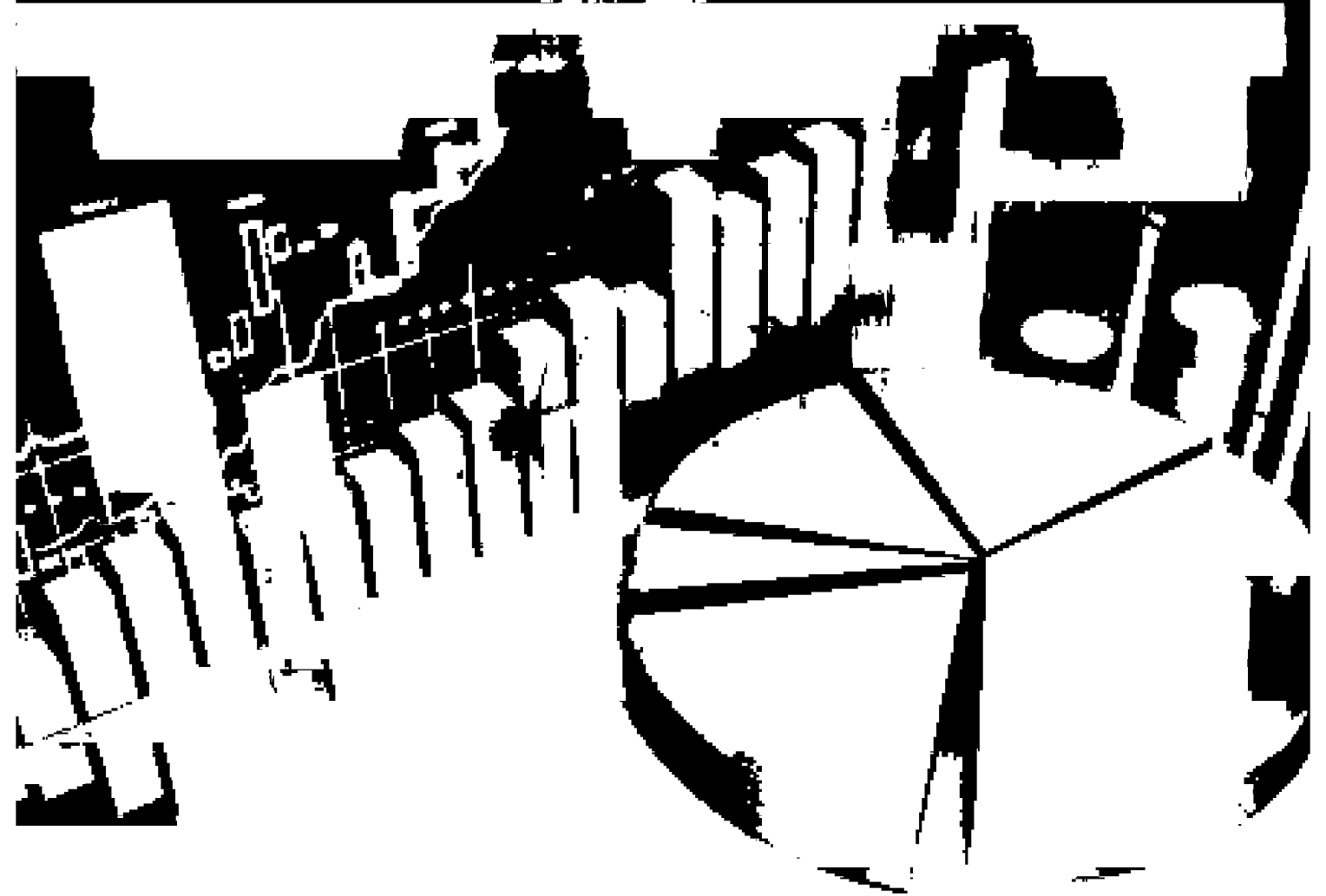


**24<sup>th</sup> ANNUAL REPORT  
2009 - 2010**



**Consolidated Finvest & Holdings Ltd.**

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# Consolidated Finvest & Holdings Limited

## Company Information

### **MANAGING DIRECTOR:**

Shiv Kumar Mittal

### **DIRECTORS:**

Ghanshyam Dass Singal  
Sanjay Mittal  
Radhey Shyam

### **COMPANY SECRETARY:**

Anil Kaushal

### **AUDITORS:**

Kanodia Sanyal & Associates  
Chartered Accountants

### **BANKERS:**

Axis Bank Limited  
ABN Amro bank

### **REGISTERED OFFICE:**

19<sup>th</sup> K.M. Hapur - Bulandshahr Road  
P.O. Gulaothi  
Distt-Bulandshahr, Uttar Pradesh

### **HEAD OFFICE:**

11/5-B,  
Basement, Pusa Road,  
Opposite Telephone Exchange,  
New Delhi-110 005

### **REGISTRAR & SHARE TRANSFER AGENT:**

Link Intime India Pvt. Ltd.  
A-40, 2<sup>nd</sup> Floor,  
Naraina Industrial Area, Phase-II,  
New Delhi 110028

### **ANNUAL GENERAL MEETING:**

28th September 2010, at 11:30 AM  
at Registered Office

### **BOOK CLOSURE:**

Friday 24th September 2010 to Tuesday, 28th September, 2010

# Consolidated Finvest & Holdings Limited

## NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the members of Consolidated Finvest & Holdings Limited will be held on Tuesday, 28th September 2010 at 11:30 A.M. at the Registered Office of the Company at 19th K.M. Hapur-Bulandshahr Road, P.O. Gulaothi, Dist. Bulandshahr, Uttar Pradesh – 245408 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 2010 and the Balance Sheet as at that date together with the reports of the Directors and Auditors thereon and statement in respect of Subsidiary Companies under Section 212 of the Companies Act, 1956.
2. To declare dividend for the year ended 31st March 2010 on equity shares of the company Re. 0.50 Per share i.e. 5%.
3. To elect a Director in place of Mr. Ghanshyam Dass Singal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to authorize Board to fix their remuneration.

### **SPECIAL BUSINESS:**

5. To consider and if thought fit to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT Pursuant to the provisions of Section 372 A and other applicable provisions, if any, of the Companies Act, 1956, consent of the members of the company be and is hereby accorded to the Board of Directors of the Company to invest the funds of the Company in the equity shares of Jindal India Powertech Limited up to Rs. 300 Crores in one or more tranches by way of subscription/ acquisition of shares .

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle and decide from time to time the actual amount of the investment and all matters arising out of or incidental to the proposed investment and to do all such acts, deeds, matters and things as may be necessary to implement this resolution.”

By Order of the Board

For **CONSOLIDATED FINVEST & HOLDINGS LIMITED**

Place: New Delhi  
Date : 3rd September 2010

**Anil Kaushal**  
(Company Secretary)

### **NOTES:**

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxy form in order to be effective must be lodged at the Registered Office of the company not less than 48 hours before the commencement of the meeting.

- 2) The Register of Members of the Company and the Share Transfer Books shall remain closed from **Friday, 24<sup>th</sup> September 2010 to Tuesday, 28<sup>th</sup> September 2010**, (both days inclusive).
- 3) Additional information, pursuant to clause 49 of the Listing Agreement with Stock Exchanges, on Directors recommended for appointment/re-appointment at the Annual General Meeting, is annexed hereto.
- 4) Members holding shares in physical form are requested to notify / send the following to the Company or Share Transfer Agent to facilitate better services:-
  - a) Any change in their address/mandate/bank details.
  - b) Particulars of their bank account, in case the same have not been sent earlier, for printing on dividend warrants to prevent fraudulent encashment, and
  - c) Share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into one account.
- 5) Members holding shares in electronic form are advised to notify the changes if any in their address /bank details/ mandate to their respective Depository Participant and inform that their address and bank details, as furnished to the Company by the respective Depositories, viz., NSDL & CDSIL will be printed on the dividend warrants.
- 6) The unpaid / unclaimed dividend for the years 2002-03 and onwards will become transferable at the end of seven years respectively, to the said Investor Education and Protection Fund and no claims shall lie against the fund or the company in respect of individual amounts thereafter. Shareholders are, therefore, requested to check and send their claims, if any, for the relevant years from 2002-03 onwards

# Consolidated Finvest & Holdings Limited

before the respective amounts become due for transfer to the above fund.

- 7) Dividend as recommended by the Directors for the year ended 31<sup>st</sup> March, 2010, if declared will be payable to those members whose names appear in the Register of Members, as at close of working hours of the company on 23<sup>rd</sup> September, 2010. In respect of shares held in demat form, the dividend will be payable on the basis of the statement of beneficial ownership as at close of business on 23<sup>rd</sup> September 2010, furnished by NSDL and CDSL for this purpose.
- 8) As required under sub clause IV (E)(v), of clause 49 of the Listing Agreement, the detail of shareholding of Non –Executive Directors ( both owned or held by / for other person on a beneficial basis ) seeking appointment / re-appointment in the forthcoming Annual General Meeting is given below :-

Name of the Non-Executive Director	Number of Shares held
Ghanshyam Dass Singal	NIL

- 9) Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
- 10) Queries on accounts and operations of the Company if any, may please be sent to the Company at least seven days in advance of the Meeting so that the answer may be readily available at the meeting.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### Item No. 5

The Board of directors of the Company has been investing from time to time funds of the Company in share, debt securities and mutual funds.

Board of Directors in their meeting held on 13<sup>th</sup> August 2010 has unanimously consented to make investment of Rs. 300 Crores in equity shares of Rs. 10/- each, payable at par in a group company, Jindal India Powertech Limited, promoter company of Jindal India Thermal Power Limited, who is setting up a Power Project in Orissa.

The Board shall ensure that adequate safeguards are taken while making investments so as to protect the interest of the company and its members.

**Nature of Investment:** Investments in the equity share capital of Jindal India Powertech Limited.

**Objective:** Optimum utilization of funds of the Company on long term basis.

**Source of Funds:** Internal accruals as may be generated by the company from time to time and temporary surpluses.

Your Directors recommend the acceptance of the proposed Special Resolution set out in item no. 5 in the best interest of the Company.

None of the directors of Company is concerned or interested in this resolution.

## DETAILS OF DIRECTOR SEEKING APPOINTMENT/ RETIRING BY ROTATION & SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING (IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT).

### Mr. Ghanshyam Dass Singal

Name of Director	Mr. Ghanshyam Dass Singal
Date of Birth	20/08/1971
Date of Appointment	10/04/2008
Expertise in specific functional area	Accounts, Finance and Taxation
Qualification	B.COM, ACA
Directorship in other Companies	Jindal Photo Investment Limited Jindal India Power Ventures Limited Consolidated Realtors Limited Agile Properties Limited Passion Tea Private Limited Jesmin Investments Limited Canton Vinimay Pvt Ltd Lucky Holding Pvt Ltd Canton Traders Private Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee Shareholders/ Investors Grievance and Share Transfer Committee.
Chairman / Member of the Committee of Director of other Companies in which he is a Director Audit Committee	Jindal Photo Investments Limited
Shareholder/Investor Grievance Committee Remuneration Committee	--- ---

By order of the Board  
For **Consolidated Finvest & Holdings Limited**

**Place:** New Delhi  
**Date:** 3rd September, 2010

**Anil Kaushal**  
(Company Secretary)

# Consolidated Finvest & Holdings Limited

## DIRECTORS' REPORT

To the members,

Your Directors have pleasure in presenting the 24<sup>th</sup> Annual Report of your company together with the audited accounts of the company for the year ended 31<sup>st</sup> March 2010.

## FINANCIAL RESULTS

	(Rs. In Lacs)	
	Year ended 31-3-2010	Year ended 31-3-2009
Income	1065	550
Profit before Interest, Depreciation & Tax	960	492
Less: i) Interest & Financial Charges	-	-
ii) Provision for Depreciation	15	15
iii) Provision for Taxation	161	106
iv) Deferred Tax Liability/(Asset) for the year	(5)	(5)
v) MAT Credit entitlement	-	58
<b>Profit After Tax</b>	<b>789</b>	<b>318</b>
Less: Taxation related to earlier years	-	28
Profit for the Year	789	290
Add: Previous year profit brought forward	7915	7908
Balance Available for appropriations	8704	8198
Appropriations		
Dividend (Proposed)	162	162
Tax on Dividend	26	27
Transfer to Reserve Fund	158	58
Transfer to General Reserves	200	35
Balance Carried to Balance Sheet	8158	7916

## OPERATIONS

During the year your Company has earned a profit after tax of Rs. 788 lacs as compared to Rs. 318 lacs in the previous year. The profit earned is mainly on account of sale of shares, Mutual Fund Redemption, dividend and Interest received.

## DIVIDEND

Your directors are pleased to recommend a dividend @ Re. 0.50 per share i.e. 5% on the paid up equity share capital of the company for the year ended 31<sup>st</sup> March 2010. The total payout of the company in respect of dividend is Rs. 188.47 lacs (inclusive of Dividend Tax).

## DEPOSITS

The Company has not accepted any deposit and the provisions of Section 58A of the Companies Act, 1956 are not applicable to the Company.

## RBI REGULATIONS

Your Company continues to fulfill all the norms and standard laid down by the Reserve Bank of India (RBI) and regularly filing all the returns.

## DIRECTORS

Mr. G. D. Singal is retiring by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

## COMPOSITE SCHEME OF ARRANGEMENT

Board of Directors in their meeting held on 10.11.2009 has withdrawn the Composite Scheme of Arrangement between the Company (CFHL) and Jindal India Finvest & Holdings Limited (JIFHL) and Jindal India Powertech Limited (JIPL) and their respective shareholders, pending with the Hon'ble High Court at Allahabad.

## AUDIT COMMITTEE

At present the audit committee comprises of the following Directors:

Mr. Ghanshyam Dass Singal (Chairman)  
Mr. Sanjay Mittal  
Mr. Shiv Kumar Mittal  
Mr. Radhey Shyam

# Consolidated Finvest & Holdings Limited

## CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions of Corporate Governance as prescribed in terms of clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is included as a part of the Annual Report along with Auditor's Certificate on its compliance.

## SUBSIDIARY COMPANIES

Jindal India Finvest & Holdings Limited ceased to be the subsidiary of your company. Jindal Photo Investments Limited is the wholly owned subsidiary of your company and Jesmin Investments Limited is also a subsidiary of the Company.

In compliance with the provisions of Section 212 of the Companies Act, 1956, a statement is annexed and forms part of this report.

## LISTING OF COMPANY'S SHARES ON STOCK EXCHANGES

The Company's shares are listed on "The National Stock Exchange of India Limited" (NSE).

The listing fee up to the year 2010-2011 has already been paid to the stock exchange.

## CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standard-21 (Consolidated Financial Statements), the Consolidated Financial Statements form part of this report & accounts. These Financial Statements have been prepared from the audited financial statements received from Subsidiary Companies, as approved by their respective Boards.

## FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES

Government of India, Ministry of Corporate Affairs (MCA) vide its letter bearing No. 47/651/2010-CL-III dated 22nd May 2010 has granted approval to the Company under Section 212(8) of the Companies Act, 1956 exempting the company for attaching the financial statements of the Subsidiary companies to the company's accounts for the financial year ended 31.03.2010 in view of the presentation of consolidated financial statements of the subsidiary in the annual report. The annual accounts of the subsidiary companies and the related detailed information will be made available to the holding and subsidiary companies investors seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any investor in the head office of the company and its respective subsidiary companies.

## GROUP

Details of persons constituting under group for inter-se transfer of shares under clause 3(1) (e) of the Securities

and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 1997 is annexed and forms part of this report.

## AUDITORS

M/s Kanodia Sanyal & Associates, Chartered Accountants, New Delhi, the auditors of your Company, retire at the ensuing Annual General Meeting and your directors recommend their re-appointment. They have furnished a certificate to this effect that their re-appointment, if made, will be in accordance with sub-Section (1B) of Section 224 of the Companies Act, 1956.

## AUDITORS' OBSERVATIONS

The Notes to the Accounts, forming part of the Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended on that date, referred to in the Auditors' Report are self explanatory and, therefore, do not call for any further comment under Section 217(3) of the Companies Act, 1956.

## ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of clause 2(A) (d) of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, in so far as it relates to conservation of energy and technology absorption are not applicable, as the company does not have any manufacturing activity.

The Company is also not having any foreign exchange earnings and outgo during the period under review.

## PERSONNEL

Your Directors would like to place on record their appreciation of the dedicated and loyal services rendered by the officers and staff of the Company.

There is no employee who has received the remuneration of Rs. 2,00,000 per month and/or above or Rs. 24,00,000 per annum and/or above during the year under review.

## DIRECTORS' RESPONSIBILITY STATEMENT AS PER SECTION 217(2AA) OF THE COMPANIES ACT, 1956.

The Directors confirm:

That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the

# Consolidated Finvest & Holdings Limited

Company at the end of the financial year and of the profit or loss of the company for the year under review;

That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, and for preventing and detecting frauds and other irregularities;

That they have prepared the annual accounts on a 'going concern' basis.

## ACKNOWLEDGEMENT

The Directors express their gratitude towards the Banks and various other agencies for the cooperation extended to the company. The Directors also take this opportunity

to thank the shareholders for the confidence reposed by them in the company.

The employees of the company contributed significantly in achieving the results. The Directors take this opportunity to thank them and hope that they will maintain their commitment towards excellence in the years to come.

**For and on behalf of the Board**

**Shiv Kumar Mittal** (G.D. Singal)  
Managing Director Director

Place : New Delhi  
Dated : 3rd September, 2010

## ANNEXURE TO THE DIRECTORS' REPORT

### STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Name of Subsidiary	Jindal Photo Investments Limited	Jesmin Investments Limited
1. Financial Year of the subsidiary ended on	31 <sup>st</sup> March 2010	31 <sup>st</sup> March 2010
2. Holding company's interest in the equity share capital	100 %	83.77 %
3. Profit / (loss) for the current financial year so far as it concerns the members of the holding company, not dealt with or provided for in the accounts of the holding company.	5,02,64,278	(87,424)
4. Net aggregate profits / (losses) for the previous financial years since becoming subsidiary so far as it concerns the members of the holding company, not dealt with or provided for in the accounts of holding company.	41,26,67,170	115,70,871
5. Net aggregate amounts received as dividends for previous financial years since becoming subsidiary dealt with in the accounts of the holding company in relevant years.	NIL	NIL

**For and on behalf of the Board**

**(Shiv Kumar Mittal)** (G.D. Singal)  
Managing Director Director

Place : New Delhi  
Dated : 3rd September, 2010



# Consolidated Finvest & Holdings Limited

## ANNEXURE TO THE DIRECTORS' REPORT

"Group" for inter-se transfer of shares under clause 3(1) (e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

1	Jindal Photo Limited	15	Hindustan Powergen Limited
2	Jindal Imaging Limited	16	Hindustan Thermal Power Generation Ltd
3	Consolidated Finvest & Holdings Ltd	17	Jindal India Power Ventures Limited
4	Jindal Photo Investments Limited	18	Lucky Holdings Private Limited
5	Jesmin Investments Limited	19	Mr. Shyam Sunder Jindal
6	Rishi Trading Company Limited	20	Mrs. Subhadara Jindal
7	Soyuz Trading Company Limited	21	Ms. Aakriti Jindal
8	Jindal Poly Films Limited	22	Mr. Bhavesh Jindal
9	Consolidated Photo & Finvest Limited	23	Aakriti Trust
10	Jindal (India) Limited	24	Gunjan Trust
11	Jindal India Finvest & Holdings Ltd Limited	25	Bhavesh Trust
12	Consolidated Imaging Limited	26	SSJ Trust
13	Jindal India Thermal Power Limited	27	Shyam Sunder Jindal HUF
14	Jindal India Powertech Limited		

FINANCIAL INFORMATION OF THE SUBSIDIARY COMPANIES AS REQUIRED BY GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS, VIDE GRANTING EXEMPTION LETTER NO. 47/651/2010-CL-III DATED 22<sup>nd</sup> JULY 2010

S. No.	Name of Subsidiary	Jindal Photo Investments Limited	Jesmin Investments Limited
(a)	Share Capital	861.00	2093.00
(b)	Reserves	18638.86	5861.54
(c)	Total Assets	19669.81	10210.04
(d)	Total Liabilities	169.94	0.25
(e)	Details of Investment (Except investment in the subsidiaries)	16468.42	10209.32
(f)	Turnover	556.70	NIL
(g)	Profit / (Loss) Before Taxation	549.00	(1.00)
(h)	Provision for taxation	46.36	NIL
(i)	Profit / (Loss) After taxation	502.64	(1.00)
(j)	Proposed Dividend	NIL	NIL

# Consolidated Finvest & Holdings Limited

## REPORT ON CORPORATE GOVERNANCE

### I. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company remains committed to laying strong emphasis on providing highest level of transparency, accountability and integrity towards all its stakeholders. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders value. While practicing good Corporate Governance, your Company strives to communicate in a truthful manner, all the material developments and its financial performance in a timely and meaningful manner.

The VISION and VALUES are the main ingredients of the Corporate Philosophy of the Company, which can be summarized as follows:

#### VISION

"To be an acknowledged leader in terms of maximizing stakeholder value, profitability and growth by being a financially strong, customer friendly, progressive organization.

#### VALUES

- Mutual Trust and Appreciation
- Integrity and Honesty
- Dedication & commitment
- Creativity and teamwork
- Openness and transparency

- Pursuit of excellence

### II. BOARD OF DIRECTORS

The composition of the Board of Directors is governed by the Companies Act, 1956, the Listing Agreement and the Articles of Association of the Company. Board of Directors comprises of a Managing Director and three independent Directors. The Board elects its chairman at its meetings.

During the financial year ended 31<sup>st</sup> March 2010 six Board Meetings were held, as follows:

30<sup>th</sup> April 2009

24<sup>th</sup> July 2009

31<sup>st</sup> August 2009

28<sup>th</sup> October 2009

10<sup>th</sup> November 2009

28<sup>th</sup> January 2010

For every Board Meeting the agenda papers along with explanatory notes are distributed well in advance to the Board members. The Company places before the Board the Minutes of Committees of the Board, annual operating plans, budgets, and all other information including those specified under Annexure 1 of clause 49 of the Listing agreement, if any.

Composition of the Board of Directors and other details as on 31st March 2010.

Name of the Director	Category	No of Meetings attended	Attendance at Last Annual General Meeting	No. of Outside Directorships held	No. of membership/ chairmanship in other Board Committees
Mr. Shiv Kumar Mittal	Managing Director	6(Six)	Yes	8 (Eight)	1 (One)
Mr. Sanjay Mittal	Director (Non Executive & Independent )	6(Six)	No	8 (Eight)	1 (One)
Mr. Ghanshyam Dass Singal	Director (Non Executive & Independent	6(Six)	Yes	9 (Nine)	1 (One)
Mr. Radhey Shyam *	Director (Non Executive & Independent )	Nil	Yes	8 (Eight)	1 (One)

\* appointed w.e.f. 30.04.2009 in place of Mr. Sushil Mittal.

### III AUDIT COMMITTEE

The Audit Committee reviews the financial accounting policies, adequacy of internal control systems and interacts with the statutory auditors, internal auditors.

Besides, the Committee reviews the observations of the management and internal/ external auditors, interim and annual financial results, Management discussion and analysis of financial condition and results of operations,

# Consolidated Finvest & Holdings Limited

and related party transactions, Committee comprises of three independent Directors and one Executive Director. Mr. G.D. Singal is the Chairman of the Audit committee, who is having sufficient experience in the field of accounts, finance and related areas. The composition of the Audit Committee is as under:

- i) Mr. G. D. Singal (Chairman)
- ii) Mr. Shiv Kumar Mittal
- iii) Mr. Sanjay Mittal
- iv) Mr. Radhey Shyam

The representative of M/s Kanodia Sanyal & Associates, Chartered Accountants, the statutory auditors is the permanent invitee to the Audit Committee meetings. The quorum of the committee is two members. The minutes of the Audit Committee are placed before the board. Mr. Anil Kaushal, Secretary of the Company is the Secretary of the Audit Committee.

Chairman of the audit committee will be present at the Annual General Meeting of the Company to answer the shareholders queries.

During the financial year ended 31<sup>st</sup> March 2010 five meetings of the Audit Committee were held, as follows:

30<sup>th</sup> April 2009

24<sup>th</sup> July 2009

31<sup>st</sup> August 2009

28<sup>th</sup> October 2009

28<sup>th</sup> January 2010

The details of the meetings attended by the members of the committee during the year are as under: -

Name	Designation	Meetings attended
Mr. Ghanshyam Dass Singal	Chairman	5(Five)
Mr. Shiv Kumar Mittal	Member	5(Five)
Mr. Sanjay Mittal	Member	5(Five)

The broad terms of reference of Audit Committee are as under:

Review of Quarterly/Half Yearly Unaudited Results.

Review of quarterly Internal Audit Report and internal Control System.

Review of adequacy of Internal audit function and discuss any significant finding with them, assessing and evaluating the risk and taking measures for mitigating the same.

Review with Internal Auditors on significant findings and follow up thereon.

Recommending the appointment/re-appointment of Auditors, fixation of Audit Fees and approval of payment of fees for any other services rendered by them.

Review of Audited Annual Financial Statements.

Reviewing the findings of any internal investigations by the internal auditors and the executive

Management's response on matters where is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.

Reviewing the Company's financial and risk management policies.

Considering such other matters as may be required by the Board.

Reviewing any other areas which may be specified as role of the Audit Committee under the Listing

Agreement, Companies Act and other statutes, as amended from time to time.

#### **IV. REMUNERATION OF DIRECTORS FOR YEAR 2009-2010**

No remuneration was paid to any of the Directors of the Company during the financial year 2009-2010

#### **V. SHAREHOLDERS / INVESTORS GRIEVANCE AND SHARE TRANSFER COMMITTEE**

The Board has constituted a 'Shareholders / Investors Grievance and Share Transfer Committee' which monitors share transfer, transmission, splits, consolidation and also redressal of shareholders and investors grievances. Investors' grievances are resolved to the extent possible within one week. Committee meets on fortnightly basis to solve the shareholders queries.

At present the committee comprises of the following members:

- i) Mr. G. D. Singal (Chairman)
- ii) Mr. Radhey Shyam
- iii) Mr. Shiv Kumar Mittal

# Consolidated Finvest & Holdings Limited

During the year 209 complaints were received directly from shareholders / investors and through Stock Exchanges, SEBI, DCA etc. All the complaints have generally been solved to the satisfaction of the complainants, except for disputed cases and sub-judice matters, which would be solved on final disposal by the Courts.

All valid requests for transfer have been acted upon and no transfer received during the year 2009-2010 is pending.

## VI. GENERAL BODY MEETING

Location and time of the last three Annual General Meetings are as under: -

Year	Venue	Date	Time
2009	Regd. Off: 19th K.M. Hapur – Bulandshahr Road, P.O. Gulaothi, Dist. Bulandshahr, Uttar Pradesh	25th September, 2009	11:30 AM
2008	Regd. Off: 19th K.M. Hapur – Bulandshahr Road, P.O. Gulaothi, Dist. Bulandshahr, Uttar Pradesh	23rd September, 2008	11:00 AM
2007	Regd. Off: 19th K.M. Hapur – Bulandshahr Road, P.O. Gulaothi, Dist. Bulandshahr, Uttar Pradesh	27th September, 2007	11:00 AM

No special resolution was passed in the last three Annual General Meetings.

## VII. DISCLOSURES

There have been no materially significant transactions with the related parties, pecuniary transactions or relationship other than in the financial statements for the year ended 31.03.2010 (Refer Note no. 15 of Notes to Accounts - Schedule 'L' forming part of the Balance Sheet & Profit & Loss Account). Accordingly the same have not been reproduced here.

The Company has complied with the requirements of Stock Exchanges, SEBI and other Statutory Authorities during the preceding three years on all matters related to capital markets and no penalties / strictures have been imposed on the Company.

The Company has adopted a Code of Conduct applicable to all Directors and Senior Management personnel of the Company. For the year under review, all directors and senior management personnel have confirmed their adherence to the provisions of said code. A declaration to this effect from Managing Director of the Company is also given to this effect at the end of this report.

Risk Assessment and Minimization procedures are in existence and reviewed periodically.

Jindal Photo Investments Limited is only 'Material Non Listed Subsidiary' Company in terms of revised Clause 49 of the Listing Agreement. However, the financial results and the investments (as and when made) are placed before the Audit Committee of the Company for review. Mr. Sanjay Mittal, Mr. Radhey Shyam and Mr. G.D. Singal, Independent Directors of the Parent Company i.e. Consolidated Finvest & Holdings Limited, are also on the Board of the Jindal Photo Investments Limited.

The Managing Director and Company Secretary have, as required under clause 49 of the Listing agreement, given their certificate on the review of financial statements, including cash flow, for the year ended 31.03.2010 to the Board of Directors.

The Company has not adopted Whistle Blower Policy being a Non Mandatory requirement. However no person has been denied to access to the Audit Committee.

All the mandatory requirements of Corporate Governance under clause 49 of Listing Agreement are being adhered to/complied with.

## VIII. MEANS OF COMMUNICATION

This is being done through submission of quarterly results and Annual Results to the stock exchanges in accordance with the listing agreement and publication in the leading newspaper like Financial Express or Business Standard (English) and Jansatta (Hindi). All other price sensitive and any other information are sent to The National Stock exchange of India Limited (NSE).

Management Discussion and Analysis forms part of this Annual Report.

## IX. GENERAL SHAREHOLDER INFORMATION

### a. Annual General meeting

Date and Time : 28<sup>th</sup> September 2010 at 11:30 A.M.

Venue : 19<sup>th</sup> K.M. Hapur-Bulandshahr Road, P.O. Gulaothi, Dist. Bulandshahr, Uttar Pradesh – 245408

# Consolidated Finvest & Holdings Limited

## b. Financial Calendar (tentative)

Financial Year.	1 <sup>st</sup> April 2010 to 31 <sup>st</sup> March 2011
Unaudited Financial Results for the first quarter ending June 30, 2010.	by 14 <sup>th</sup> August 2010
Unaudited Financial Results for the second quarter ending September 30, 2010.	by 15 <sup>th</sup> November 2010
Unaudited Financial Results for the third quarter ending December 31, 2010.	by 15 <sup>th</sup> February, 2011
Unaudited Financial Results for the fourth quarter ending March 31, 2010.	by 15 <sup>th</sup> May, 2011
Annual Accounts 2010-2011.	July / August 2011
Annual General Meeting for the year ending March 31, 2011.	August/ September 2011

## c. Date of Book Closure

Friday, 24<sup>th</sup> September 2010 to Tuesday, 28<sup>th</sup> September 2010 (both days inclusive).

## d. Dividend payment date

Dividend warrants will be dispatched before 28<sup>th</sup> October 2010, upon approval of the dividend by the shareholders in the Annual General Meeting.

## e. Listing on Stock Exchanges

The shares of the Company are listed on the following stock exchanges:

The National Stock Exchange of India Ltd. (NSE)  
Exchange Plaza, Plot C-1, Block – G Bandra – Kurla Complex, Bandra (East), Mumbai

The Listing fee for the year 2010-2011 has been paid to the Stock Exchanges in time.

## f. Custodial Fees to Depositories:

The Company has paid custodial fees for the year 2010-2011 to National Securities Depository Limited and Central Depository Services (India) Limited.

## g. Stock Code

NSE : CONSOFINVT  
ISIN : INE025A01027

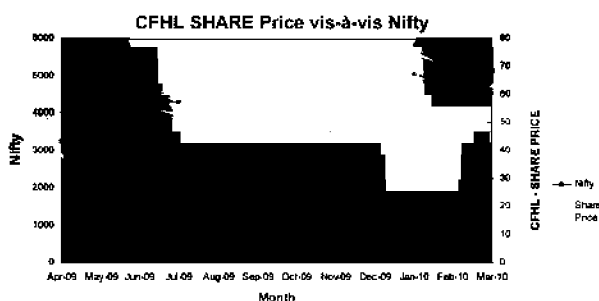
## h. Market Price Data

High Low during each month in the last financial year from 1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2010 at NSE.

### National Stock Exchange of India Limited

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April, 2009	48.00	28.35	October 2009	58.00	47.00
May, 2009	53.95	39.10	November, 2009	51.90	46.10
June, 2009	64.50	46.00	December, 2009	58.50	46.50
July, 2009	61.50	44.80	January, 2010	92.75	57.00
August, 2009	64.00	51.60	February, 2010	78.80	60.00
Sept, 2009	62.00	48.50	March, 2010	67.45	59.00

# Consolidated Finvest & Holdings Limited



## i. Registrar and Share Transfer Agent (for both Physical & Electronic)

M/s Link Intime India Private Limited  
(Unit: Consolidated Finvest & Holdings Limited)  
A-40, 2nd Floor  
Naraina Industrial Area, Phase – II  
New Delhi – 110 028  
Phone: 011- 41410592-94  
Fax: 011-41410591  
E-mail: delhi@linkintime.co.in

## j. Share Transfer System

The Registrar & Share Transfer Agent processes transfers in physical form within 30 days of the receipt of completed documents. Invalid share transfers are returned within 15 days of receipt. The Share Transfer Committee meets on fortnightly basis.

All requests for dematerialization of shares are processed and confirmation / rejection is given to respective depository i.e. NSDL & CDSIL through the Registrar on weekly basis.

## k. Distribution of Shareholding as on 31<sup>st</sup> March 2010

Shareholding of Nominal Value Rs. 10/- each	No. of shareholders	% of shareholders	Value of Shares	% of shareholding
Up to 2500	24389	87.987	21697010	6.712
2501 to 5000	2100	7.576	8362420	2.587
5001 to 10000	663	2.392	5120360	1.584
10001 to 20000	281	1.014	4251820	1.315
20001 to 30000	94	0.339	2347790	0.726
30001 to 40000	38	0.137	1407030	0.435
40001 to 50000	44	0.159	2064370	0.639
50001 to 100000	59	0.213	4293720	1.328
100001 and above	51	0.184	273719140	84.674
<b>TOTAL</b>	<b>27719</b>	<b>100.00%</b>	<b>323263660</b>	<b>100.00%</b>

## l. Shareholding Pattern as on 31<sup>st</sup> March, 2010

Category	No. of shares held	Percentage of shareholding
<b>A. Promoter's Holding</b>		
<b>Promoters</b>		
Individual	1735908	5.37%
Body Corporate	1388856	66.17%

	<b>Sub-Total</b>	<b>3124764</b>	<b>71.54%</b>
<b>B. Public Shareholding</b>			
<b>1. Institutional Investors</b>			
- Mutual Funds and UTI		3724	0.01%
- Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-government Institutions)		8390	0.03%
Foreign Institutional Investors		2785484	8.61%
<b>Sub-Total</b>		<b>2797598</b>	<b>8.65%</b>
<b>2. Non Institutional Investors</b>			
Private Corporate Bodies		953585	2.95%
Indian Public		4871100	15.06%
NRI's / OCBs		579319	1.79%
<b>Sub-Total</b>		<b>6404004</b>	<b>19.81%</b>
<b>GRAND TOTAL</b>		<b>32326366</b>	<b>100.00%</b>

## m. Dematerialization of shares and liquidity

As on 31<sup>st</sup> March, 2010, **1,79,10,618** number of shares representing **55.40 %** of total paid-up equity share capital are held in dematerialized form with NSDL & CDSIL.

## n. Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity

The Company does not have any outstanding GDR/ADR/Warrants or any other convertible instruments.

## o. Address for Correspondence

### Registered Office:

Consolidated Finvest & Holdings Limited  
19<sup>th</sup> K.M. Hapur – Bulandshahr Road  
P.O. Gulaothi  
Distt-Bulandshahr, Uttar Pradesh

### Head Office & Share department:

The Company Secretary  
Consolidated Finvest & Holdings Limited  
11/5-B, Basement, Pusa Road,  
Opposite Telephone Exchange  
New Delhi – 110 005  
Tel: 011-25767000-02,25767005-07  
Fax: 011-2576729, 25767022, 25767015  
e-mail : secretarial\_photo @jindalgroup.com /  
igr\_cfhl@jindalgroup.com

## p. Securities Dealing Code:

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations 1992, a Securities Dealing Code for prevention of Insider Trading is in place. The objective of the code is to prevent purchase and/sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this code, Designated Persons (Directors, Advisors, Officers and other concerned

# Consolidated Finvest & Holdings Limited

employees/persons) are prevented from dealing in the Company's shares during the closure of Trading Window.

## q. Managing Director's Declaration

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and senior management. I confirm that the Company has in respect of the financial year ended March 31,

2010, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For and on behalf of the Board

Place: New Delhi  
Date: 3rd September 2010

Shiv Kumar Mittal  
Managing Director

## MANAGEMENT DISCUSSION & ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENTS

The year 2009-10 reflected a comeback for the global economy in general and the Indian economy in particular. Global economies rebounded, ending uncertainty and turbulence. The Indian market was no different. Catalysed by a strong fiscal and monetary stimulus package by the Government of India that created ample in-system liquidity, the economy reported a vigorous revival in the second half of the financial year under review.

The year was also reasonably good for Investment Companies. Indian Stock Market also rebounded during the financial 2009-10. BSE Sensex after opening at 9901.99 at the beginning of the year bounced back to 17,527.77 at the end of the year under review. The company has invested its resources in the various capital market instruments. The management is optimistic about reaping the benefits of the capital market by investing its financial reserves in various financial instruments.

The Management continues to carry the vision of the Company forward by imbibing the values of Integrity and transparency in its operations. Being an investment company, greater emphasis is being given on effective corporate governance and ensuring that the commitment of the management is transformed into higher stakeholder value. The company is keeping up its efforts to improve transparency in its operations and disclosure practices.

### OPPORTUNITIES, THREATS & RISKS

The Indian Economy exhibited clear momentum in recovery and despite the impact of deficient monsoon on agricultural production, GDP growth for 2009-10 has been estimated at 7.4% up from 6.7% recorded in the previous year. The growth in 2010-11 is expected to be higher at 8.5%. Support for sustained momentum in growth can be expected from all three major components, viz. agriculture, industry and services.

Well functioning financial markets, robust rural demand, lower headline inflation and robust foreign exchange

reserves were all pointers to the long term strength and resilience of the Indian Economy. The timely fiscal stimulus packages being provided by the Government, coupled with, swift monetary easing and regulatory action by the Reserve Bank of India, helped to arrest the slow down and keep the economy ticking.

The sheer unpredictable nature of the markets makes investments a risky proposition. Any investment company has to live with a fear of falling markets and movement of the sensex. However, the company hopes to improve its performance on the strength of its long experience and its strong emphasis on the fundamentals. Your management has got ample exposure of the capital markets, which provides us an opportunity to make safer and profitable investments with minimum risks.

### PERFORMANCE

During the year, the company has earned profit after tax of 789 Lacs mainly from sale/redemption of Investments, dividend received and interest earned as compared to Rs. 290 lacs earned by the Company in the last year.

### OUTLOOK

The Company as a NBFC is engaged predominantly in the business of investments, the future outlook/business prospects are closely linked with the variations in the stock market and also in the government policy and world economy. As the rebounding of global economy, in general and clear momentum in recovery of Indian economy, stock markets were no different. There was revival in the stock market due to buoyancy and optimism in the economy. The overall outlook of the Company's management is continuous to be positive guided by investment philosophy that continually balances long-term investments with short term profitability. The company continues to carry on the business as an investment company and for that purpose it plans to invest in, acquire, subscribe for and hold shares, bonds, units, stocks, securities, debentures and/or mutual funds. The Indian Stock Market has already recovered and

# Consolidated Finvest & Holdings Limited

expected to further improve in the medium to long term and offers an excellent growth potential. The Company with its inherent strength in stock market operations is leveraged to encash the emerging opportunity.

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The company has a proper and adequate system of internal controls that all assets are safeguarded and protected against loss from unauthorized use or disposition, and all the transactions are authorised, recorded and reported correctly. Management continuously reviews the internal control systems and procedures to ensure orderly efficient conduct of business. The review included adherence to the management policies and safeguarding the assets of the company.

The company regularly conducts internal audits and checks to ensure that the responsibilities are executed effectively and that adequate systems are in place. The audit findings are reported on a quarterly basis to the Audit committee of the Board headed by a non-executive independent Director.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

Financial performance, which has been given in the Directors' report, needs to be viewed in the above backdrop.

## **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

The company is having sufficient industry professionals to carry out its operations and follows good management practices. These are basically its human resources assets and integral to the Company's ongoing success. They have played a significant role and enabled the Company to deliver superior performance year after year. Board of Directors of the Company is also actively involved in the day-to-day functions of the Company.

## **CAUTIONARY STATEMENT**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be a forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

**For and on behalf of the Board**

**(Shiv Kumar Mittal)**  
Managing Director

**(G. D. Singal)**  
Director

Place : New Delhi

Dated : 3rd September, 2010

## **AUDITORS' CERTIFICATE**

### **AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To the members of Consolidated Finvest & Holdings Limited

We have examined the compliance of conditions of corporate governance by Consolidated Finvest & Holdings Limited, for the year ended on 31<sup>st</sup> March, 2010, as stipulated in clause 49 of the listing agreement of the said company with stock exchange(s) in India.

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 ensuring compliance of 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 explanations given to us, we certify that the

Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the company, no investor grievance is pending for a period of exceeding one month.

We 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 Kanodia Sanyal & Associates**  
**Chartered Accountants**

**R.K. Kanodia**  
**Partner**

**Place : New Delhi**

**Dated : 3rd September 2010**

**M. No. 16121**



# Consolidated Finvest & Holdings Limited

## AUDITORS' REPORT

### To The Members of Consolidated Finvest & Holdings Limited

We have audited the attached Balance Sheet of **M/S CONSOLIDATED FINVEST & HOLDINGS LIMITED** as at 31st March 2010 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date (together referred to as 'financial statements'). 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 conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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 (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A), of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

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

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash flow Statement dealt with by this report have been prepared in compliance with 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 said directors are disqualified as on 31st March 2010 from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with other notes in Schedule "L" of 'Significant Accounting Policies and Notes on Accounts', give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and,
- ii. In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date.
- iii. In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **KANODIA SANYAL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

(**R.K KANODIA**)

**PARTNER**

**Place: New Delhi**

**Dated: 3rd September, 2010**

**M. No. 016121**

### **ANNEXURE TO AUDITORS' REPORT OF CONSOLIDATED FINVEST & HOLDINGS LIMITED**

#### **(Annexure referred to in our report of even date)**

1. (a) The company has maintained proper records of its fixed assets showing the full particulars, including quantitative details and situation of fixed assets.  
(b) As per information given to us, the management of the company has physically verified the fixed assets during the year. Discrepancies noticed on such verification, which were not material, have been properly adjusted in the books of account.  
(c) During the year, the Company has not disposed off a major part of the and therefore, paragraph 4(i) (c) of the Companies (Auditor's Report) Order 2003 (hereinafter referred to as Order) is not applicable.
2. (a) The stocks of finished goods, WIP, stores, spare parts and raw materials have been physically verified by the management during the year.

# Consolidated Finvest & Holdings Limited

In our opinion, the frequency of verification is reasonable.

- (b) The procedure of physical verification of stocks 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 the proper records of inventory. The discrepancies noticed on physical verification were not material and have been properly dealt with in the books of accounts.
3. (a) The company has granted loans, to six companies covered in the register maintained under section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loans aggregates to Rs. 226.65 lacs and Rs. 224.65 lacs respectively.
    - (b) In our opinion, the rate of interest and other terms and conditions of the above mentioned loans are prima facie not prejudicial to the interest of the company.
    - (c) In respect of the aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest.
    - (d) In respect of the aforesaid loans, there is no overdue amount as at Balance Sheet date.
    - (e) The company has not taken any loan, secured or unsecured, from any Company, firm or other party covered in the register maintained under Section 301 of the Companies Act, 1956.
  4. In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of stores, raw material including components, plant and machinery, equipment and other assets, and for the sale of goods. Further, on the basis of our examination of the books and records of the company in accordance with the generally accepted auditing practices, we have neither come across, nor have we been informed the existence of major weakness in the internal control procedures and systems. However, the corrective actions were
    5. (a) As per the audit procedures applied by us, and according to the information and explanations given to us by the management, there were no transactions required to be entered in the register maintained under section 301 of the Companies Act, 1956
    - (b) Since there are no transactions required to be entered into the register maintained under section 301 of the Act, paragraph 4(v) (b) of the Order is not applicable.
  6. According to the information and explanations given to us, the company has not accepted deposits from the public within the provisions of Sec 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) rules, 197.
  7. In our opinion the company has an internal audit system commensurate with the nature and size of its business.
  8. The maintenance of Cost records has not been prescribed by the Central Government u/s 209(1) (d) of the Companies Act, 1956 in respect of the Company's products.
  9. (a) The company has been generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth-tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding for a period of more than six months from the date they became payable.
    - (b) According to the information and explanation given to us and as per the books and records examined by us, there are no dues of sales tax, income tax, custom tax, wealth tax and cess which have not been deposited on account of any dispute, except as stated below in respect of Sales Tax demands which are shown as contingent liabilities in the Financial Statements:

Name of the statute	Nature of the Dues	Amount (Rs.lacs)	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act	Sales Tax demand against stock transfer rejected	7.69	2001-02 and 2002-03	In the High Court of Judicature at Allahabad

# Consolidated Finvest & Holdings Limited

10. There are no accumulated losses as at the end of the year. There are no cash losses during the financial year and the immediately preceding financial year.
11. According to the information and explanations given to us and as per the books of accounts examined by us, the company has not defaulted in the repayment of dues to the financial institutions or to the banks.
12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company does not fall within the category of Chit Fund/Nidhi/Mutual Fund/ Society and hence the related reporting requirements are not applicable.
14. According to the information and explanations given to us, the company is not dealing or trading in shares, securities debentures and other investments, hence, paragraph 4(xiv) of the Order is not applicable.
15. According to the information and explanations given to us, the Company has not given any guarantees against loans taken by others from banks & financial institutions.
16. The company has not raised any term loans during the year. Hence the paragraph 4(xvi) of the Order is not applicable.
17. According to the information and explanations given to us and as per the books and records examined by us, as on the date of balance sheet, the funds raised by the company on short term basis have not been applied for long term investments and vice versa.
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. The company does not have any debentures outstanding as on the Balance Sheet date, hence, the paragraph 4(xix) of the Order is not applicable.
20. The company has not raised any money through the public issue during the year. Accordingly, paragraph 4(xx) of the Order is not applicable.
21. According to the information and explanations given to us, and on the basis of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India, we have not come across any such instance of fraud on or by the company, noticed and reported during the year.

**For KANODIA SANYAL & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**(R.K KANODIA)**

**PARTNER**

**M. No. 016121**

**Place: New Delhi**

**Dated: 3rd September, 2010**

# Consolidated Finvest & Holdings Limited

## BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	SCHEDULE	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SOURCES OF FUNDS</b>			
<b>SHARE HOLDERS' FUNDS</b>			
Share Capital	'A'	323,263,660	323,263,660
Reserves & Surplus	'B'	3,007,060,848	2,947,054,605
<b>TOTAL</b>		<b>3,330,324,508</b>	<b>3,270,318,265</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
GROSS BLOCK	'C'	132,594,567	132,594,567
Less : Depreciation		84,203,565	82,717,530
NET BLOCK		48,391,003	49,877,037
<b>CAPITAL WORK IN PROGRESS</b>	'C'	402,800	402,800
<b>INVESTMENTS</b>	'D'	3,175,340,225	2,512,778,009
<b>DEFERRED TAX ASSETS(Net)</b>		53,842,126	53,331,234
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories	'E'	389,999	605,693
Sundry Debtors	'F'	-	-
Cash & Bank Balances	'G'	36,971,795	537,197,948
Loans & Advances	'H'	74,194,706	159,739,498
		111,556,501	697,543,139
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>	'I'	59,208,147	43,613,954
NET CURRENT ASSETS		52,348,354	653,929,185
<b>TOTAL</b>		<b>3,330,324,508</b>	<b>3,270,318,265</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	'L'		

For and on behalf of the Board

As per our report of even date attached  
For **Kanodia Sanyal & Associates**  
Chartered Accountants

**S.K. Mittal**  
(Managing Director)

**R.K. KANODIA**  
Partner  
M. No. 016121

**ANIL KAUSHAL**  
(Company Secretary)

**G.D. Singal**  
(Director)

Place : New Delhi  
Date : 3rd September, 2010

# Consolidated Finvest & Holdings Limited

## PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2010

PARTICULARS	SCHEDULE	YEAR ENDED 31.03.2010 Rs.	YEAR ENDED 31.03.2009 Rs.
<b>INCOME</b>			
Interest Received (TDS Rs. 50,28,238 (Previous Year Rs. 63,16017))		46,999,568	34,535,813
Income on sale of Investments (Net)		31,761,688	10,861,752
Dividend received		27,438,380	9,279,757
Rent recieved (TDS Rs. 58,485 (Previous Year Rs.67,980))		314,000	300,000
		<b>106,513,636</b>	<b>54,977,322</b>
<b>EXPENDITURE</b>			
Personnel Expenses	'J'	705,556	729,067
Administrative, Interest and Other Expenses	'K'	9,839,008	5,024,655
Depreciation	'C'	1,486,034	1,503,221
		<b>12,030,598</b>	<b>7,256,943</b>
<b>PROFIT FOR THE YEAR</b>			
		<b>94,483,038</b>	<b>47,720,379</b>
Less:-Taxation for the year - Current Tax		16,075,000	10,560,000
- Deferred Tax		(510,892)	(495,134)
- Fringe Benefit Tax		-	28,000
- Wealth Tax		65,000	80,000
MAT Credit entitlement		-	5,763,831
Income tax related to earlier years (net)		-	2,823,610
<b>PROFIT AFTER TAXATION</b>		<b>78,853,930</b>	<b>28,960,072</b>
<b>NET PROFIT FOR THE YEAR</b>		<b>78,853,930</b>	<b>28,960,072</b>
Balance Brought Forward		791,584,767	790,834,811
<b>BALANCE AVAILABLE FOR APPROPRIATION</b>		<b>870,438,697</b>	<b>819,794,883</b>
Proposed Dividend		16,163,183	16,163,183
Tax on Proposed Dividend		2,684,503	2,746,933
Transfer to Reserve Fund		15,780,000	5,800,000
Transfer to General Reserve		20,000,000	3,500,000
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>815,811,011</b>	<b>791,584,767</b>
		<b>870,438,697</b>	<b>819,794,883</b>
Earning Per Share (Basic/Diluted)		2.44	0.90
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	'L'		

For and on behalf of the Board

As per our report of even date attached  
For **Kanodia Sanyal & Associates**  
Chartered Accountants

**S.K. Mittal**  
(Managing Director)

**R.K. KANODIA**  
Partner  
M. No. 016121

**ANIL KAUSHAL**  
(Company Secretary)

**G.D. Singal**  
(Director)

Place : New Delhi  
Date : 3rd September, 2010

# Consolidated Finvest & Holdings Limited

## CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	2009-2010 Rs.	2008-2009 Rs.
<b>A. Cash Flow Before Tax from Operating Activities:</b>		
Net Profit Before Tax & Extraordinary Items	94,483,038	47,720,379
Adjustments for:		
Depreciation	1,486,035	1,503,221
Loss/(Profit) on Sale of Investments	(31,761,688)	(10,861,752)
Interest Received	(39,310,280)	(474,212)
Dividend Received	(27,438,380)	(9,279,757)
Operating Profit Before Working Capital Changes	(2,541,275)	28,607,879
Adjustments for:		
Trade & Other Receivables	102,442,327	1,762,348
Inventories	215,694	215,694
Trade Payables	(483,377)	(1,376,310)
Cash Generated from Operations	99,633,369	29,209,611
Direct Taxes Paid	(16,897,535)	(20,709,477)
Interest Received on Income Tax Refund	39,310,280	474,212
Income Tax Refund	-	10,486,375
Cash Flow before Extraordinary Items	122,046,113	19,460,721
<b>Net Cash from Operating Activities</b>	<b>122,046,113</b>	<b>19,460,721</b>
<b>B. Cash flow from Investing Activities:</b>		
Purchase of Investments	(1,355,104,806)	(1,127,958,617)
Sale of Investments	724,304,278	1,641,233,212
Dividend Received	27,438,380	9,279,757
<b>Net Cash flow from/(Used in) Investing Activities</b>	<b>(603,362,148)</b>	<b>522,554,352</b>
<b>C. Cash Flow from Financing Activities:</b>		
Dividend paid including tax thereon	(18,910,116)	(18,910,116)
<b>Net Cash flow from/(Used in) Financing Activities</b>	<b>(18,910,116)</b>	<b>(18,910,116)</b>
Net Change in Cash and Cash Equivalents (A+B+C)	(500,226,153)	523,104,957
Cash and Cash Equivalents As At 1st April (Opening Balance)	537,197,948	14,092,990
Cash and Cash Equivalents As At 31st March (Closing Balance)	36,971,795	537,197,948

For and on behalf of the Board

As per our report of even date attached  
For Kanodia Sanyal & Associates  
Chartered Accountants

S.K. Mittal  
(Managing Director)

R.K. KANODIA  
Partner  
M. No. 016121

ANIL KAUSHAL  
(Company Secretary)

G.D. Singal  
(Director)

Place : New Delhi  
Date : 3rd September, 2010

# Consolidated Finvest & Holdings Limited

## SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE 'A' SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
32,500,000 (Previous year 32,500,000) Equity Shares of Rs. 10 each	325,000,000	325,000,000
26,000,000 (Previous year 26,000,000) Redeemable Preference Shares of Rs.10 each	260,000,000	260,000,000
	<u>585,000,000</u>	<u>585,000,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
32,326,366 (Previous year 32,326,366) Equity Shares of Rs.10 each	323,263,660	323,263,660
	<u>323,263,660</u>	<u>323,263,660</u>
<b>SCHEDULE 'B' RESERVES AND SURPLUS</b>		
<b>CAPITAL RESERVE</b>		
Capital Investment Subsidy	4,653,000	4,653,000
Amalgamation Surplus	6,322,340	6,322,340
Amount recd. on forfeited shares		
- on Equity Shares	1,090,500	1,090,500
- on Cumulative Convertible Preference Shares	683,000	683,000
Share Premium on Forfeited Shares		
- on Equity Shares	10,750,500	10,750,500
- on Cumulative Convertible Preference Shares	6,837,000	6,837,000
	<u>30,336,340</u>	<u>30,336,340</u>
SHARE PREMIUM ACCOUNT	1,830,904,500	1,830,904,500
RESERVE FUND (In terms of Sec.45-1C of RBI Act,1934)		
As per last year	63,960,000	58,160,000
Add:- Transferred from Profit & loss Account during the year	15,780,000	5,800,000
	<u>79,740,000</u>	<u>63,960,000</u>
GENERAL RESERVE		
As per last year	230,268,997	226,768,997
Add:- Transferred from Profit & loss Account during the year	20,000,000	3,500,000
	<u>250,268,997</u>	<u>230,268,997</u>
PROFIT & LOSS ACCOUNT	815,811,011	791,584,768
<b>GRAND TOTAL</b>	<u>3,007,060,848</u>	<u>2,947,054,605</u>

# Consolidated Finvest & Holdings Limited

## SCHEDULES FORMING PART OF BALANCE SHEET

### SCHEDULE 'C' - FIXED ASSETS

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2009	ADDITIONS	DEDUCTIONS/ ADJUSTMENT	AS AT 31.03.2010	UPTO 31.03.2009	DEDUCTION/ ADJUSTMENTS	FOR THE PERIOD	UP TO 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
LAND	10,504,065	-	-	10,504,065	-	-	-	-	10,504,065	10,504,065
FACTORY SHED & BUILDING	23,676,613	-	-	23,676,613	14,173,778	-	790,799	14,964,576	8,712,037	9,502,835
FLATS	33,661,099	-	-	33,661,099	7,273,389	-	548,676	7,822,065	25,839,034	26,387,710
PLANT & MACHINERY	59,042,863	-	-	59,042,863	56,120,882	-	34,931	56,155,815	2,887,048	2,921,981
TUBEWELL	262,745	-	-	262,745	240,752	-	6,111	246,864	15,881	21,993
OFFICE EQUIPMENTS	2,282,378	-	-	2,282,378	1,887,736	-	105,517	1,993,252	289,126	394,642
FURNITURE & FIXTURES	2,852,172	-	-	2,852,172	2,722,808	-	-	2,722,808	129,364	129,364
VEHICLES	312,632	-	-	312,632	298,185	-	-	298,185	14,447	14,447
<b>TOTAL</b>	<b>132,594,567</b>	<b>-</b>	<b>-</b>	<b>132,594,567</b>	<b>82,717,530</b>	<b>-</b>	<b>1,486,034</b>	<b>84,203,565</b>	<b>48,391,003</b>	<b>49,877,037</b>
PREVIOUS YEAR	132,594,567	-	-	132,594,567	81,214,309	-	1,503,221	82,717,530	49,877,037	51,380,258
<b>CAPITAL WORK IN PROGRESS*</b>										
Plant & Machinery	8,056,000	-	-	8,056,000	7,653,200	-	-	7,653,200	402,800	402,800
<b>TOTAL</b>	<b>8,056,000</b>	<b>-</b>	<b>-</b>	<b>8,056,000</b>	<b>7,653,200</b>	<b>-</b>	<b>-</b>	<b>7,653,200</b>	<b>402,800</b>	<b>402,800</b>
PREVIOUS YEAR	8,056,000	-	-	8,056,000	7,653,200	-	-	7,653,200	402,800	402,800
<b>GRAND TOTAL</b>	<b>140,650,567</b>	<b>-</b>	<b>-</b>	<b>140,650,567</b>	<b>90,370,730</b>	<b>-</b>	<b>1,486,034</b>	<b>91,856,765</b>	<b>48,793,803</b>	<b>50,279,837</b>
PREVIOUS YEAR	140,650,567	-	-	140,650,567	88,867,509	-	1,503,221	90,370,730	50,279,837	51,783,058

Note:- \*The Capital Work in Progress represents dismantled plant & machinery costing transferred from one unit to another in earlier year.

### SCHEDULE 'D' INVESTMENTS

#### LONG TERM :

#### NON-TRADE (AT COST)

#### EQUITY SHARES- QUOTED-FULLY PAID UP

	FACE VALUE	SHARES/UNITS 31.03.2010 NOS.	SHARES/UNITS 31.03.2009 NOS.	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
ESTER INDUSTRIES LTD.	5	303	170,643	2,047	1,170,476
INDO COUNT INDUSTRIES LTD.	10	900	900	6,852	6,852
JINDAL PHOTO LTD.	10	50,000	50,000	500,000	500,000
JINDAL POLY FILMS LTD.	10	1,290,800	1,290,800	368,680,151	368,680,151
MTZ POLYESTER LTD	10	-	83,309	-	205,424
PNB GILTS LTD.	10	16,400	16,400	490,770	490,770
<b>Sub Total (A)</b>				<b>369,679,820</b>	<b>371,053,673</b>

#### EQUITY SHARES-UNQUOTED-FULLY PAID UP

#### In Subsidiaries-

JINDAL INDIA FINVEST AND HOLDINGS LIMITED	10	-	50,000	-	500,000
JINDAL PHOTO INVESTMENTS LTD.	10	8,610,000	8,610,000	1,009,055,600	1,009,055,600
JESMIN INVESTMENTS LTD.	10	8,000,000	8,000,000	320,000,000	320,000,000
<b>Sub Total (B)</b>				<b>1,329,055,600</b>	<b>1,329,555,600</b>

#### In Associates-

VIGIL FARMS LTD.	10	850,000	850,000	88,500,000	88,500,000
JINDAL BUILDMART LTD	10	330,000	330,000	33,000,000	33,000,000
<b>Sub Total (C)</b>				<b>121,500,000</b>	<b>121,500,000</b>



# Consolidated Finvest & Holdings Limited

## SCHEDULE 'D' INVESTMENTS (cont..)

	FACE VALUE Rs.	SHARES/UNITS 31.03.2010 NOS.	SHARES/UNITS 31.03.2009 NOS.	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>PREFERENCE SHARES-(UNQUOTED)-FULLY PAID UP</b>					
8.5% Optionally Convertible Cumulative Preference Shares of JINDAL (INDIA) LTD.	100	-	625,000	-	250,000,000
	<b>Sub Total (D)</b>			-	250,000,000
<b>IN MUTUAL FUNDS :-</b>					
TEMP-FIXED HORIZON FUND IX PLAN C GROWTH (FRANKLIN TEMPLETON)	1000	187,893	11,844,939	266,073,582	118,449,390
1242 ICICI PRUDENTIAL FMP SERIES 46 ONE YEAR PLAN	10	-	10,201,930	-	102,019,296
5481/HDFC FMP 370D JULY 2008 (IX)	10	-	5,000,000	-	50,000,000
28 ICICI PRUDENTIAL FLEXIBLE INCOME PLAN	10	-	1,02,50,536	-	10,81,03,540
LIC MF LIQUID FUND GROWTH PLAN	10	8,674,163	203,337	102,036,783	2,034,462
BIRLA SUNLIFE LIQUID PLUS FUND (B332WD)	10	2,862,859	3,997,183	28,660,233	40,062,048
BIRLA SUNLIFE LIQUID PLUS FUND (B331G)	10	449,816	-	7,500,000	-
RELIANCE MEDIUM TERM FUND	10	8,231,853	-	150,000,000	-
HDFC CASH MANAGEMENT FUND TREASURY	10	45,547,425	-	456,638,935	-
FIDELITY INDIA VALUE FUND -GROWTH	10	2,000,000	-	20,000,000	-
ICICI PRUDENTIAL INSTITUTIONAL SHORT TERM	10	6,062,221	-	113,542,374	-
HSBC FLOATING RATE LONG TERM PLAN INSTITUTIONAL	10	7,382,548	-	82,960,692	-
8002/HDFC HIGH INTEREST FUND -SHORT TERM PLAN	10	5,439,168	-	57,548,620	-
1526 ICICI PRUDENTIAL FLEXIBLE INCOME PLAN	10	666,938	-	70,143,586	-
	<b>Sub Total (E)</b>			87,504,884	41,497,925
				1,355,104,805	420,668,736
<b>IN BONDS (FULLY PAID UP) :-</b>					
NATIONAL HOUSING BANK	10000	-	2,000	-	20,000,000
	<b>Sub Total (F)</b>			-	20,000,000
	<b>Grand Total (A+B+C+D+E+F)</b>			3,175,340,225	2,512,778,009

Market Value of quoted investment Rs.4912.30 Lacs (Previous Year Rs.3491.43 Lacs)

Break up value of Unquoted investment Rs.23241.75 Lacs (Previous Year Rs.25746.76 Lacs)

Net Asset Value of Investments In Mutual Funds Rs.13849.63 Lacs (Previous Year Rs.4398.86 Lacs)

# Consolidated Finvest & Holdings Limited

## SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE 'E' INVENTORIES</b>		
(As taken, valued and certified by the Management)		
Stores & spare parts	299,998	471,301
Packing Materials	90,001	134,392
	<u>389,999</u>	<u>605,693</u>
<b>SCHEDULE 'F' SUNDRY DEBTORS (Unsecured)</b>		
Debts due over six months		
Considered Good		
Considered Doubtful	1,050,853	1,050,853
Less:- Provision for doubtful debts	1,050,853	1,050,853
	<u>-</u>	<u>-</u>
<b>SCHEDULE 'G' CASH AND BANK BALANCES</b>		
Cash in hand	35,729	33,333
Bank balances with scheduled banks:		
In Current Accounts	33,554,028	26,320,147
In Dividend Accounts	3,332,038	3,831,265
In Fixed Deposit Account*	50,000	50,000
In Fixed Deposit Account with Banks	-	506,963,203
*Lying with Government Authorities as security deposit		
	<u>36,971,795</u>	<u>537,197,948</u>
<b>SCHEDULE 'H' LOANS &amp; ADVANCES</b>		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Share Application Money Given	-	90,700,000
Advance to others-		
Considered Good	-	-
<b>Unsecured</b>		
Considered Good	30,499,823	42,242,150
Considered Doubtful	5,975,884	6,158,663
	<u>36,475,707</u>	<u>48,400,813</u>
Less:- Provision for doubtful Advances	5,975,884	6,158,663
	<u>30,499,823</u>	<u>42,242,150</u>
Balance with Excise Department	199,285	199,285
Security & Trade Deposits	2,078,167	2,078,167
Income Tax Payments (including income tax deducted at source)	41,417,431	24,519,896
	<u>74,194,706</u>	<u>159,739,498</u>
<b>SCHEDULE 'I' CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
- For Goods & Services	-	-
Other Liabilities	341,425	325,575
Liability towards Investor Education & Protection Fund Under Sec 205C of the Companies Act, 1956 not Due -Unpaid Dividend	3,332,036	3,831,263
	<u>3,673,461</u>	<u>4,156,838</u>
<b>B. PROVISIONS</b>		
Direct Tax	36,687,000	20,547,000
Proposed Dividend	16,163,183	16,163,183
Tax on Proposed Dividend	2,684,503	2,746,933
	<u>55,534,686</u>	<u>39,457,116</u>
<b>TOTAL : (A+B)</b>	<u>59,208,147</u>	<u>43,613,954</u>

# Consolidated Finvest & Holdings Limited

## SCHEDULES FORMING PART OF BALANCE SHEET

	YEAR ENDED 31.03.2010 Rs.	YEAR ENDED 31.03.2009 Rs.
<b>SCHEDULE 'J' PERSONNEL EXPENSES</b>		
Salary, Wages & other benefits	676,580	699,841
Staff Welfare Expenses	17,445	15,054
Contribution to Provident & other Funds	11,531	14,172
	<b>705,556</b>	<b>729,067</b>
<b>SCHEDULE 'K'-ADMINISTRATIVE, INTEREST AND OTHER EXPENSES</b>		
Rents, Rates & Taxes	173,471	312,916
Travelling & Conveyance	88,026	175,093
Electricity & Water Charges	84,056	58,362
Postage, Telegram & Telephones	412,512	585,307
Printing & Stationery	510,362	575,735
Legal & Professional Charges	712,745	2,261,930
Repairs & maintenance - Others	39,020	32,595
Filing Fees	264,671	216,663
Auditors Remuneration	188,614	241,608
Miscellaneous Expenses	207,106	237,825
De-Merger Expenses	4,853,796	-
Written off Excise Duty refund	2,087,791	-
Obsolete & dead stocks written off	215,694	215,694
Interest-others & Bank charges	1,144	110,927
	<b>9,839,008</b>	<b>5,024,655</b>

## SCHEDULE 'L' - SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### 1. Accounting Policies:

#### i) Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with the requirement of the Companies Act, 1956 and Accounting Standards referred to in Section 211(3C) of the Act.

#### ii) Fixed Assets

Fixed assets are stated at cost less depreciation. Cost of acquisition and fabrication or construction are inclusive of freight, duties and other incidental expenses during construction period. Incidental expenses includes establishment expenses, interest on fund used for Capital expenditure and other Administrative expenses.

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

#### iii) Depreciation

Depreciation on assets other than leased assets has been provided on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956. In respect of leased out assets, the cost of the same is being amortized fully during the primary period of lease.

#### iv) Treatment of expenditure during construction period

Incidental Expenditure during construction period is included under capital work in progress and the same is allocated to the respective fixed assets on completion of construction.

#### v) Revenue Recognition

a) All revenues, costs, duties, assets & liabilities are accounted for on accrual basis.

# Consolidated Finvest & Holdings Limited

- b) Dividend on Equity & Preference shares of corporate bodies are taken into account on accrual basis when such dividend has been declared by the corporate body in its annual general meeting and the right to receive payment is established.

## vi) Sales & Services

- a) Sales, net of returns and trade discount, is inclusive of excise duty but excludes sales tax .
- b) Sales are accounted when the sale of goods is completed on accrual basis.

## vii) Research & Development Expenses

Research & development costs of revenue nature are charged to revenue when incurred. Expenditure of Capital nature is capitalised and depreciation is provided thereon as per applicable accounting standards.

## viii) Borrowing Costs

Borrowing costs attributable to the acquisition and construction of asset are capitalised as part of the cost of such asset upto the date when such asset is ready for its intended use. Other borrowing costs are treated as revenue/deferred revenue expenditure as considered appropriate by the Management.

## ix) Investments

Investments are classified as long term or current based on the Management intention at the time of purchase. Long term investments are valued at their acquisition cost. Current investments are stated at lower of cost or net realisable value. The provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Investment in the units of Mutual funds are valued at cost or market value whichever is lower, depreciation, if any is fully provided for and appreciation if any is ignored.

## x) Retirement Benefits

- a) Short term Employees benefits are recognised as an expense at the undiscounted amount in the profit and loss of the year in which the related services are rendered.
- b) Post employment and other long term employees benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other term benefits are charged to the profit and loss account.

## xi) Foreign Currency Transaction

Transactions in foreign currencies not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rates ruling at the date of transaction as increased or decreased by the proportionate difference based on life of the contract between the forward rate and exchange rate on the date of transaction.

Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the profit or loss account except in cases where they relate to the acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

## xii) Inventories

The Method of Inventories valuation has been adopted as follows:

Raw Material	:	At cost (FIFO Basis)
Finished Goods	:	At Cost or Net Realisable Value whichever is lower.
Work-in-Process	:	At estimated cost
Trading Goods	:	At Cost or Net Realisable Value whichever is lower.
Stores & Spares	:	At Cost (FIFO Basis)
Packing Material	:	At Cost (FIFO Basis)

# Consolidated Finvest & Holdings Limited

## xiii) Taxation

The Current tax payable in respect of taxable income for the year has been charged to revenue.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent previous periods. Deferred tax assets are recognised on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Fringe Benefit Tax has been provided for as per the applicable provisions of the Income Tax Act, 1961.

## 2. Contingent Liabilities:

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
Various Sales Tax/Income tax/Excise Demand, against which appeals are pending	7,69,349	7,69,349

## 3. The Auditors' Remuneration includes the following

	Year Ended 31.03.2010 (Rs.)	Year Ended 31.03.2009 (Rs.)
Audit Fee	110,300	110,300
Other Services	61,769	114,454
Reimbursement of Expenses	16,545	16,854
	<b>188,614</b>	<b>241,608</b>

4. Balance with Sundry debtors and advances from customers are subject to confirmation and reconciliation.

5. In the opinion of the Board of Directors, current assets, loan & advances have a value on realisation at least equal to the amount at which they are stated unless stated otherwise.

6. The Fixed Assets which are presently not in the name of the company were acquired / transferred / taken over only through merger / amalgamation scheme approved by the High Courts and are in the possession of the Company and are being used by it

7. As per Accounting Standard 15 "Employee Benefits", the disclosures of employee benefits as defined in the accounting standard are given below:-

a) Contribution to Defined Contribution Plan, recognised as expenses for the year is Rs.11531 towards employer's contribution to Provident fund.

b) Defined Benefit Plan

The present value of obligation for gratuity is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

i) Reconciliation of opening and Closing balances of defined benefit obligation for Gratuity (unfunded)

	2009-2010 (Rs.)	2008-2009 (Rs.)
Defined benefit obligation at the beginning of the year	43,115	151,962
Current service cost	15,309	14,718
Interest cost	3,234	10,637
Actuarial (gain)/Loss	(1,512)	38,659
Benefits Paid	0	(172,861)
Settlement cost	0	0
Defined benefit obligation at the end of the year	60,146	43,115

ii) Reconciliation of Fair value of assets and obligations

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
Present value of obligation	60,146	43,115
Amount recognised in Balance Sheet	60,146	43,115

# Consolidated Finvest & Holdings Limited

iii) Expense recognised during the year	<b>2009-2010</b>	2008-2009
	<b>(Rs.)</b>	<b>(Rs.)</b>
Current service cost	<b>15,309</b>	14,718
Interest cost	<b>3,234</b>	10,637
Actuarial (Gain)/Loss	<b>(1,512)</b>	38,659
Net Cost	<b>17,031</b>	64,014
iv) Actuarial assumptions		
Discount rate (per annum)	<b>7.50%</b>	7.00%
Future salary increase (per annum)	<b>5.00%</b>	4.50%

The estimates of rate of future salary increase takes account of inflation, seniority, promotion and other relevant factor on long term basis. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of liability. The above information is certified by the actuary.

c) The obligation for leave encashment of Rs. 16675/- is recognised, provided for and paid on yearly basis.

8. The company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises. Development Act 2006 and therefore disclosures, as required under the said act has not been given.

9. Board of Directors in their meeting held on 10.11.2009 withdrawn the Composite Scheme of Arrangement between the Company (CFHL) and Jindal India Finvest & Holding Limited (JIFHL) and Jindal India Powertech Limited (JIPL) and their respective shareholders from the Hon'ble High Court at Allahabad.

10. Amount to be credited to Investor Education and Protection Fund

	<b>As at</b>	As at
	<b>31.03.2010</b>	31.03.2009
	<b>(Rs.)</b>	<b>(Rs.)</b>
a Unpaid dividend	<b>Nil</b>	Nil
b Unpaid application money received for allotment of securities and due for refund	<b>Nil</b>	Nil
c. Unpaid matured deposits	<b>Nil</b>	Nil
d. Unpaid matured debentures	<b>Nil</b>	Nil
e. Interest accrued on (a) to (d) above	<b>Nil</b>	Nil

	<b>Year Ended</b>	Year Ended
	<b>31.03.2010</b>	31.03.2009
	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>11. Earning Per Share</b>		
Profit After Taxation	<b>78,853,930</b>	28,960,073
Number of Equity Shares outstanding	<b>32,326,366</b>	32,326,366
Face value of per Equity Share	<b>10.00</b>	10.00
Earning per Share (Basic/Diluted)	<b>2.44</b>	0.90

# Consolidated Finvest & Holdings Limited

12. As per Accounting Standard-22 "Accounting for Taxes on Income" and measured at the tax rates that have been enacted or substantially enacted by the balance sheet date. The Deferred Tax Liability/(Asset) comprises of tax effect of timing difference on account of:

	As at 01.04.2009 (Rs.)	For the year (Rs.)	As at 31.03.2010 (Rs.)
a) Deferred Tax Liability			
For Depreciation difference as per books and I.Tax Act	3,406,734	(505,103)	2,901,631
	<u>3,406,734</u>	<u>(505,103)</u>	<u>2,901,631</u>
b) Deferred Tax Assets			
Carry forward Long Term Capital Loss	56,650,000	-	56,650,000
Disallowance under Section 43-B of I.Tax Act	87,969	5,789	93,758
	<u>56,737,969</u>	<u>5,789</u>	<u>56,743,758</u>
Net Deferred Tax Liability/(Assets) (a-b)	<u>(53,331,235)</u>	<u>(510,892)</u>	<u>(53,842,127)</u>

13. The profit on sale of Investments in Mutual fund/shares includes profit on sale of current investment amounting to Rs.0.31 Lacs (Previous Year Rs.74.00 lacs) which were purchased & sold during the year, the cost being Rs.1970.58 lacs (Previous Year Rs.7091.00lacs)

The following mutual funds/Shares have been purchased and sold during the year:-

	No. / Units	Purchase cost in (Rs.)
B332 WD BIRLA SUNLIFE SAVING FUND	4,312,231	43,155,112
HSBC FLOATING RATE FUND LONG TERM REGULAR	4,498,605	45,029,671
2014/HDFC FLATING RATE INCOME FUND SHORT TERM PLAN	3,657,655	55,575,500
1526 ICICI PRUDENTIAL FLEXIBLE INCOME PLAN PREMIUM	189,667	19,947,292
28 ICICI PRUDENTIAL FLEXIBLE INCOME PLAN	3,119,962	33,350,791

14. The Company is mainly engaged in the investments activities and do not qualify for separate reporting as required by AS-17 on "Segment Reporting".

15. Disclosures as required by Accounting Standard-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as follows :

**(A) List of Related Parties**

**a) Controlling Company**

Consolidated Photo & Finvest Ltd.

**b) Subsidiaries**

Jindal Photo Investments Ltd.

Jindal India Finvest & Holdings Ltd. (Up to 30.01.2010)

Jesmin Investments Ltd.

**c) Associate Company**

Universal Foils Ltd.

Rishi Trading Co. Ltd

Jindal Poly Films Ltd.

Soyuz Trading Co. Ltd

Vigil Farms Ltd

Jindal Buildmart Ltd

# Consolidated Finvest & Holdings Limited

## d) Key Management Personnel

Mr. S.K.Mittal

15. (B) Details of Transactions with related parties are as follows:

	Current Year	Previous Year
<b>Associates Companies</b>		
Interest Received	1,111	5,039
Dividend Received	2,581,600	2,581,600
Loan Given During the Year	-	2,360,000
Loan received back	-	2,360,000
<b>Subsidiaries</b>		
Loan Given During the Year	-	40,100,000
Loan received back	100,000	40,000,000
<b>Outstanding as at year end Associates Companies</b>		
Investments	490,180,151	490,180,151
<b>Subsidiary Companies</b>		
Loans & Advances Given	-	100,000
Investment	1,329,055,600	1,420,255,600

Note :- Related party relationship is as identified by the company and relied upon by the auditors

Note :- No amount has been provided as doubtful debts or advances/ written or written back in the year in respect of debts due from or to above related parties

16. Particulars in respect of Loans/Advances/Investments as required under clause 32 of the Listing Agreement.

Name of Company	Outstanding Balance		Maximum outstanding amount during	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
a) Loans & advances in the nature of loans to Associate Companies				
Vigil Farms Limited	-	-	-	2,203,846
Jindal Build Mart Ltd	-	-	-	161,193
b) Loans & advances in the nature of loans to where repayment schedule is not specified/is beyond 7 years	-	-	-	-
c) There is no loan/advances as mentioned above in the nature of loans where interest is NIL or below the rate specified U/S.372A of the Companies Act,1956.	-	-	-	-
d) Investments by the Loanee in the shares of the Company	-	-	-	-
e) Loan and advance in the nature of loans where interest not Charged or charges below bank rate	-	-	-	-
f) Investments made in equity share of company by loanee are Nil (Previous year Nil)	-	-	-	-

17. Figures for the previous year have been regrouped/ re-arranged/ reclassified/ recasted wherever considered necessary to confirm to this year's classification.

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

19. Schedule `A` to `L` are annexed to and form part of Statement of Accounts.



# Consolidated Finvest & Holdings Limited

20. Balance Sheet abstract and company's general business profile as required by Part IV Schedule VI of the Companies Act, 1956.

**I. Registration Details :**

Registration No :	15474	State Code :	20
Balance Sheet Date	Date	Month	Year
	31	3	2010

**II Capital raised during the year (Amount in Rs. '000)**

Public Issue	Right Issue
NIL	NIL
Bonus Shares	Private Placement
NIL	NIL

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs. '000)**

Total Liabilities	Total Assets
3,330,325	3,330,325

**Sources of Funds (Amount in Rs. '000)**

Paid Up Capital	Reserves & Surplus
323,264	3,007,061
Secured Loans	Unsecured loans
NIL	NIL
Deffered Tax Liabilities	
NIL	

**Application of Funds ( Amount in Rs. '000)**

Net Fixed Assets	Investments
48,795	3,175,340
Net Current Assets	Misc. Expenditure
52,348	NIL
Deffered Tax Assets	
53,842	

**IV. Performance of Company(Amount in Rs. '000)**

Turnover	Total Expenditure
106,514	12,031
Profit Before Tax	Profit After Tax
94,483	78,854
Earning Per Share	Dividend Rate
(Rs.)	(Equity)
2.44	5%

**V. Generic names of three principal products/ services of Company**

Item Code No. (ITC Code)	NA
Product Description	Investments

As per our report of even date attached  
**For Kanodia Sanyal & Associates**  
**Chartered Accountants**

**R.K. KANODIA**  
 Partner  
**M. No. 016121**

Place : New Delhi  
 Date : 3rd September 2010

For and on behalf of the Board

**S.K.Mittal**  
 Managing Director

**ANIL KAUSHAL**  
 (Company Secretary)

**G.D.Singal**  
 Director

# Consolidated Finvest & Holdings Limited

Balance Sheet of a Non-Deposit Taking Non-Banking Financial Company as required (As required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007)

Particulars	(Rs.in Lacs)	
	Amount Outstanding	Amount Overdue
<b>Liabilities side :</b>		
1 Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid	-	-
(a) Debentures : Secured	-	-
Unsecured (other than falling within the meaning of public deposits*)	-	-
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public deposits	-	-
(g) Other Loans	-	-
	Amount Outstanding	(Rs./Lacs)
2 Assets side :		
Break-up of Loans and Advances including Bills receivables (other than those included in (4) below :		-
(a) Secured		-
(b) Unsecured		302
3 Break-up of Leased Assets and stock on hire and hypothecation loans counting towards AFS activities		
(i) Lease Assets including lease rentals under sundry debtors:		-
(a) Financial lease		-
(b) Operating lease		-
(ii) Stock on hire including hire charges under sundry debtors:		-
(a) Assets on hire		-
(b) Repossessed Assets		-
(iii) Other loans counting towards AFS activities		-
(a) Loans where assets have been repossessed		-
(b) Loans other than (a) above		-
4 Break-up of investments :		
Current Investments :		
1. Quoted :		
(i) Shares (a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-

(iv) Government Securities	-
(v) Others (please specify)	-
2. Unquoted :	
(i) Shares (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-

## Long Term Investments :

1. Quoted :		
(i) Shares (a) Equity	3697	
(b) Preference	-	
(ii) Debentures and Bonds	-	
(iii) Units of mutual funds	-	
(iv) Government Securities	-	
(v) Others (please specify)	-	
2. Unquoted :		
(i) Shares (a) Equity	14506	
(b) Preference	-	
(ii) Debentures and Bonds	-	
(iii) Units of mutual funds	13551	
(iv) Government Securities	-	
(v) Others (Share Application given)	-	

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

Category	Amount Net of provisions (Rs. Lacs)	
	Secured	Unsecured
1. Related Parties		
(a) Subsidiaries	-	0
(b) Companies in the same group	-	0
(c) Other related parties	-	0
2. Other than related parties	-	302
<b>Total</b>	-	<b>302</b>

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

1. Related Parties	Market Value/	Book
	Breakup or fair Value or NAV	Value (net of Provision)
(a) Subsidiaries	22,036	13,291
(b) Companies in the same group	-	-
(c) Other related parties	6,129	4,902
2. Other than related parties	13,954	13,561
Assets side :	<u>42,119</u>	<u>31,754</u>

## 7 Other Information

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

As per our report of even date attached  
For Kanodia Sanyal & Associates  
Chartered Accountants

For and on behalf of the Board

R.K. Kanodia  
Partner  
M.No. 16121

Anil Kaushal  
(Company Secretary)

S.K. Mittal  
(Managing Director)

G.D. Singal  
(Director)

Place : New Delhi  
3rd September 2010

# Consolidated Finvest & Holdings Limited

Schedule to the Balance Sheet of a Non-Deposit Taking Non-Banking Financial Company as required in terms of Paragraph 10 (5) of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank Directions 2007)

## CAPITAL TO RISK ASSETS RATIO (CRAR)

Items	Current Year	Previous Year
i) CRAR (%)	318.68%	205.56%
II) CRAR - Tier I Capital (%)	318.68%	205.56%
iii) CRAR - Tier II Capital (%)	NIL	NIL

## Exposures

Exposure to Real Estate Sector

Category	Current Year	Previous Year
a) Direct exposure		
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented . (individual housing loans upto Rs.15 lakh may be shown separately)	NIL	NIL
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real estates ( office buildings, retail space, multipurpose commercial premises , multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc.). Exposure would also include non-fund based (NFB) limits.	NIL	NIL
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a) Residential	NIL	NIL
b) Commercial Real Estate	NIL	NIL
b) Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	NIL	NIL

## Asset Liability Management

Maturity pattern of certain items of assets and liabilities

(Rs. In crores)

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to one year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from Banks	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Market Borrowings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Assets</b>									
Advances	0.05	0.12	0.05	0.10	0.28	2.40	NIL	NIL	3
Investments	60	60	53	NIL	NIL	NIL	NIL	145	318

# Consolidated Financial Statements

## Auditors' Report on Consolidated Financial Statement

To The Board of Directors of Consolidated Finvest & Holdings Limited and its subsidiaries

We have audited the attached consolidated Balance Sheet of CONSOLIDATED FINVEST & HOLDINGS LIMITED and its subsidiaries as at 31st March, 2010 and the consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date (both annexed thereto) (together referred to as 'Consolidated Financial Statements'). These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. We did not audit the financial statement of Jesmin Investments Ltd. (subsidiary), whose financial statement reflects total assets of Rs. 10,210.05 lacs as at 31st March 2010, and total revenues of Rs. NIL lacs and the total cash flow Rs. (0.65) lacs for the period ended 31st March 2010. These financial statements have been audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditors.
3. We report that consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21, "Consolidated Financial Statements", Accounting Standard 23, accounting for investment in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and on the basis of the separate financial statements of the Consolidated Finvest & Holdings Limited and its subsidiaries, included in the consolidated financial statements.
4. On the basis of information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Consolidated Finvest & Holdings Limited and its subsidiaries, we are of the opinion that the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) In the case of the consolidated balance sheet, the consolidated state of affairs of Consolidated Finvest & Holdings Limited and its subsidiaries as at 31st March, 2010;
  - ii) In the case of the consolidated Profit & Loss Account, the consolidated results of operations of Consolidated Finvest & Holdings Limited and its subsidiaries for the year ended on that date; and
  - iii) In the case of the consolidated Cash Flow Statement, of the consolidated cash flow of Consolidated Finvest & Holdings Limited and its subsidiaries for the year ended on that date.

For **KANODIA SANYAL & ASSOCIATES**  
**Chartered Accountants**

**Place: New Delhi**  
**Dated: 3rd September, 2010**

**R.K. KANODIA**  
**(PARTNER)**  
**M. No. 016121**

# Consolidated Financial Statements

## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2010

PARTICULARS	SCH	AS AT	AS AT
		31.03.2010	31.03.2009
		Rs.	Rs.
<b><u>SOURCES OF FUNDS</u></b>			
<b>SHARE HOLDERS' FUNDS</b>			
Share Capital	'A'	323,263,660	323,263,660
Share Application Money		180,000,000	-
Reserves & Surplus	'B'	7,326,481,040	6,661,341,684
Minority Interest		130,358,754	130,375,857
<b>TOTAL</b>		<b>7,960,103,455</b>	<b>7,114,981,201</b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b>FIXED ASSETS</b>			
GROSS BLOCK	'C'	351,434,146	480,622,696
Less : Depreciation		84,203,565	82,717,531
NET BLOCK		267,230,581	397,905,165
<b><u>CAPITAL WORK IN PROGRESS</u></b>	'C'	402,800	402,800
<b><u>INVESTMENTS</u></b>	'D'	7,328,613,670	5,735,431,443
<b>DEFERRED TAX ASSETS(Net)</b>		232,672,764	233,794,785
<b><u>CURRENT ASSETS, LOANS &amp; ADVANCES</u></b>			
Inventories	'E'	389,999	605,693
Sundry Debtors	'F'	-	-
Cash & Bank Balances	'G'	38,085,270	646,707,332
Loans & Advances	'H'	168,936,492	160,694,650
		207,411,761	808,007,675
<b><u>LESS: CURRENT LIABILITIES &amp; PROVISIONS</u></b>	'I'	76,228,122	60,630,605
NET CURRENT ASSETS		131,183,639	747,377,070
<b><u>MISCELLANEOUS EXPENDITURE</u></b>			
(To the extent not written off or adjusted)	'J'	-	69,938
<b>TOTAL</b>		<b>7,960,103,455</b>	<b>7,114,981,201</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>			
	'M'		

For and on behalf of the Board

As per our report of even date attached  
For **Kanodia Sanyal & Associates**  
Chartered Accountants

**S.K. Mittal**  
Managing Director

**R.K. KANODIA**  
Partner  
M. No. 016121

**ANIL KAUSHAL**  
Company Secretary

**G.D. Singal**  
Director

Place : New Delhi  
Date : 3rd September, 2010

# Consolidated Financial Statements

## CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2010

PARTICULARS	SCH	YEAR ENDED 31.03.2010 Rs.	YEAR ENDED 31.03.2009 Rs.
<b>INCOME</b>			
Dividend received		44,594,193	25,377,704
Interest Received		56,474,204	51,711,033
Income on sale of Investments(Net)		60,802,219	82,039,448
Rent Received		314,000	300,000
		<u>162,184,616</u>	<u>159,428,185</u>
<b>EXPENDITURE</b>			
Personnel Expenses	'K'	943,866	952,482
Administrative, Interest and Other Expenses	'L'	10,475,854	6,285,747
Depreciation	'C'	1,486,034	1,503,221
		<u>12,905,754</u>	<u>8,741,450</u>
<b>PROFIT FOR THE YEAR</b>		<b>149,278,862</b>	150,686,735
Less:-Taxation for the year			
- Current Tax		22,665,000	20,650,000
- Deferred Tax		1,122,021	(2,344,124)
- Fringe Benefit Tax		-	32,600
- MAT Credit		(3,522,006)	3,943,522
Income Tax related to earlier years		(55,595)	2,820,720
<b>NET PROFIT FOR THE YEAR</b>		<b>129,069,442</b>	125,584,017
Add:- Share of Profits in Associates		640,900,458	319,909,257
Less: Minority Interest in Income/(Loss)		(17,103)	260,859
		<u>769,987,003</u>	<u>445,232,415</u>
Add:- Balance of Profit & Loss A/c Brought Forward from previous year		1,662,687,005	1,315,801,206
Less:- Profit/(Loss) brought forward from previous year related to companies ceased to be subsidiary/associate during the year		76,846,966	-
<b>BALANCE AVAILABLE FOR APPROPRIATION</b>		<b>2,355,827,042</b>	1,761,033,621
Proposed Dividend		16,163,183	16,163,183
Tax on Dividend		2,684,503	2,746,933
Transfer to Reserve Fund		25,640,000	25,936,500
Transfer to General Reserve		55,000,000	53,500,000
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>2,256,339,356</b>	1,662,687,005
		<u>2,355,827,042</u>	<u>1,761,033,621</u>
Earning Per Share(Basic/Diluted)		23.82	13.77
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	'M'		

For and on behalf of the Board

As per our report of even date attached  
For **Kanodia Sanyal & Associates**  
Chartered Accountants

**S.K. Mittal**  
Managing Director

**R.K. KANODIA**  
Partner  
M. No. 016121

**ANIL KAUSHAL**  
Company Secretary

**G.D. Singal**  
Director

Place : New Delhi  
Date : 3rd September, 2010

# Consolidated Financial Statements

## CONSOLIDATED CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-10 Rs.	2008-09 Rs.
<b>A. Cash Flow Before Tax from Operating Activities:</b>		
Net Profit Before Tax & Extraordinary Items	149,278,862	150,686,735
Adjustments for:		
Depreciation	1,486,035	1,503,221
Loss/(Profit) on Sale of Investments	(60,802,219)	(82,039,448)
Public Issue/Preliminary Expenses Written off	45,218	57,958
Preliminary expenses incurred during the year	-	-
Profit on sale of Fixed assets	-	-
Interest Received	(51,520,110)	(17,649,432)
Provision for doubtful advances/debts	-	-
Dividend Received	(44,594,193)	(25,377,704)
Operating Profit Before Working Capital Changes	(6,106,407)	27,181,330
Adjustments for:		
Trade & Other Receivables	11,742,327	(872,846)
Inventories	215,694	215,694
Trade Payables	(127,430)	(1,336,558)
Cash Generated from Operations	5,724,184	25,187,620
Direct Taxes Paid	(21,560,252)	(31,510,976)
Interest Received on Income Tax Refund	39,310,280	474,212
Income Tax Refund	-	10,486,375
Cash Flow before Extraordinary Items	23,474,212	4,637,231
Prior Period Adjustments	-	-
Excess Provision written back	-	-
<b>Net Cash from Operating Activities</b>	<b>23,474,212</b>	<b>4,637,231</b>
<b>B. Cash flow from Investing Activities:</b>		
Share application money received back	-	-
Purchase of Investments	(1,943,207,941)	(1,932,312,241)
Advance for purchase of land	(50,000,000)	-
Sale of Fixed Assets	-	-
Sale of Investments	1,096,568,999	2,587,766,926
Interest Received	12,209,830	17,175,220
Dividend Received	44,594,193	25,377,704
<b>Net Cash flow from/(Used in) Investing Activities</b>	<b>(839,834,919)</b>	<b>698,007,609</b>
<b>C. Cash Flow from Financing Activities:</b>		
Dividend paid including tax thereon	(18,910,116)	(18,910,116)
Proceeds from Share capital	-	-
Share application money received	180,000,000	-
Loan received /(paid)	46,728,376	(63,782,386)
<b>Net Cash flow from/(Used in) Financing Activities</b>	<b>207,818,260</b>	<b>(82,692,502)</b>
Net Change in Cash and Cash Equivalents (A+B+C)	(608,542,447)	619,952,338
Cash and Cash Equivalents As At 1st April (Opening Balance)	646,707,332	26,754,994
Less : opening balance of cash and cash equivalents of the companies ceased to be subsidiaries during the year	(79,615)	-
Cash and Cash Equivalents As At 31st March (Closing Balance)	38,085,270	646,707,332

For and on behalf of the Board

As per our report of even date attached  
For **Kanodia Sanyal & Associates**  
Chartered Accountants

**S.K. Mittal**  
Managing Director

**R.K. KANODIA**  
Partner  
M. No. 016121

**ANIL KAUSHAL**  
Company Secretary

**G.D. Singal**  
Director

Place : New Delhi  
Date : 3rd September, 2010

# Consolidated Financial Statements

## SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>SCHEDULE 'A' SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
32,500,000 (32,500,000) Equity Shares of Rs. 10 each	325,000,000	325,000,000
26,000,000 (26,000,000) Redeemable Preference Shares of Rs. 10 each	260,000,000	260,000,000
	<u>585,000,000</u>	<u>585,000,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
32,326,366(32,326,366) Equity Shares of Rs. 10 each	323,263,660	323,263,660
	<u>323,263,660</u>	<u>323,263,660</u>
<b>SCHEDULE 'B' RESERVES AND SURPLUS</b>		
<b>CAPITAL RESERVE</b>		
Capital Investment Subsidy	4,653,000	4,653,000
Amalgamation Surplus	6,322,340	6,322,340
Amount received on forfeited shares		
- on Equity Shares	1,090,500	1,090,500
- on Cumulative Convertible Preference Shares	683,000	683,000
Share Premium On Forfeited Shares		
- on Equity Shares	10,750,500	10,750,500
- on Cumulative Convertible Preference Shares	6,837,000	6,837,000
Capital Reserve due to consolidation of Associates		
As per last year	55,796,034	2,376,112
Less: deduction during the year	-	-
	<u>55,796,034</u>	<u>2,376,112</u>
Add: Addition during the year	71,784,533	53,419,922
	<u>127,580,567</u>	<u>55,796,034</u>
	<u>157,916,907</u>	<u>86,132,374</u>
<b>SHARE PREMIUM ACCOUNT</b>	<u>1,830,904,500</u>	<u>1,830,904,500</u>
	<u>1,830,904,500</u>	<u>1,830,904,500</u>
<b>RESERVE FUND (In terms of Sec.45-1C of RBI Act,1934)</b>		
Opening Balance	207,812,500	181,876,000
Add:- Transferred during the year	25,640,000	25,936,500
	<u>233,452,500</u>	<u>207,812,500</u>
<b>GENERAL RESERVE</b>		
As per last year	2,513,675,657	2,460,175,657
Add:- Transferred from Profit & loss Account	55,000,000	53,500,000
	<u>2,568,675,657</u>	<u>2,513,675,657</u>



# Consolidated Financial Statements

## SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
PROFIT & LOSS ACCOUNT	2,256,339,356	1,662,687,005
(As per Profit & Loss Account)		
INCOME FROM ASSOCIATES		
Accumulated share of profit in Associates upto 31.03.2004	360,129,648	360,129,648
Less: profit on company ceased to be associate	80,937,528	-
	<u>279,192,120</u>	<u>360,129,648</u>
<b>GRAND TOTAL</b>	<b>7,326,481,040</b>	<b>6,661,341,684</b>

### SCHEDULE 'C' - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2009	ADDITIONS	DEDUCTIONS/ ADJUSTMENT	AS AT 31.03.2010	UPTO 31.03.2009**	DEDUCTION/ ADJUSTMENTS	FOR THE YEAR	UP TO 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009
GOODWILL @	348,028,129	-	129,188,550	218,839,579	-	-	-	-	218,839,579	348,028,129
LAND	10,504,065	-	-	10,504,065	-	-	-	-	10,504,065	10,504,065
FACTORY SHED & BUILDING	23,676,613	-	-	23,676,613	14,167,595	-	790,799	14,958,394	8,718,219	9,509,018
FLATS	33,661,099	-	-	33,661,099	7,279,573	-	548,676	7,828,249	25,832,850	26,381,526
PLANT & MACHINERY	59,042,863	-	-	59,042,863	56,120,882	-	34,931	56,155,813	2,887,050	2,921,981
TUBEWELL	262,745	-	-	262,745	240,753	-	6,111	246,864	15,881	21,992
OFFICE EQUIPMENTS	2,282,378	-	-	2,282,378	1,887,735	-	105,517	1,993,252	289,126	394,643
FURNITURE & FIXTURES	2,852,172	-	-	2,852,172	2,722,808	-	-	2,722,808	129,364	129,364
VEHICLES	312,632	-	-	312,632	298,185	-	-	298,185	14,447	14,447
<b>TOTAL</b>	<b>480,622,696</b>	<b>-</b>	<b>129,188,550</b>	<b>351,434,146</b>	<b>82,717,531</b>	<b>-</b>	<b>1,486,034</b>	<b>84,203,565</b>	<b>267,230,581</b>	<b>397,905,165</b>
PREVIOUS YEAR	526,414,354	-	45,791,658	480,622,696	81,214,310	-	1,503,221	82,717,531	397,905,165	445,200,044
CAPITAL WORK IN PROGRESS*										
PLANT & MACHINERY	8,056,000	-	-	8,056,000	7,653,200	-	-	7,653,200	402,800	402,800
<b>TOTAL</b>	<b>8,056,000</b>	<b>-</b>	<b>-</b>	<b>8,056,000</b>	<b>7,653,200</b>	<b>-</b>	<b>-</b>	<b>7,653,200</b>	<b>402,800</b>	<b>402,800</b>
PREVIOUS YEAR	8,056,000	-	-	8,056,000	7,653,200	-	-	7,653,200	402,800	402,800
<b>GRAND TOTAL</b>	<b>488,678,696</b>	<b>-</b>	<b>129,188,550</b>	<b>359,490,146</b>	<b>90,370,731</b>	<b>-</b>	<b>1,486,034</b>	<b>91,856,765</b>	<b>267,633,381</b>	<b>398,307,965</b>
PREVIOUS YEAR	534,470,354	-	45,791,658	488,678,696	88,867,510	-	1,503,221	90,370,731	398,307,965	445,602,844

Note:-\*The Capital Work in Progress represents dismantled plant & machinery transferred from one unit to another in earlier year.

\*\*includes Rs.160,62,794 towards impairment of assets

@Represents amount arising on acquisition/sale of shares in Subsidiaries/Associates (refer note no. 13 b of Schedule 'M')

### SCHEDULE 'D' INVESTMENTS

EQUITY SHARES- QUOTED-FULLY PAID UP	FACE VALUE Rs.	SHARES/UNITS 31.03.2010 NOS.	SHARES/UNITS 31.03.2009 NOS.	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
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#### LONG TERM :

#### NON-TRADE (AT COST)

ASIAN HOTELS LTD.	10	-	1,975,052	-	1,020,932,598
ASIAN HOTELS (EAST) LTD.*	10	987,526		340,310,866	
ASIAN HOTELS (WEST) LTD.*	10	987,526		340,310,866	
ASIAN HOTELS (NORTH) LTD.*	10	987,526		340,310,866	
BRITANNIA INDUSTRIES LTD.	10	1	1	508	508
ESTER INDUSTRIES LTD.	5	303	170,643	2,047	1,170,476
GILLETTE INDIA LTD.	10	1	1	2,278	2,278

# Consolidated Financial Statements

## SCHEDULES FORMING PART OF BALANCE SHEET

EQUITY SHARES- QUOTED-FULLY PAID UP	FACE VALUE	SHARES/UNITS	SHARES/UNITS	AS AT	AS AT
	Rs.	31.03.2010 NOS.	31.03.2009 NOS.	31.03.2010 Rs.	31.03.2009 Rs.
HINDUSTAN UNILEVER LTD.	1	53	53	10,639	10,639
INDIAN HOTELS CO. LTD.	1	10	10	266	266
INDO COUNT INDUSTRIES LTD.	10	900	900	6,852	6,852
ITC LTD	1	15	15	626	626
JINDAL PHOTO LTD	10	316,141	316,141	42,905,661	42,905,661
MTZ POLYESTER LTD	10	-	83,309	-	205,424
NESTLE INDIA LTD.	10	1	1	429	429
PNB GILTS LIMITED	10	16,400	16,400	490,770	490,770
PROCTER & GAMBLE HYGEINE AND HEALTH CARE LTD.	10	1	1	700	700
TATA COFFEE LTD.	10	100	100	9,204	9,204
TATA TEA LTD.	10	1	1	562	562

\* Shares received as per scheme of arrangement & demerger of Asian Hotels Limited.

Sub Total (A)

**1,064,363,140** 1,065,736,993

### IN ASSOCIATES (at carrying cost)

#### EQUITY SHARES-(QUOTED) FULLY PAID UP

JINDAL POLY FILMS LTD.	10	7,015,951	7,015,951		
Original Cost (Including Capital Reserve of Rs.12,48,86,990 (Previous year Rs. 532,33,376 arising on acquisition of share of associates)				1,602,178,291	1,530,524,677
Add: Income from Associates at the beginning of year				1,102,633,848	793,580,158
Add: Income from Associates for the year				625,122,520	309,053,690
Carrying Cost				3,329,934,659	2,633,158,525
Sub Total (B)				3,329,934,659	2,633,158,525

Market Value of quoted investment Rs 43379.14 Lacs (Previous Year Rs 18919.88 Lacs)

#### EQUITY SHARES-(UN QUOTED) FULLY PAID UP

VIGIL FARMS LTD.	10	850,000	850,000		
Original Cost (Including capital Reserve of Rs.26,93,577 previous year Rs.25,62,659 arising on acquisition of share of associates)				91,193,578	91,062,659
Add: Income from Associates at the beginning of year				(1,427,864)	(551,727)
Add: Income from Associates for the year				(1,398,677)	(876,137)

# Consolidated Financial Statements

## SCHEDULES FORMING PART OF BALANCE SHEET

EQUITY SHARES- QUOTED-FULLY PAID UP	FACE	SHARES/UNITS	SHARES/UNITS	AS AT	AS AT
	VALUE	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Rs.	NOS.	NOS.	Rs.	Rs.
Carrying Cost				<b>88,367,037</b>	89,634,795
RISHI TRADING CO. LTD.	10	<b>5,385,833</b>	5,385,833		
Original Cost (Net of Goodwill of Rs.13,63,53,734 arising on acquisition of share of associates)				<b>262,150,972</b>	262,150,972
Add: Income from Associates at the beginning of year				<b>149,465,042</b>	143,904,016
Add: Income from Associates for the year				<b>14,996,525</b>	5,561,026
Carrying Cost				<b>426,612,540</b>	411,616,014
SOYUZ TRADING CO. LTD.*	10	-	1,705,769		
Original Cost (Net of Goodwill of Rs.Nil, previous year 12,91,88,550 arising on acquisition of share of associates)				-	244,349,860
Add: Income from Associates at the beginning of year				-	151,505,824
Add: Income from Associates for the year				-	6,783,158
Carrying Cost				-	402,638,842
UNIVERSAL FOILS LTD.	10	<b>2,259,000</b>	2,259,000		
Original Cost (Net of Goodwill of Rs.314,640 previous year Rs.314,640 arising on acquisition of share of associates)				<b>56,160,360</b>	56,160,360
Add: Income from Associates for the year				-	-
Carrying Cost				<b>56,160,360</b>	56,160,360
JINDAL BUILDMART LTD.	10	<b>330,000</b>	330,000		
Original Cost (Net of Goodwill of Rs.3,26,87,227 arising on acquisition of share of associates)				<b>312,773</b>	312,773
Add: Income from Associates at the beginning of year				<b>(758,128)</b>	(145,649)
Add: Income from Associates for the year				<b>2,180,090</b>	(612,479)
Carrying Cost				<b>1,734,735</b>	(445,355)
* Ceased to be associate during the current year.					
Sub Total (C)				<b>572,874,672</b>	959,604,656
<b>IN OTHERS</b>					
<b>EQUITY SHARES-(UN QUOTED) FULLY PAID UP</b>					
JINDAL (INDIA) LTD.	100	<b>178,300</b>	178,300	<b>18,024,040</b>	18,024,040
SOYUZ TRADING CO. LTD.	10	<b>1,705,769</b>	-	<b>373,538,410</b>	-
Sub Total (D)				<b>391,562,450</b>	18,024,040

# Consolidated Financial Statements

## SCHEDULES FORMING PART OF BALANCE SHEET

EQUITY SHARES- QUOTED-FULLY PAID UP	FACE VALUE Rs.	SHARES/UNITS 31.03.2010 NOS.	SHARES/UNITS 31.03.2009 NOS.	AS AT 31.03.2010 Rs.	AS AT 31.03.2009 Rs.
<b>PREFERENCE SHARES-(UNQUOTED)</b>					
8.5% Optionally Convertible Cumulative Preference Shares of JINDAL (INDIA) LTD. of Rs. 100 each fully paid up	10	-	625,000	-	250,000,000
9% Non cummulative preference shares of AQUA HOLDING PRIVATE LTD.	10	390,243	1,000,000	3,902,430	10,000,000
Sub Total (E)				3,902,430	260,000,000
<b>8.25% SECURED NON CONVERTIBLE DEBENTURE-(UNQUOTED)</b>					
BRITANNIA INDUSTRIES LIMITED	170	1	-	-	-
Sub Total (F)				-	-
<b>IN MUTUAL FUNDS :-</b>					
BIRLA SUNLIFE LIQUID PLUS FUND (B331G)	10	449,816	-	7,500,000	-
RELIANCE MEDIUM TERM FUND	10	8,231,853	-	150,000,000	-
HDFC CASH MANAGEMENT FUND TREASURY	10	45,547,425	-	456,638,935	-
FIDELITY INDIA VALUE FUND -GROWTH	10	2,000,000	-	20,000,000	-
ICICI PRUDENTIAL INSTITUTIONAL SHORT TERM	10	6,062,221	-	113,542,374	-
HSBC FLOATING RATE LONG TERM PLAN INSTITUTIONAL	10	7,382,548	-	82,960,692	-
8002/HDFC HIGH INTEREST FUND -SHORT TERM PLAN	10	5,439,168	-	57,548,620	-
1526 ICICI PRUDENTIAL FLEXIBLE INCOME PLAN	10	666,938	-	70,143,586	-
27 ICICI Prudential Flexible Income Plan Premium- Growth	10	60,119	-	1,000,000	-
ICICI PRUDENTIAL FLEXIBLE INCOME PLAN-PREMIUM GROWTH	10	909,852	-	15,000,000	-
24 IN ICICI PRUDENTIAL INST. STP-CUMULATIVE OPTION	10	9,278,775	-	173,786,822	-
M 17G FORTIS MONEY PLUS INSTITUTIONAL GROWTH	10	5,248,722	-	71,030,948	-
PRINCIPAL FLOATING RATE FUND (SWITH IN)-GROWTH	10	2,697,937	-	38,003,680	-
TEMPLETON INDIA SHORT TERM INCOME PLAN INSTITUTIONAL - GROWTH	1,000	296,844	-	421,073,582	-
LICMF FLOATING RATE FUND-SHORT TERM PLAN-GROWTH PLAN	10	8,674,163	203,337	102,036,783	2,034,462

# Consolidated Financial Statements

## SCHEDULES FORMING PART OF BALANCE SHEET

EQUITY SHARES- QUOTED-FULLY PAID UP	FACE	SHARES/UNITS	SHARES/UNITS	AS AT	AS AT
	VALUE	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Rs.	NOS.	NOS.	Rs.	Rs.
BIRLA SUNLIFE SHORT TERM FUND	10	2,862,859	3,997,183	28,660,233	40,062,048
HDFC CASH MANAGEMENT FUND-WEEKLY DIVIDEND	10	15,673,563	12,716,781	157,050,065	127,396,538
TEMP-FIXED HORIZON FUND IX PLAN C GROWTH (FRANKLIN TEMPLETON)	10	-	11,844,939	-	118,449,390
PRINCIPAL FLOATING RATE FUND-FMP INST OPTION -DIVIDEND REINVESTMENT	10	-	1,113,822	-	11,150,343
1242 ICICI PRUDENTIAL FMP SERIES 46 PLAN A INST. GROWTH	10	-	15,614,971	-	156,149,712
M55561 G FORTIS FTP SER 13 PLAN C INST. GROWTH	10	-	6,354,190	-	63,541,900
1242 ICICI PRUDENTIAL FMP SERIES 46 ONE YEAR PLAN	10	-	10,201,930	-	102,019,296
5481/HDFC FMP 370D JULY 2008 (IX)	10	-	5,000,000	-	50,000,000
28 ICICI PRUDENTIAL FLEXIBLE INCOME PLAN	10	-	10,250,536	-	108,103,540
NET ASSET VALUE OF INVESTMENTS IN MUTUAL FUNDS RS.20294.65 LACS (PREVIOUS YEAR RS.8132.41 LACS)					
Sub Total (G)				<b>1,965,976,320</b>	<b>778,907,229</b>
<b>IN BONDS (FULLY PAID UP) :-</b>					
NATIONAL HOUSING BANK	10,000	-	2,000	-	20,000,000
Sub Total (H)				-	20,000,000
<b>Grand Total (A+B+C+D+E+F+G+H)</b>				<b>7,328,613,670</b>	<b>5,735,431,443</b>
<b>SCHEDULE 'E' INVENTORIES</b>					
(As taken, valued and certified by the Management)					
Stores & spare parts				299,998	471,301
Packing Materials				90,001	134,392
				<b>389,999</b>	<b>605,693</b>
<b>SCHEDULE 'F' SUNDRY DEBTORS (Unsecured)</b>					
Debts due over six months					
Considered Good				-	-
Considered Doubtful				1,050,853	1,050,853
Less:- Provision for doubtful debts				1,050,853	1,050,853
				-	-
Other Debts-Considered Good				-	-
				-	-

# Consolidated Financial Statements

## SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
<b>SCHEDULE 'G' CASH AND BANK BALANCES</b>		
Cash in hand	38,951	56,383
Bank balances with scheduled banks:		
In Current Accounts	34,664,281	28,206,483
In Dividend Accounts	3,332,038	3,831,263
In Fixed Deposit Account*	50,000	50,000
In Fixed Deposit Account with Banks	-	614,563,203
*Lying with Government Authorities as security deposit		
	<u>38,085,270</u>	<u>646,707,332</u>
<b>SCHEDULE 'H' LOAN &amp; ADVANCES</b>		
(Unsecured, considered Good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Advance to others-		
Secured		
Considered Good	-	-
Unsecured		
Considered Good	97,553,829	108,659,728
Considered Doubtful	5,975,884	6,158,663
	<u>103,529,713</u>	<u>114,818,391</u>
Less:- Provision for doubtful Advances	5,975,884	6,158,663
	<u>97,553,829</u>	<u>108,659,728</u>
Balance with Excise Department	199,285	199,285
MAT Credit Entitlement	11,227,037	7,705,031
Security & Trade Deposits	2,078,167	2,078,167
Income Tax Payments (including income tax deducted at source)	57,878,174	42,052,439
	<u>168,936,492</u>	<u>160,694,650</u>
<b>SCHEDULE 'I' CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
<u>Sundry Creditors</u>		
- For Goods & Services	369,444	6,613
Due to Customers & others	452,356	456,044
Liability towards Investor Education & Protection Fund under Section 205C of the Companies Act, 1956 not Due - Unpaid Dividend	3,332,036	3,831,263
	<u>4,153,836</u>	<u>4,293,920</u>
<b>B. PROVISIONS</b>		
Income Tax	53,226,600	37,426,569
Provision for Dividend	16,163,183	16,163,183
Provision for Tax on Dividend	2,684,503	2,746,933
	<u>72,074,286</u>	<u>56,336,685</u>
<b>TOTAL : (A + B)</b>	<u>76,228,122</u>	<u>60,630,605</u>

# Consolidated Financial Statements

## SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2009 Rs.	AS AT 31.03.2008 Rs.
<b>SCHEDULE 'J' MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)		
Preliminary Expenses		
As per last year	45,218	127,896
Add:-During the year	-	-
Less: Written off during the year	45,218	57,958
	<u>-</u>	<u>69,938</u>
	<b>YEAR ENDED 31.03.2010 Rs.</b>	<b>YEAR ENDED 31.03.2009 Rs.</b>
<b>SCHEDULE 'K' PERSONNEL EXPENSES</b>		
Salary, Wages & other benefits	904,630	920,066
Staff Welfare Expenses	23,947	15,054
Gratuity	3,758	3,190
Contribution to Provident & other Funds	11,531	14,172
	<u>943,866</u>	<u>952,482</u>
<b>SCHEDULE 'L'-ADMINISTRATIVE ,INTEREST AND OTHER EXPENSES</b>		
Rent, Rates & Taxes	173,471	728,223
Travelling & Conveyance	93,041	205,097
Electricity & Water Charges	233,612	218,750
Postage, Telegram & Telephones	451,883	629,431
Printing & Stationery	631,167	695,663
Legal & Professional Charges	804,934	2,472,855
Repairs & Maintenance - Others	141,148	138,367
Filing Fees	269,181	229,743
Auditors Remuneration	248,456	314,097
Miscellaneous Expenses	217,558	268,942
Written off Excise Duty refund	2,087,791	-
Provision for doubtful debts & advances	215,694	215,694
Demerger Expenses	4,853,796	-
Preliminary Expenses written off	45,218	57,958
Interest-others	8,904	110,927
	<u>10,475,854</u>	<u>6,285,747</u>

# Consolidated Financial Statements

## SCHEDULE `M` - SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### 1. Accounting Policies:

#### i) Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with the requirement of the Companies Act, 1956 and Accounting Standards referred to in Section 211(3C) of the Act.

#### ii) Fixed Assets

Fixed assets are stated at cost less depreciation. Cost of acquisition and fabrication or construction are inclusive of freight, duties and other incidental expenses during construction period. Incidental expenses includes establishment expenses, interest on fund used for Capital expenditure and other Administrative expenses.

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

#### iii) Depreciation

Depreciation on assets other than leased assets has been provided on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956. In respect of leased out assets, the cost of the same is being amortized fully during the primary period of lease.

#### iv) Treatment of expenditure during construction period

Incidental Expenditure during construction period is included under capital work in progress and the same is allocated to the respective fixed assets on completion of construction.

#### v) Revenue Recognition

- a) All revenues, costs, duties, assets & liabilities are accounted for on accrual basis.
- b) Dividend on Equity & Preference shares of corporate bodies are taken into account on accrual basis when such dividend has been declared by the corporate body in its annual general meeting and the right to receive payment is established.

#### vi) Sales & Services

- a) Sales, net of returns and trade discount, is inclusive of excise duty but excludes sales tax.
- b) Sales are accounted when the sale of goods is completed on accrual basis.

#### vii) Research & Development Expenses

Research & development costs of revenue nature are charged to revenue when incurred. Expenditure of Capital nature is capitalised and depreciation is provided thereon as per applicable accounting standards.

#### viii) Borrowing Costs

Borrowing costs attributable to the acquisition and construction of asset are capitalised as part of the cost of such asset upto the date when such asset is ready for its intended use. Other borrowing costs are treated as revenue/deferred revenue expenditure as considered appropriate by the Management.

#### ix) Investments

Investments are classified as long term or current based on the Management intention at the time of purchase. Long term investments are valued at their acquisition cost. Current investments are stated at lower of cost or net realisable value. The provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Investment in the units of Mutual funds are valued at cost or market value whichever is lower, depreciation, if any is fully provided for and appreciation if any is ignored.

#### x) Retirement Benefits

- a) Short term Employee benefits are recognised as an expense at the undiscounted amount in the profit and loss of the year in which the related services is rendered.
- b) Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

#### xi) Foreign Currency Transaction

Transactions in foreign currencies not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rates ruling at the date of transaction as increased or decreased by the proportionate difference based on life of the contract between the forward rate and exchange rate on the date of transaction.



# Consolidated Financial Statements

Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the profit or loss account.

## xii) Inventories

The Method of Inventories valuation has been adopted as follows :

Raw Material	:	At cost (FIFO Basis)
Finished Goods	:	At Cost or Net Realisable Value whichever is lower.
Work-in-Process	:	At estimated cost
Trading Goods	:	At Cost or Net Realisable Value whichever is lower.
Stores & Spares	:	At Cost (FIFO Basis)
Packing Material	:	At Cost (FIFO Basis)

## xiii) Taxation

The Current tax payable in respect of taxable income for the year has been charged to revenue.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Fringe Benefit Tax has been provided for as per the applicable provisions of the Income Tax Act, 1961.

## 2. Contingent Liabilities:

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
Various Sales Tax/Income tax/Excise Demand, against which appeals are pending	<b>7,69,349</b>	7,69,349
	<b>Year Ended 31.03.2010 (Rs.)</b>	Year Ended 31.03.2009 (Rs.)

## 3. The Auditors' Remuneration includes the following

Audit Fee	<b>145,875</b>	154,699
Other Services	<b>86,036</b>	142,544
Reimbursement of Expenses	<b>16,545</b>	16,854
	<b>248,456</b>	314,097

## 4. Balance with Sundry debtors and advances from customers are subject to confirmation and reconciliation.

## 5. In the opinion of the Board of Directors, current assets, loan & advances have a value on realisation atleast equal to the amount at which they are stated unless stated otherwise.

## 6. The fixed assets which are presently not in the name of Company were acquired/transferred/taken over only through merger/ amalgamation scheme approved by the High court and are in the possession of the Company and are being used by it.

## 7. As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the accounting Standard are given below:

- Contribution to Defined Contribution Plan, recognised as expenses for the year is Rs. 11531 (Previous Year Rs.24,606) towards employer's contribution to Provident fund.
- Defined Benefit Plan

The present value of obligation for gratuity is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

- Reconciliation of opening and Closing balances of defined benefit obligation for Gratuity (unfunded)

	2009-10 Rs.	2008-09 Rs.
Defined benefit obligation at the beginning of the year	47971	153628
Current service cost	18649	17908
Interest cost	3,598	10,637
Actuarial (gain)/Loss	(1,458)	38,659
Benefits Paid	-	(172,861)

# Consolidated Financial Statements

Settlement cost	-	-
Defined benefit obligation at the end of the year	68760	47971
ii) Reconciliation of Fair value of assets and obligations		
	<b>As at 31.03.2010</b>	<b>As at 31.03.2009</b>
	Rs.	Rs.
Present value of obligation	68760	47971
Amount recognised in Balance Sheet	68760	47971
iii) Expense recognised during the year		
	<b>2009-10</b>	<b>2008-09</b>
	Rs.	Rs.
Current service cost	18649	19574
Interest cost	3,598	10,637
Actuarial(gain)/loss	(1,458)	38,659
Net Cost	20,789	68,870
iv) Actuarial assumptions		
Discount rate (per annum)	7.50%	7.00%
Future salary increase (per annum)	5.00%	4.50%

The estimates of rate of future salary increase takes account of inflation, seniority, promotion and other relevant factors on long term basis.

The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of liability. The above information is certified by the actuary.

The obligation for leave encashment for Rs. 16675 (previous year Rs.21125) is recognised, provided for and paid on yearly basis.

8. The company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and therefore disclosures, as required under the said act has not been given.

9. Board of Directors in their meeting held on 10.11.2009 withdrawn the Composite Scheme of Arrangement between the Company (CFHL) and Jindal India Finvest & Holdings Limited (JIFHL) and Jindal India Powertech Limited (JIPL) and their respective shareholders from the Hon'ble High Court at Allahabad.

## 10 Earning Per Share

Profit After Taxation	<b>769,987,003</b>	445,232,415
Number of Equity Shares outstanding	<b>32,326,366</b>	32,326,366
Face value of per Equity Share	<b>10.00</b>	10.00
Earning per Share (Basic/Diluted)	<b>23.82</b>	13.77

11 As per Accounting Standard-22 "Accounting for Taxes on Income" and measured at the tax rates that have been enacted or substantially enacted by the balance sheet date. The Deferred Tax Liability/(Asset) comprises of tax effect of timing difference on account of:

	<b>As at 01.04.2009</b>	<b>For the year</b>	<b>As at 31.03.2010</b>
	(Rs.)	(Rs.)	(Rs.)
<b>a) Deferred Tax Liability</b>			
For Depreciation difference as per books and I.Tax Act	3,406,734	(505,103)	2,901,631
	3,406,734	(505,103)	2,901,631
<b>b) Deferred Tax Assets</b>			
Carry forward Long Term Capital Loss	237,113,551	(1,632,913)	235,480,638
Disallowance under Section 43-B of I.Tax Act Expenses charged in the books, but allowance there of deferred under Income tax laws	87,968	5,789	93,757
	237,201,519	(1,627,124)	235,574,395
<b>Net Deferred Tax Liability/(Assets) (a-b)</b>	<b>(233,794,785)</b>	<b>1,122,021</b>	<b>(232,672,764)</b>

12. The company is engaged mainly in investments activities and is treating all its investments as long term investment, hence the income derived thereon has been shown accordingly.

# Consolidated Financial Statements

## 13. Basis of Consolidation

- a) The Consolidated Financial Statements relates to The Consolidated Finvest and Holdings Ltd.('the Company') its Subsidiary Companies, Associate Companies as at 31st March, 2010. The Company and its Subsidiaries constitute 'the Group'. The Consolidated Financial Statements have been prepared on the following basis:
- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like item of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transaction and unrealised profits or losses as per Accounting Standard 21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India,(ICAI).
  - Investment in Associate companies have been accounted for under the equity method as per Accounting Standard 23 'Accounting for Investments in Associates in Consolidated Financial Staements' issued by the ICAI.
  - The excess of cost to the company of its investments in the subsidiary companies and Associate over the Company's portion of equity is recognised in the financial statements as Goodwill.
  - The excess of Company's portion of equity of the Subsidiaries and associate as at the date of its investments is treated as Capital Reserve.
  - Goodwill/Capital Reserve arising on investments in Associate Companies are retained/adjusted under the head "Investments in Associates Companies" and are disclosed separately.
  - Goodwill arising out of consolidation is not amortised.
  - Minority Interest in the net assets of Subsidiaries consists of :
    - i) the amount of equity attributable to the minorities at the date on which investment in a Subsidiary is made; and
    - ii) the minorities' share of movements in equity since the date of parent-subsidiary relationship came into existence.
- b) The list of Subsidiary and Associate Companies which are included in the Consolidation and the Group's holdings therein are as given below:-

Name of the Company	Holding (%)	
	2009-10	2008-09
<b>i) Subsidiaries :-</b>		
Jindal Photo Investments Ltd.	100.00%	100.00%
Jindal India Finvest & Holdings Ltd.	0.00%	100.00%
Jesmin Investments Ltd.*	83.61%	83.61%
<b>ii) Associates:-</b>		
Rishi Trading Company Ltd	39.78%	39.78%
Jindal Poly Films Ltd	30.47%	26.51%
Vigil Farms Limited	46.70%	47.49%
Universal Foils Ltd.	42.74%	42.74%
Jindal Buildmart Ltd.	28.70%	28.70%

\* by virtue of holding of the company and its wholly owned subsidiary.

- c) The company has applied AS-23,Accounting for Investments in Associates in Consolidated Financial Statements issued by ICAI.In accordance with the disclosure requirement of AS-23 relating to associate companies are given below:-

The company recognise those investee entities as assocites which are not considered as subsidiaries,but in which it hold directly or indirectly (thru subsidiaries) 20% or more voting power.

Name of the Associate	% of Voting Power	% of Shareholding	Share in C.Y.Profit
Rishi Trading Company Ltd	20.39%	39.78%	14,996,525
Jindal Poly Films Ltd *	30.47%	30.47%	625,122,520
Vigil Farms Limited	46.70%	46.70%	(1,402,710)
Universal Foils Ltd.	42.74%	42.74%	-
Jindal Buildmart Ltd.	28.70%	28.70%	2,180,090
			<b>640,896,425</b>

\*Share in current year profit have been calculated on the basis of unaudited financial results .

- 14 The Company is mainly engaged in the investments activities and do not qualify for separate reporting as required by AS-17 on "Segment Reporting".

# Consolidated Financial Statements

15 Disclosures as required by Accounting Standard-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as follows :

## List of Related Parties

### a) Controlling Company

Consolidated Photo & Finvest Ltd.

### b) Associate Companies

Universal Foils Ltd.

Rishi Trading Co. Ltd.

Jindal Poly Films Ltd.

Vigil Farms Ltd.

Jindal Buildmart Ltd.

### c) Key Management Personnel

Mr. S.K.Mittal

(B) Details of Transactions with related parties are as follows:

## Associates Companies

	Current Year	Previous Year
Interest Received	1,111	5,039
Dividend Received	14,031,902	14,031,902
Loan Given During the Year	-	2,360,000
Loan received back	-	2,360,000

## Outstanding as at year end of Associates Companies

Investments	490,180,151	490,180,151
-------------	-------------	-------------

Note :- Related party relationship is as identified by the company and relied upon by the auditors

Note :- No amount has been provided as doubtful debts or advances/ written or written back in the year in respect of debts due from or to above related parties

16 The profit on sale of Investments in Mutual fund/shares includes profit on sale of current investment amounting to Rs. 0.31 lacs (Previous Year loss of Rs. 39.51 lacs) which were purchased & sold during the year, the cost being Rs. 1970.58 lacs (Previous Year Rs.10911.15 lacs)

The following mutual funds/Shares have been purchased and sold during the year:-

	No. / Units	Purchase cost in (Rs.)
B332 WD BIRLA SUNLIFE SAVING FUND	4,312,231	43,155,112
HSBC FLOATING RATE FUND LONG TERM REGULAR	4,498,605	45,029,671
2014/HDFC FLATING RATE INCOME FUND SHORT TERM PLAN	3,657,655	55,575,500
1526 ICICI PRUDENTIAL FLEXIBLE INCOME PLAN PREMIUM	189,667	19,947,292
28 ICICI PRUDENTIAL FLEXIBLE INCOME PLAN	3,119,962	33,350,791

17 Figures for the previous year have been regrouped/ re-arranged/ reclassified/ recasted wherever considered necessary to confirm to this year's classification.

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

19 Schedule `A` to `M` are annexed to and form part of Statement of Accounts.

For and on behalf of the Board

As per our report of even date attached

**For Kanodia Sanyal & Associates**  
Chartered Accountants

**R.K. KANODIA**  
Partner  
M. No. 016121

**ANIL KAUSHAL**  
Company Secretary

**S.K. Mittal**  
Managing Director

**G.D. Singal**  
Director

Place : New Delhi  
Date : 3rd September, 2010

# Consolidated Finvest & Holdings Limited

Registered Office :19<sup>th</sup> K.M. Hapur - Bulandshahr Road, P.O. Gulaothi, Distt-Bulandshahr, Uttar Pradesh

## PROXY FORM

I/We.....of.....  
..... in the District of  
..... being a member/members of Consolidated Finvest & Holdings Limited hereby appoint  
Mr./Ms .....of.....  
..... in the District of  
..... or failing  
him/her Mr. Ms.....  
.....in the District of.....  
as my/our proxy to vote for me/us on my/our behalf at the **24th ANNUAL GENERAL MEETING** of the Company to be held on **Tuesday, the 28th day of September, 2010** and at any adjournment thereof.

Signed this ..... Day of ..... 2010

Folio No. ....DP-ID: .....
Client ID: .....No. of Shares .....

Affix a Rs. 1 Revenue Stamp
--------------------------------------

NOTE : The Proxy form duly executed should be deposited at the Registered Office of the Company at Gulaothi Distt. Bulandshahr, Uttar Pradesh at least forty eight hours prior to the meeting.

----- TEAR FROM HERE -----

# Consolidated Finvest & Holdings Limited

Registered Office :19<sup>th</sup> K.M. Hapur - Bulandshahr Road, P.O. Gulaothi, Distt-Bulandshahr, Uttar Pradesh

## ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.

I hereby record my presence at the **24th ANNUAL GENERAL MEETING** of the Company at the Registered Office of the Company on **Tuesday, the 28th day of September, 2010 at 11:30 A.M.**

Folio No. ....DP-ID: .....
Client ID: .....No. of Shares .....

.....  
Full name of the shareholder  
(In block letters)

.....  
Signature

**BOOK-POST**

*If undelivered please return to :*

**Consolidated Finvest & Holdings Ltd.**

11/5-B, Basement, Opp. Telephone Exchange, Pusa Road, New Delhi -110 005