDITORS :**

M/s. Manish Mahavir & Co., Chartered Accountants, Statutory Auditors of the company holds office with the conclusion of the ensuring Annual General Meeting and eligible for re-appointment.

**8. PARTICULARS OF EMPLOYEES :**

During the year under review no employee came under the preview of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended. As such no information was required to be given in this regard.

**9. PARTICULARS REQUIRED TO BE FURNISHED BY COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTOR RS RULES, 1988) :**

- a. Part A & B pertaining to conservation and technology absorption are not applicable to the Company.
- b. Foreign Exchange Earnings and Outgo :
 

Foreign Exchange Income	Nil
Foreign Exchange Outgo	Nil

**10. LISTING OF SHARES :**

The shares of your Company are listed in The Bombay Stock Exchange. During the current financial year, company has paid all fees pertaining to Bombay Stock Exchange Ltd. However the company is still suspended from trading on the said Stock Exchange. The Company has received a letter from B.S.E. stating that the internal committee has decided to revoke the suspension in the trading of securities and trading in shares will be resumed after certain formalities.

**11. ACKNOWLEDGEMENTS :**

Your Company's Directors would like to place on record their appreciation for the continued co-operation and support received from the Company's Shareholders, Bankers and other business associates.

**Registered Office :**

Aloka House, 1st floor,  
6B Bentinck Street, Kolkata – 700 001  
Kolkata, 24th day of June, 2009

On behalf of the Board

**(Suresh Kumar Jain)**  
Director

**INDUSTRY STRUCTURE AND DEVELOPMENT**

The Company is primarily engaged in the business of financial services. Financial market, in particular share market was booming in the first 2 quarters of the financial year under review but after Lehman Brothers episode and economic turmoil in the last two quarters, it started bleeding due to unexpected uncertainty in the entire financial market.

**Financial Results**

In spite of limited resources, our Company performed out almost in every aspect for dynamic increase of turnover in this fiscal year. However, net profit after tax of IGFL has slipped down to Rs.23.80 lacs in F.Y. 2008-09 against Rs.60.07 lacs in F.Y. 2007-08, which shows an absolute decrease of about Rs.36 Lacs. Revenues have climbed now to a high of Rs.5173.84 lacs in F.Y. 2008-09 against Rs.2121.04 lacs in earlier year 2007-08.

**Role in the Kolkata Inter-corporate Financial market**

Inter Globe Finance Ltd (IGFL) has been in existence for 16 years now. The business environment in which the Company operates has evolved considerably over the last two years. Our home state Bengal now has an Investment Grade rating and is a major importer/ exporter of natural gas, petro-chemicals and oil. Over the years, the purpose of the Company has remained unchanged. That has driven the Company to raise its standards as a licensed Non Banking Financial Company/ Non deposit taking Company and to widen its scope of niche operations. The Company has also developed and stepped into the new economic environment envisaged with the vision of a Single Market and Economy.

IGFL is a registered Non Banking Financial Company (NBFC) with a vision of a first-class financial company serving in Eastern India.

**The Company's vision, core business and strategy**

Over the last one year, the Company has expanded its business revenue base through fresh borrowing from corporate and lending the same at higher rate of interest to reputed corporate houses across India. During the current financial year 2009-10, the company has intended to extend its array of services into Private equity, Management services and Microfinance. IGFL is dedicated for lending to Small and Medium-sized Enterprises. Growth and diversification of the financial system, especially in the commercial non banking industry was expected to reduce the need for a large-scale specialist lender to SME apart from Srei Infrastructures Limited and Magma Leasing Limited in the Eastern India. That view has since changed which can be corroborated that upto 31st May'09 our aggregate loan disbursement portfolio has been increased to Rs. 1685 Lacs against Rs 666 Lacs as on 31st March'08.

Over the years, changes in the volume of IGFL loan portfolio, especially in the manufacturing and trading sectors, have tended to be counter-cyclical reflecting economic cycles driven by commodity prices.

Now there are more fundamental needs caused by globalization processes. While globalization shortened the horizons of West Bengal's investors in the last decade compared with earlier entrepreneurs, it has viewed that a new spirit of entrepreneurship, among new generation has been encouraged.

Many firms in the manufacturing sector have to re-structure in order to orient their business in harmony with fundamental changes in the market in dynamics and supply lines. The Service sector in West Bengal is being re-shaped by the ultra-wide and all-inclusive definition of "Finance". Developments in Bengal, especially in Durgapur, Asansol and Kharagpur regions have brought new investors and non-traditional services into the industry, served adequately by real estate financing. Services in all sectors must now rise to international standard and require different modes of organization and talent as well as financing. Ample opportunities are available for lending but in small economies, involvement in these sectors once more represents a heightened level of risk for lenders. That puts IGFL back in the same type of business as that when it first started business about 15 years ago. However, now it is a new beginning and we have developed a new business model.

**Key performance drivers and capabilities**

The ability of IGFL to carry out its Mission over the next three years and achieve its financial objectives will rest firmly on three fundamental strengths.

1. The Company has a strong operational and risk management framework that will support to double the current size of the Company by achieving a cost efficiency ratio with a vision to achieve the total assets of not less than Rs.100 Crores by March 2011.
2. The Company will try to get a sustainable credit rating that will help to provide source to access to a wide range of financial markets and funding sources supported by a Capital Adequacy Ratio in excess of 10% using a risk weighting of 100 for SME loans.
3. The Company has a strong knowledge base on relevant business experience and a wide network of contacts in Eastern India.

These fundamental strengths place IGFL in a highly competitive, long term position that clearly defines its strategies. The Company is organized to scale up its operations as required by counter-cyclical demand. IGFL can respond quickly and on the down-side has a proven capability to manage impaired assets that is the likely outcome of its business. It has strongly demonstrated that capability in the last two years, especially in 2007-08 & 2008-09. In other words, IGFL is adequately equipped to be a regional NBFC Company and its management is firmly focused on its role.

**The risks that may affect the achievement of results**

The significant risks that will always challenge the Company are described as under :

"The Company has limited resources as its own; it solely depends on fresh borrowings from the market and in the long run fresh funds from promoters and share holders. In 2009-10, we expect that two factors, slowdown in overall economy and the sharp increase of Bank rate, will create some economic disequilibrium in the Indian business environment. Secondly, rising operating costs will adversely affect the cost efficiency of financial companies while a surge in the supply of external funding will tighten the lending market.

Therefore, changes in the region's financial system are inevitable, especially in the commercial non banking sector. The confluence of events will have a positive impact on liquidity and likely to effect on exchange rates and interest rates. That makes it even more difficult to speculate about consumer's spending or the continuation of the construction boom around Kolkata. We cannot forecast the demand for funding to SME but we are aware that there will be new opportunities that will challenge IGFL's appraisal and financial structuring skills. Management also believes that once more, because of counter-cyclical demand, the volume of IGFL's loan portfolio, and the risk inherent in its operations, will increase in 2009-2010.

**Responsibility for the Management Discussion and Analysis Report**

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have noted its contents. The role of the Audit Committee and the Board provides a degree of assurance of relevance and reasonableness. However, it is Management's responsibility to present to the best of its ability, fair and balanced views based on the effectiveness of systems, controls and procedures that ensure that information used internally and disclosed externally is reliable.

Place : Kolkata – 700 001  
Kolkata, 24th day of June, 2009

On behalf of the Board  
(**Suresh Kumar Jain**)  
Director



Your Company believes in adopting the best business practice in the area of corporate governance, and follows the principles of fair representation and full disclosure in all its dealings and communication, thereby protecting rights and interests of all its stakeholders.

The Company's shares are listed with The Bombay Stock Exchange Limited. In accordance with Clause 49 of the listing agreement with title domestic stock exchanges, the details of compliance by the Company is as under:

**1. Company's philosophy on code of Governance :**

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facts of its operations, and in all its interactions with its stakeholders, including shareholders, employees.

**2. Board of Directors :**

Independent Non-Executive : Suresh Kumar Jain  
Seema Gupta  
Navin Tholiya  
Sudip Majumdar

Number of Board Meetings held :

Total 8 (Eight) Board meetings were held during the year.

**3. Audit Committee :**

The Board of the Company has constituted an Audit Committee comprising 3 independent directors viz. Sri Suresh Kumar Jain as Chairman and Navin Tholiya and Sudip Majumder as members. The Constitution of Audit Committee also meets the requirements under Section 292A of the Companies Act, 1956.

The role and terms of reference stipulated by the Board of the Audit Committee are as contained under Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956.

**4. Shareholders'/Investors' Grievances Committee :**

The Board of the Company has constituted a Shareholders'/Investors' Grievance Committee. The Company has appointed the Compliance officer who at present is overseeing the investor grievances. There was no complaint pending as on 31st March, 2009. There were no share transfers pending for registration as on the said date.

**5. General Body Meetings :**

Location and time for last 3 Annual General Meetings of the company :

AGM	Financial Year/Accounting Year	Day/Date	Time	Venue
THIRTEENTH	01/04/2005-31/03/2006	Wednesday 27/09/06	10.00A.M	Maharani Villa 6/E, Vidyasagar Sarani Barabagan Kolkata-700 063
FORTEENTH	01/04/2006-31/03/2007	Friday 26/09/07	11.00A.M.	Maharani Villa 6/E, Vidyasagar Sarani Barabagan Kolkata-700 063
FIFTEENTH	01/04/2007-31/03/2008	Friday 22/08/08	11.30A.M	Maharani Villa 6/E, Vidyasagar Sarani Barabagan Kolkata-700 063



For the year ended 31st March, 2008 there have been no resolutions passed by the Company's Shareholders through postal ballot. At the ensuing Annual General Meeting there is no resolution proposed to be passed through postal ballot.

- A) Disclosures on materially significant related party transactions i.e. transactions with management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large.

Ans : None of the transactions with any of the related parties was in conflict with the interest of the company.

- B) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Ans : No such penalties and strictures were imposed by any of the above authorities.

7. Means of Communication :

Quarterly results are published in "Financial Express" and "Dainik Lipi".

8. General Shareholder Information :

8.1 Annual General Meeting to be held :

Date and time : Friday, the August 7th, 2009  
11.30 A.M.

Venue : Maharani Villa, 6/E, Vidyasagar Sarani , Barabagan, Kolkata – 700 063.

8.2 Financial : Results for quarter ending June 30, 2009

Calender (tentative) **By end of July, 2009**  
Results for quarter ending September 30, 2009

**By end of October, 2009**  
Results for quarter ending December 31, 2009

**By end of January, 2010**  
Audited Annual Results for year

**Ended by July, 2010**

8.3 Book Closure Date : 03.08.2009 to 07.08.2009 (both days Inclusive)

8.4 Dividend Payment Date : Not applicable since no dividend paid

8.5 Listing of Equity Shares : The Bombay Stock Exchange Ltd.

8.6 Stock Code : Trading Symbol at Mumbai Stock Exchange - 11391

8.7 Stock Market Data : Data regarding price movement of the Company's Script not received from Stock Exchanges.

8.8 Registrar and Transfer Agents : **Niche Technologies Pvt. Ltd.**  
71, B.R.B Road, Kolkata – 700 001.

8.9 Share Transfer System : Presently, Share Certificate received in physical form for transfer are processed and the same are returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects.



8.10 Distribution of Share Holding : The distribution of shareholding of Equity shares as on 31st March, 2009 is given below:

Category	No. of Shares	% ages	No. of Share holders	% ages
Upto-5000	23026000	46.0520	14291	93.2650
5001-10000	6072000	12.1440	725	4.7314
10001-20000	2971000	5.9420	196	1.2791
20001-30000	1303000	2.6060	51	0.3328
30001-40000	419000	0.8380	12	0.0783
40001-50000	544000	1.0880	12	0.0783
50001-100000	1155000	2.3100	17	0.1109
100000-Above	14510000	29.0200	19	0.1240
GRAND TOTAL	50000000	100.0000	15323	100.00

8.11 Shareholding pattern as on 31st March, 2009

	% holding
Promoters	23.068%
Corporates	4.990%
NRIs/OCBs/FIIs	—
Financial Institution/Ins.Co's/Mutual Funds	0.058%
General	71.884%
	100.00%

8.12 Dematerialisation of shares : The Company had applied for dematerialization to CDSL & NSDL but both has refused to do so on the ground that the Company does not meet its criteria.

8.13 The Company's shares are hardly traded. Two transfers were received in the year. SEBI has notified the Company's scrip for compulsory demat trading but CDSL/NSDL has refused to do so.

8.14 Plant Locations : Not applicable since this is an NBFC.

8.15 Investor : Registered Office of the company.

8.16 Any query on Annual Report : The Principal Officer  
Aloka House, 1st Floor,  
6B, Bentinck Street, Kolkata – 700 001



INTER GLOBE FINANCE LIMITED

## AUDITORS' CERTIFICATE

### AUDITORS' CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CLAUSE NO. 49 OF THE LISTING AGREEMENT RELATING TO CORPORATE GOVERNANCE

The Members.  
Inter Globe Finance Limited.

We have examined the compliance of Conditions of Corporate Governance by Inter Globe Finance Limited for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions on Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

We state that in respect of Investor Grievances received during the year ending 31st March, 2009, no investor grievances are pending against the Company for a period exceeding one month as per records maintained by the Company.

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 **Manish Mahavir & Co.**  
Chartered Accounts  
**(Manish Jain)**  
Proprietor  
Membership No. 059264

Place : Kolkata  
Date : 24th day of June, 2009



INTER GLOBE FINANCE LIMITED

## AUDITORS' REPORT

to the Members of Inter Globe Finance Limited

We have audited the attached Balance Sheet of INTER GLOBE FINANCE LTD. as at 31st March 2009 and also the Profit and Loss Account and the cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) (amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, We annex herewith a statement on the matters specified in paragraphs 3 and 4 of the said order.

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

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
3. The Balance Sheet and Profit and Loss Account & Cash Flow Statement dealt with by this report are in agreement with the books of account ;
4. In our opinion, the Balance Sheet, Profit & Loss Account & Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
5. On the basis of written representations received from the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the Director 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;
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India ;
  - i) In the case of Balance Sheet of state of affairs of the Company as at 31st March 2009.
  - ii) In case of Profit & Loss Account of the Profit for the year ended on that date.
  - iii) In case of Cash Flow Statement of the flow for the year ended on that date.

For **Manish Mahavir & Co.**

*Chartered Accounts*

**(Manish Jain)**

*Proprietor*

Membership No. 059264

Place : Kolkata

Date : 24th day of June, 2009



On the basis of such checks as we considered appropriate and terms of information and explanations given to us, we state that :

- i) The company has no fixed assets during the year.
- ii) In respect of its inventories if any, the Company adopts following principals and accounting procedures for inventories :
  - a) As explained to us inventories have been physically verified by the management at regular intervals during the year.
  - b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii) In our opinion and as per the information and explanation given to us the Company has neither taken nor given any secured or unsecured loan from/to Companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act 1956. Accordingly Provision of cause 4(III) of the Said order are not applicable.
- iv) 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 with regard to purchase of inventory, fixed assets and for sale of goods and Services. During the course of our audit we have not observed any major weaknesses in the internal control system.
- v) According to the information, explanations provided by the management, we are of the opinion that the contracts and arrangement that need to be entered into the register maintained under section 301 have been properly entered in the said register.
- vi) According to the information and explanations given to us, in our opinion contracts and arrangements entered in the registers maintained under section 301 have been made at a prices which are reasonable having regard to prevailing market prices at the relevant time.
- vii) As per information and explanations given to us, the Company has internal audit system commensurate with size and nature of its business.
- viii) The books of accounts as required to be maintained by the Company pursuant to rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 is not applicable to the company.
- ix)
  - a) According to the information & explanations given to us, the company is generally regular in depositing duty, excise duty, cess, service tax, investor education and protection fund and other statutory dues which are applicable with the appropriate authorities during the year. Provident fund and ESI are also not applicable to the company. According to the information given to us, no undisputed statutory dues during the year were outstanding as at 31.03.2009 for a period of more than six month from the date they become payable.
  - b) According to the information & explanations given to us, there are no dues of income-tax, wealth-tax, custom duty, excise duty, service-tax, and cess which have not been deposited on account of any dispute.
- x) The Company has accumulated losses and has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.



## ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 3 of our Report of even date)

- xi) In my opinion and according to the information & explanations given to us, the Company has not defaulted in repayment of dues to financial institution and banks or debenture holders.
- xii) In my opinion and according to the information & explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
- xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.
- xiv) In our opinion, the company has maintained proper records of transaction and contract in respect of dealing and trading in share, securities, debenture and other investments and timely entries have been made herein. All shares, debentures and other investments have been held by the company in its own name.
- xv) According to the information and explanations given to us and the representation made by the management, the Company has not given any guarantees for loan taken by others from any bank or financial institutions.
- xvi) The company had not taken any term loans during the year and there was no outstanding term loan from any financial institutions and banks.
- xvii) In my opinion and according to the information and explanations given to us, the funds raised on short term basis by the company have not been used for long term investments.
- xviii) According to information and explanation given to us, the Company has not made any preferential allotment of shares to Companies, Firms and other parties covered in the register maintained u/s 301 of the Companies Act during the year.
- xix) According to the information and explanation given to us during the period covered by our Audit Report, the Company has not issued any debenture.
- xx) The Company has not raised any money by public issue during the year.
- xxi) According to the information and explanations given to us and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during year.

For **Manish Mahavir & Co.**  
Chartered Accounts  
**(Manish Jain)**  
Proprietor  
Membership No. 059264

Place : Kolkata  
Date : 24th day of June, 2009



INTER GLOBE FINANCE LIMITED

# BALANCE SHEET

as at 31st March, 2009

	Schedule	As at 31.03.2009		As at 31.03.2008	
		Rs.	P.	Rs.	P.
<b>SOURCE OF FUNDS</b>					
<b>1. Shareholder's Fund</b>					
a) Share Capital	1	50,000,000.00		50,000,000.00	
b) Reserve & Surplus	2	1,389,500.00		1,389,500.00	
<b>Total :</b>		<b>51,389,500.00</b>		<b>51,389,500.00</b>	
<b>APPLICATION OF FUNDS</b>					
<b>1. Investments</b>	3	4,404,298.39		437696.50	
<b>2. Current Assets, Loans And Advances :</b>					
Inventories		-		2,303,848.05	
Sundry Debtors		522,546.00		-	
Cash & Bank	4	823,302.70		198,428.04	
Loans & Advances	5	69,492,559.90		7,206,841.90	
Other Current Assets		-		2,163,058.62	
		<b>70,838,408.60</b>		<b>11,872,176.61</b>	
Less : Current Liabilities & Provisions	6	63,410,597.46		2,858,098.83	
<b>Net Current Assets</b>		<b>7,427,811.14</b>		<b>9,014,077.78</b>	
Debit Balance in Profit & Loss A/c yet to be written off		39,557,390.47		41,937,725.72	
<b>Total :</b>		<b>51,389,500.00</b>		<b>51,389,500.00</b>	
ACCOUNTING POLICIES & NOTES ON ACCOUNTS AS PER SCHEDULE					
	7				
Schedules "1" to "9" referred to above form an integral part of the Balance Sheet.					

In terms of our report of even date annexed.

For **Manish Mahavir & Co.**

Chartered Accountants

(**Manish Jain**)

Proprietor

Membership No. 059264

Place : Kolkata

Dated : 24th day of June, 2009

On behalf of the Board

**Suresh Kumar Jain**

Director

**Seema Gupta**

Director

**Navin Tholiya**

Director



INTER GLOBE FINANCE LIMITED

# PROFIT AND LOSS ACCOUNT

for the year ended 31st March, 2009

	Schedule	As on 31.03.2009		As on 31.03.2008	
		Rs.	P.	Rs.	P.
<b>INCOME</b>					
Sales		514,002,992.94		205,477,205.17	
Interest, Dividend & Other Income	8	3,380,675.33		6,627,121.40	
Closing Stock		–		2,303,848.05	
<b>Total :</b>		<b>517,383,668.27</b>		<b>214,408,174.62</b>	
<b>EXPENDITURE</b>					
Opening Stock		–		238,375.00	
Purchase		513,939,953.40		206,959,527.63	
Administrative & Other Expenses	9	641,759.62		509,650.80	
Interest Paid		191,030.00		2,004.00	
<b>Total :</b>		<b>514,772,743.02</b>		<b>207,709,557.43</b>	
PROFIT BEFORE TAXATION (I – II)		2,610,925.25		6,698,617.19	
Provision for Tax :					
Income Tax		230,590.00		689,958.00	
Fringe Benefit Tax		–		1,374.00	
PROFIT AFTER TAXATION		2,380,335.25		6,007,285.19	
Profit/(Loss) brought forward form Previous year		(41,937,725.72)		(47,945,010.91)	
Net Profit/(Loss) Carried to Balance Sheet		(39,557,390.47)		(41,937,725.72)	
ACCOUNTING POLICIES & NOTES ON ACCOUNTS AS PER SCHEDULE	7				
Schedules "1" to "9" referred to above form an integral part of the Profit and Loss Account.					

In terms of our report of even date annexed.

For **Manish Mahavir & Co.**

Chartered Accountants

(Manish Jain)

Proprietor

Membership No. 059264

Place : Kolkata

Dated : 24th day of June, 2009

On behalf of the Board

**Suresh Kumar Jain**

Director

**Seema Gupta**

Director

**Navin Tholiya**

Director



INTER GLOBE FINANCE LIMITED

# SCHEDULES

forming part of the Balance Sheet as at 31st March, 2009

	As at 31.03.2009		As at 31.03.2008	
	Rs.	P.	Rs.	P.
<b>SCHEDULE - 1</b>				
<b>SHARE CAPITAL :</b>				
<b>Authorised :</b>				
5000000 Equity Shares of Rs.10/-each				
	50,000,000.00		50,000,000.00	
<b>Issued, Subscribed and Paid up :</b>				
5000000 Equity Shares of Rs.10/- each fully paid up				
	50,000,000.00		50,000,000.00	
	50,000,000.00		50,000,000.00	
<b>SCHEDULE - 2</b>				
<b>RESERVES &amp; SURPLUS :</b>				
General Reserves as per last year				
	1,389,500.00		1,389,500.00	
	1,389,500.00		1,389,500.00	

	As at 31.03.2009		As at 31.03.2008		Market Value as at 31.03.2009
	Quantity	Value	Quantity	Value	
<b>SCHEDULE - 3</b>					
<b>INVESTMENTS :</b>					
<b>Quoted Investment :</b>					
UMI Special Steels Ltd.	200	1000.00	200	1,000.00	610.00
Connection Ind. Ltd.	400	15,060.00	400	15,060.00	15,060.00
BOC India Ltd.	70	4,200.00	70	4,200.00	10,080.00
Kanoi Paper & Ind. Ltd.	50	607.50	50	607.50	607.50
Lyns Optics Ltd.	10000	3,13,000.00	10000	3,13,000.00	3,13,000.00
Malvika Steel Ltd.	10000	100,000.00	10000	1,00,000.00	30,500.00
Woolworth India Ltd.	25	3,829.00	25	3,829.00	790.00
Ajanta Pharma Ltd.	100	5,328.00	-	-	5,135.00
Bharti Airtel Ltd.	65	42,832.20	-	-	40,673.75
Bharat Petroleum Corpn. Ltd.	75	29,442.35	-	-	28,203.75
Benchmark Goldbee	140	2,13,193.33	-	-	2,08,819.80
Global Capital Ltd.	200403	34,80,990.58	-	-	50,10,075.00
HEG Ltd.	145	14,633.25	-	-	13,702.50
IDBI Bank Ltd.	250	13,370.00	-	-	11,350.00
Indian Oil Corpn. Ltd.	35	15,656.90	-	-	13,573.00
Mahindra Composite Ltd.	725	14,833.50	-	-	16,203.75
Marico Ltd.	225	13,833.00	-	-	13,567.50
Power Finance Corpn. Ltd.	100	14,187.00	-	-	14,460.00
Reliance Industries Ltd.	25	38,694.64	-	-	38,118.75
State Bank of India	55	53,955.85	-	-	58,690.50
Satyam Computer Services Ltd.	350	15,651.29	-	-	13,457.50
	<b>223438</b>	<b>44,04,298.39</b>	<b>20745</b>	<b>4,37,696.50</b>	<b>58,56,678.30</b>

All the above Investments are fully paid Equity Shares.



INTER GLOBE FINANCE LIMITED

# SCHEDULES

forming part of the Balance Sheet as at 31st March, 2009

	As at 31.03.2009		As at 31.03.2008	
	Rs.	P.	Rs.	P.
<b>SCHEDULE - 4</b>				
<b>CASH &amp; BANK BALANCE</b>				
i) Cash in hand	2,94,397.82		1,48,834.82	
ii) With Schedule Banks				
a) In Current Accounts	5,28,904.88		46,466.96	
b) In Shares Issue Refund Account		0.00		3,126.26
	<b>8,23,302.70</b>		<b>1,98,428.04</b>	
<b>SCHEDULE - 5</b>				
<b>LOAN &amp; ADVANCES</b>				
(Unsecured considered good recoverable in cash or in kind or for value to be received)				
Loans & Advances given to Corporate Bodies	6,66,27,077.00		30,17,290.00	
Advance Income Tax (Including TDS Receivable)	27,96,887.59		20,33,831.59	
Security Transaction Tax	68595.31		68,595.31	
Brokerage receivable		-	20,87,125.00	
	<b>6,94,92,559.90</b>		<b>7,20,6841.90</b>	
<b>SCHEDULE - 6</b>				
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>				
<b>A. CUREENT LIABILITIES</b>				
Unsecurd Loan taken from CorporateBodies without Securities & Guarantees	6,17,86,120.00		-	
Sundry Creditors for Expenses :				
Outstanding liabilities for expenses	1,41,221.20		7,94,058.57	
Share Issue Refund Account	563.26		563.26	
Other Liabilities	5,40,000.00		5,40,000.00	
Statutory Liabilities :				
T.D.S. Payable	4910.00		-	
Service Tax Payable		-	8,16,284.00	
	<b>6,24,72,814.46</b>		<b>21,50,905.83</b>	
<b>B. PROVISION</b>				
Interest Tax (relating to earlier year)	15,861.00		15,861.00	
Provision for Fringe Benefit Tax	1,374.00		1,374.00	
Provision for Income Tax	9,20,548.00		6,89,958.00	
	<b>9,37,783.00</b>		<b>7,07,193.00</b>	
<b>Total :</b>	<b>6,34,10,597.46</b>		<b>28,58,098.83</b>	

**SCHEDULES**

forming part of the Profit and Loss Account for the year ended 31st March, 2009

	Year ended on 31.03.2009		Year ended on 31.03.2008	
	Rs.	P.	Rs.	P.
<b>SCHEDULE - 8</b>				
<b>INTEREST, DIVIDEND &amp; OTHER INCOME</b>				
Brokerage Received	8,97,349.00		66,04,235.00	
Commission	10,00,000.00		-	
Consultancy Fees	3,92,100.00		-	
Share Profit	3,06,915.33		-	
Dividend	1,395.00		530.40	
Interest received on loan	7,82,916.00		22,356.00	
	<b>33,80,675.33</b>		<b>66,27,121.40</b>	
<b>SCHEDULE - 9</b>				
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>				
Accounting Charges	72,000.00		72,000.00	
Administrative Expenses	96,000.00		86,000.00	
AGM Expenses	5,000.00		-	
Advertising Expenses	3,586.00		1,833.00	
Audit Fees	11,236.00		11,236.00	
Bank Charges	17,552.42		1,040.80	
Demat Expenses	1,000.00		-	
Filing Fees	500.00		1,000.00	
General Expenses	13,712.00		18,419.00	
Listing Fees	11,484.00		10,000.00	
Misc. Expenses	4,152.00		4,034.00	
Office Tea & Tiffin Expenses	12,302.00		14,035.00	
Penalty Charges	1,600.00		-	
Postage & Stamps	59,824.00		53,245.00	
Printing & Stationary	84,190.00		7,400.00	
Professional & Consultancy Charges	-		1,25,000.00	
Registrar Expenses	33,706.20		6,741.00	
Rent	96,000.00		24,000.00	
Salary	78,000.00		46,500.00	
Secretarial Audit Expenses	1,700.00		5,000.00	
Trade Mark Expenses	4,000.00		5,000.00	
Travelling Expenses	30,315.00		17,167.00	
Trade Licence	3,900.00		-	
<b>Total :</b>	<b>6,41,759.62</b>		<b>5,09,650.80</b>	



## SCHEDULE - 7

**NOTE ON ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THE DATE****1. SIGNIFICANT ACCOUNTING POLICIES**

- a) **General** : Accounting Policies unless specifically stated to be otherwise are consistent and are in consonance with generally accepted accounting principles.
- b) **Recognition of Revenue and Expenditure** : The Company follows mercantile system of accounting and unless specifically stated to be otherwise, the company recognises revenue and expenditure on accrual basis.
- c) **Investments** : Investments are valued at cost, the market value of those shares are given for reporting purpose.
- d) **Debtors** : All the debtors are unsecured with the company.
- e) **Fixed Assets** : The Company has no Fixed Assets.
- f) **Stock in Trade** : The Company has no closing stock at the end of the year.
- g) **Capital Commitments** : Capital commitments as on 31.03.2009 Rs. Nil (Previous Year Rs. Nil).
- h) **Income Tax** : Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised subject to the consideration of prudence, on timing difference between taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent period.

**2. NOTES TO ACCOUNTS**

- a) Loans & Advances, Cash & Bank Balance are shown as per the ledger accounts of the company and as certified by the management and in their opinion the value of the realisation of the loans & advances in the ordinary course of business would not be less than the amount at which they are stated.
- b) Previous Year figures have been regrouped and rearranged wherever found necessary.
- c) Figures in the bracket indicate loss.

**3. Auditor's Remuneration**

- |                         |             |
|-------------------------|-------------|
| a) Statutory Audit Fees | Rs. 5,618/- |
| Tax Audit Fees          | Rs. 5,618/- |

In terms of our report of even date annexed.

For **Manish Mahavir & Co.**

Chartered Accountants

(**Manish Jain**)

Proprietor

Membership No. 059264

Place : Kolkata

Dated : 24th day of June 2009

On behalf of the Board

**Suresh Kumar Jain**  
Director

**Seema Gupta**  
Director

**Navin Tholiya**  
Director



INTER GLOBE FINANCE LIMITED

# BALANCE SHEET ABSTRACT

and Company's General Business Profile

## I. Registration Details :

Registration No.	55265	State Code	21
Balance Sheet Date	31.03.2009		

## II. Capital Raised during the year :

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

## III. Position of Mobilisation and Deployment of Funds: (Amount in '000')

Total Liabilities	51389	Total Assets	51389
<b>Sources of Funds :</b>		<b>Application of Funds :</b>	
Paid-up Capital	50000	Fixed Assets	Nil
Reserve & Surplus	1389	Investments	4404
Secured Loans	Nil	Net Current Assets	7428
Unsecured Loans	61786	Misc. Expenditure	Nil
Deferred Tax Liability	Nil	Accumulated Losses	39557

## IV. Performance of Company :

Total Income	517384	Total Expenditure	514773
Profit before Taxation	2610	Profit After Taxation	2380
Earning Per Share in (Rs.)	0.48	Dividend Rate	Nil

## V. Generic name of Principle Product / Services of the Company

Item Code No.	Not Applicable
Product description	Non Banking Finance Company

In terms of our report of even date annexed.

For **Manish Mahavir & Co.**

Chartered Accountants

(**Manish Jain**)

Proprietor

Membership No. 059264

Place : Kolkata

Dated : 24th day of June, 2009

On behalf of the Board

**Suresh Kumar Jain**  
Director

**Seema Gupta**  
Director

**Navin Tholiya**  
Director



INTER GLOBE FINANCE LIMITED

## AUDITOR'S CERTIFICATE

We have verified that above Cash Flow Statement of Inter Globe Finance Limited derived from the audited financial statements of the company for the period from April 1, 2008 to March 31, 2009 covered accordance therewith and also with the requirements of clause 32 of the listing agreements with Stock Exchange.

For Manish Mahavir & Co.  
*Chartered Accountants*  
**(Manish Jain)**

Place : Kolkata  
Dated: 24th day of June, 2009

*Proprietor*  
Membership No. 059264



INTER GLOBE FINANCE LIMITED

# CASH FLOW STATEMENT

for the year ended on 31st March, 2009

	For the year ended 2008-2009				For the year ended 2007-2008			
	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>								
Net Profit before tax			2,610,925.25				6,698,617.19	
Adjustment for :								
Interest Paid	191,030.00				2,004.00			
Interest Income	(782,916.00)				(22,356.00)			
Dividend Received/ other incomes	(2,597,759.33)				(530.00)			
Operating Profit before working Capital changes			(3,189,645.33)				(20,882.00)	
Adjustments for:			(578,720.08)				6,677,735.19	
Receivables	(522,546.00)				(2,087,125.00)			
Inventories	2,303,848.05				(2,065,473.05)			
Trade and other payables	60,552,498.63				1,491,593.37			
Other Current assets	2,163,058.62				—			
Cash generated from operations			64,496,859.30				(2,661,004.68)	
Taxes paid			63,918,139.22				4,016,730.51	
Net cash from operating activities			(230,590.00)				(769,379.00)	
			<b>63,687,549.22</b>				<b>3,247,351.51</b>	
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>								
Dividend Received/ other incomes	2597759.33				530.00			
Net Cash from Investing Activities			2,597,759.33				530.00	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>								
Loans disbursed	(62,285,718.00)				(3,017,290.00)			
Interest Income	782,916.00				22,356.00			
Interest Paid	(191,030.00)				(2,004.00)			
Investment in shares	(3,966,601.89)				(68,595.31)			
Net cash (used in) financing activities			(65,660,433.89)				(3,065,533.31)	
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT</b>			624,874.66				182,348.20	
Cash and cash equivalents as at 01.04.2008 (Opening balance)			198,428.04				16,079.84	
Cash and equivalents as at 31.03.2008 (Closing balance)			<b>823,302.70</b>				<b>198,428.04</b>	

Notes: 1) Cash Flow statement is prepared by indirect method as per accounting standard-3 "Cash Flow Statement".  
2) Previous Year figures regrouped, rearranged wherever necessary.

In terms of our report of even date annexed.

For **Manish Mahavir & Co.**

Chartered Accountants

(Manish Jain)

Proprietor

Membership No. 059264

Place : Kolkata

Dated : 24th day of June, 2009

On behalf of the Board

**Suresh Kumar Jain**  
Director

**Seema Gupta**  
Director

**Navin Tholiya**  
Director

**BOOK-POST**



**INTER GLOBE FINANCE LIMITED**

**Registered Office :**

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