



**OCTAL CREDIT CAPITAL LIMITED**

**ANNUAL REPORT  
2010-2011**

# Octal Credit Capital Limited

**BOARD OF DIRECTORS** : D. K. PATNI  
K. N. JAIN  
S. N. JAJODIA  
B. BAGRI  
J. M. SARAOGI (Whole-Time Director)

**COMPANY SECRETARY** : PAYAL BHUTORIA

**AUDITORS** : JAIN BINOD & ASSOCIATES  
1, R. N. MUKHERJEE ROAD,  
5TH FLOOR, ROOM NO. 32B  
KOLKATA - 700 001

**BANKERS** : CITI BANK  
ORIENTAL BANK OF COMMERCE

**REGISTRARS & SHARE TRANSFER AGENTS** : NICHE TECHNOLOGIES PVT. LTD.  
71, B. R. B. BASU ROAD  
KOLKATA - 700 001

**REGISTERED OFFICE** : 16A, SHAKESPEARE SARANI  
UNIT - II, 2ND FLOOR  
KOLKATA- 700 071

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the 19<sup>th</sup> Annual General meeting of the Members of OCTAL CREDIT CAPITAL LIMITED will be held at its Registered office, 16A, SHAKESPEARE SARANI, UNIT – II, 2<sup>ND</sup> FLOOR, KOLKATA - 700 071, on Thursday, the 29<sup>th</sup> day of September, 2011 at 3.00 P.M. to transact the following business:

**AS ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March' 2011 and Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. D.K. Patni who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

For and on behalf of the Board

Place : Kolkata

Dated : The 30<sup>th</sup> Day of May, 2011

**Payal Bhutoria**  
Company Secretary

**NOTES :**

1. A Member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on a poll on his behalf. A Proxy need not be a Member of the Company. Proxies, in order to be effective must be received at 16A, Shakespeare Sarani, Unit – II, 2<sup>nd</sup> Floor, Kolkata – 700 071, not less than forty-eight hours before this Annual General Meeting.
2. As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report at the meeting.
3. The Register of Members & Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> day of September' 2011 to 29<sup>th</sup> day of September' 2011 (Both days inclusive).
4. Members are requested to notify immediately any change in their address to the Company's Registered Office.

For and on behalf of the Board

Place : Kolkata

Dated : The 30<sup>th</sup> Day of May, 2011

**Payal Bhutoria**  
Company Secretary



**DIRECTORS' REPORT**

To  
**THE MEMBERS**

Your Directors have pleasure in presenting the 19th Annual report on the business and operations of the Company together with Audited statements of accounts for the year ended 31st March 2011 to the shareholders.

**REVIEW OF OPERATION**

Some highlights of the performance during the said year are reproduced for your consideration:

	Current Year (Rs.)	Previous Year (Rs.)
<b>PROFIT/(LOSS) BEFORE DEPRECIATION &amp; TAX</b>	324,631.43	(128,178.90)
Less: Depreciation	83,464.00	81,894.00
<b>Profit / (Loss) before Tax</b>	241,167.43	(210,072.90)
Less: Income Tax for Earlier years	—	3,374.00
Less / (Add) : Deferred Tax	13,524.00	14,019.00
<b>Profit / (Loss) after Tax</b>	227,643.43	(227,465.90)
Less: Transfer to Reserve Fund	45,528.69	—
Add: Balance Brought Forward	(1,591,435.25)	(1,363,969.35)
<b>Balance carried forward to Balance Sheet</b>	<u>(1,409,320.51)</u>	<u>(1,591,435.25)</u>

**DIVIDEND**

In view of insufficient profit during the year, your directors regret their inability to recommend any dividend for the year-ended 31<sup>st</sup>March, 2011.

**OPERATION**

During the Financial Year 2010 - 2011, the performance of the company was not satisfactory. The Company has earned a profit of Rs. 2.27 Lakhs in the previous year, which was mainly on account of unstable and unpredictable conditions of Stock Market. In view of growth in economy your company is optimistic to perform better in the forthcoming years.

**PRUDENTIAL NORMS**

The Company is consistently complying with all the guidelines issued by the Reserve Bank of India for NBFCs with respect to capital adequacy, asset classification, and provisioning and income recognition on non-performing assets.

**FIXED DEPOSITS**

The Company has not accepted and/or renewed any fixed deposit during the period under review.

**DIRECTORS**

Mr. D.K. Patni retires from office by rotation in accordance with the requirements of Companies Act, 1956 and being eligible, offer himself for reappointment.



#### CORPORATE GOVERNANCE

Your Company complies with all the requirements pertaining to Corporate Governance, in terms of Clause 49 of the Listing Agreement with the Stock Exchanges. A detailed report on Corporate Governance has been included in this report along with a certificate from the auditors of the company regarding compliance of conditions of Corporate Governance. Further, a separate Management Discussion and Analysis report is also given in this report.

#### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 your Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- ii) Your directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the company for that period.
- iii) Your directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) Your directors have prepared the accompanying Annual Accounts for the year ended 31st, March 2011 on a going concern basis.

#### AUDITORS

M/S. Jain Binod & Associates., Chartered Accountants, Kolkata, Statutory Auditors of your Company hold office until the conclusion of the 19th Annual General Meeting and are recommended for re-appointment. The Company has received a certificate from them to the effect that their reappointment, if made, would be within the limits prescribed under section 224(1C) of the Companies Act, 1956.

#### AUDITORS REPORT

The Auditors Report read together with the notes to account is self explanatory and do not call for any further explanation under section 217(3) of the Companies Act, 1956.

#### PERSONNEL

During the year, no employee was in receipt of remuneration of or in excess of the amount prescribed under Section 217(2A) of the Companies Act, 1956.

#### STATUTORY INFORMATION

Particulars required to be furnished by the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988:

1. Part A and B pertaining to conservation and technology absorption are not applicable to the company.
2. Foreign Exchange earnings and outgoes: N I L

#### ACKNOWLEDGEMENT

Your Directors wish to convey their gratitude to the Company's Clients, Bankers, Shareholders, Well Wishers and Employees, for their valued and timely support.

For and on behalf of the Board

J. M. Saraogi - Whole Time Director  
D. K. Patni - Director  
Payal Bhutoria - Company Secretary

Place : Kolkata

Dated : The 30<sup>th</sup> Day of May' 2011.



**REPORT ON CORPORATE GOVERNANCE**

**1. BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Your Company is committed to highest level of transparency, accountability and equity in all facets of its operation and all its interaction with stakeholders, lenders, Government and other business associates proper disclosure of relevant financial and non-financial information and enhancing shareholder value on a continuing basis.

**2. BOARD OF DIRECTORS**

The Company has optimum combination of Independent and non-executive directors who are experts in different disciplines of corporate working i.e. finance, legal, technical, administrative etc.

During this year the Board had 11 meetings on 02.04.2010, 29.05.2010, 31.07.2010, 26.08.2010, 29.09.2010, 15.10.2010, 30.10.2010, 24.12.2010, 31.01.2011, 26.02.2011 & 28.03.2011. All relevant information as required under clause 49 of the listing agreement was placed before the Board from time to time.

Name of Director	Type	Executive/ Non-executive	Number of Meeting Attended	Number of other Directorship	Membership in other outside Committees	Whether Attend Last AGM
Mr. J. M. Saraogi	Non Independent	Executive	11	—	—	Yes
Mr. D. K. Patni	Promoter	Non-executive	11	4	—	Yes
Mr. K. N. Jain	Independent	Non-executive	9	8	—	Yes
Mr. B. Bagri	Independent	Non-executive	5	1	—	No
Mr. S. N. Jajodia	Independent	Non-executive	7	1	—	No

**3. CODE OF CONDUCT**

The Board has adopted the code of conduct for all its Directors and Senior Management. Members of the Board and Senior Management personnel have affirmed compliance with the Company's code of conduct. A declaration signed by the Whole time Director to this effect is annexed with this report.

**4. AUDIT COMMITTEE**

The Audit Committee at present comprise of three Non-executive Directors. Mr. K. N. Jain is the Chairman of the committee. Other members of the committee are Mr. S.N. Jajodia and Mr. D.K. Patni.

The Audit Committee met four times during the year i.e. on 29.05.2010, 31.07.2010, 30.10.2010, and 31.01.2011, which were attended by Mr. D.K. Patni (4 meetings), K.N. Jain (4 meetings) and S.N. Jajodia (4 meetings).

The broad terms of reference of the Committee include:-

- To hold periodic discussion with auditors concerning the accounts scope of audit and observations of the auditor/internal auditors.
- To review compliance with internal control system.



- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that financial statement is correct, sufficient and credible.
- To review the quarterly, half yearly and annual financial results of the Company before submission to the Board.
- To review periodically statements of transactions with related parties in the ordinary course of business.
- To investigate into any matter in relation to items specified in section 292A of the Companies Act, 1956 or as may be referred to it by the Board.
- To make recommendation to the Board on any matter relating to the financial management of the Company

#### 5. REMUNERATION COMMITTEE

The Remuneration committee comprises of Mr. K.N.Jain, Mr. S.N.Jajodia, and Mr. B.Bagri. Mr. K.N.Jain is the chairman of the committee. The committee met once during the year on 18.04.2010, which was attended by Mr. K.N.Jain and Mr. S.N.Jajodia.

#### Remuneration to Executive Director

The aggregate value of salary paid for the year ended 31<sup>st</sup> March 2011, to Mr. J.M.Saraogi was Rs. 60,000/-. No sitting fee was paid to any director for attending any meeting of the Board of Directors of the company or committee thereof.

The number of shares held in their own name by non-executive Directors in the Company is given below:

<u>Name of the Director</u>	<u>No. of Shares held as on 31.03.2011</u>
Mr. D. K. Patni	16000
Mr. K. N. Jain	11000
Mr. Bijay Bagri	Nil
Mr. S. N. Jajodia	Nil

#### 6. SHAREHOLDERS GRIEVANCE COMMITTEE

The Company has constituted a Shareholder grievance committee to look into the various issues of the investors such as non-receipt of Annual Report, Transfer of Shares, etc. This committee presently comprise of Directors Sri D.K. Patni & Sri J.M.Saraogi. Sri D.K. Patni, Promoter director, is the Chairman of the committee. The meetings of the committee are held to review and resolve only those cases which are pending for action for more than normal processing period. The Committee met only once during the year as there were hardly any cases pending for action.

No. of complaints received during the year	Nil
No. of complaints resolved during the year	Nil
No. of complaints pending as on 31.03.2011	Nil



The Company has appointed M/s Niche Technologies (P) Ltd. as Registrar and share transfer agent for physical and electronic transfer. The board has delegated the power of approving transfer of shares to the Registrar and Share Transfer Agents. The monthly review of the activities of share transfer agent is undertaken by Payal Bhutoria, Company Secretary, who is the compliance officer.

**7. CEO CERTIFICATION**

The CEO i.e. Whole Time Director of the Company has certified to the Board the particulars as stipulated vide Clause 49V of the Listing Agreement.

**8. DETAILS OF LAST 3 ANNUAL GENERAL MEETING**

**A :** Information about last three Annual General Meeting

Year	Date	Time	Location of Registered Office
2008	26.09.2008	11:30 A.M.	16A, Shakespeare Sarani, Unit- II, 2 <sup>nd</sup> Floor, Kolkata – 700 071
2009	29.09.2009	02:00 P.M.	16A, Shakespeare Sarani, Unit- II, 2 <sup>nd</sup> Floor, Kolkata – 700 071
2010	28.09.2010	11:00 P.M.	16A, Shakespeare Sarani, Unit- II, 2 <sup>nd</sup> Floor, Kolkata – 700 071

**B :** No special resolution was passed in the previous year. No special resolution was proposed through Postal ballot last year and there are no resolutions which are required to be put through postal ballot at this Annual General Meeting.

**9 DISCLOSURE**

- a) No transaction of material nature has been entered into by the company with Directors, Management and their relatives etc. that may have potential conflict with the interest of the Company. Transactions with the related parties are disclosed in Clause No. 4 of Schedule 'L' to the accounts in Annual Report.
- b) There is no non-compliance by the company on any matters related to Capital market. Hence the question of penalties or strictures being imposed by SEBI or The Stock Exchanges does not arise.
- c) The Company has in place mechanism to inform Board Members about the Risk Management and minimization procedure and periodical reviews to ensure that risk is controlled by the Executive Management.
- d) The Company has adopted the mandatory requirement as recommended by clause 49 of the Listing Agreement with the Stock Exchange and is in the process of examining implementation of some of the non mandatory requirements. However, till date, except for the constitution of the Remuneration Committee of the Board, none of the mandatory requirements of Clause 49 has been adopted or implemented.





## 10. MEANS OF COMMUNICATION

The un-audited Quarterly results of the Company are regularly submitted to the Stock Exchanges and published in News Papers in accordance with the Listing Agreement.

## 11. SHAREHOLDER INFORMATION

### A. *Annual General Meeting*

Date - 29th, September' 2011

Time - 3:00 P.M.

Venue- 16A, SHAKESPEARE SARANI, UNIT – II, 2<sup>ND</sup> FLOOR, KOLKATA - 700 071.

### B. *Financial Calender (April - March)*

#### Financial Reporting:

Quarter ending June 30,2011.	:	On or before 15 <sup>th</sup> August, 2011
Quarter ending September 30,2011.	:	On or before 15 <sup>th</sup> November, 2011
Quarter ending December 31,2011.	:	On or before 15 <sup>th</sup> February, 2012
Yearly Financial Results 2011-2012	:	On or before 31 <sup>st</sup> May, 2012

### C. *Book Closure*

The Register of members and Share Transfer Book will remain closed from 22nd September'2011 to 29th September'2011 (both days inclusive) on account of Annual General Meeting.

### D. *Dividend*

No dividend is recommended for the year.

### E. *Listing at Stock Exchanges*

1. The Calcutta Stock Exchange Association Ltd.
2. The Jaipur Stock Exchange Association Ltd.

The Annual listing fees for the year 2010-11 has been paid.

### F. *Stock Code*

- |   |   |       |
|---|---|-------|
| 1. The Calcutta Stock Exchange Association Ltd. | : | 25062 |
| 2. The Jaipur Stock Exchange Association Ltd.   | : | 794   |

### G. *ISIN Number : INE513C01010*

### H. *Depository Connectivity: NSDL and CDSL*



**I. STOCK MARKET DATA**

Monthly high & low prices of Equity shares of the Company quoted at The Calcutta Stock Exchange during the year 2010-2011.

Month	Calcutta Stock Exchange Limited		
	High	Low	Volume
April'10	—	—	—
May'10	—	—	—
June'10	—	—	—
July'10	—	—	—
August'10	—	—	—
September'10	—	—	—
October'10	—	—	—
November'10	—	—	—
December'10	—	—	—
January'11	—	—	—
February'11	—	—	—
March'11	—	—	—
Total	—	—	—

**J. REGISTRAR & TRANSFER AGENTS**

Name	Address
Niche Technologies (P) Ltd.	71, Canning Street, Kolkata – 700 001

**K. SHARE TRANSFER SYSTEM**

Transfer of shares are registered and processed by the Registrar & Share Transfer Agent within 15 days from the date of receipt if the relevant documents are complete in all respect.

**L. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2011**

No of Equity Shares held	No of Shares Holders	% of Shares Holder	No of Shares Held	% of Share Holding
Upto 500	687	78.0682	110085	2.2013
501 - 1000	15	1.7045	11900	0.2380
1001 – 5000	42	4.7727	160500	3.2094
5001 – 10000	43	4.8864	410500	8.2085
10001-50000	75	8.5227	1958575	39.1645
50001-100000	9	1.0227	709850	14.1944
100001 & above	9	1.0227	1639490	32.7839
Total	880	100.00	5000900	100.00

**M. SHAREHOLDING PATTERN AS ON 31.03.2011**

Category	No of Shares Held	% of Share Holding
Indian Promoters	2077300	41.539
Institution Investors	337500	6.749
Private Corporate Bodies	1103625	22.069
Resident Individuals	1482475	29.643
Clearing Member	—	—
<b>Total</b>	<b>5000900</b>	<b>100.000</b>

**N. DEMATERIALIZATION OF SHARES**

2560565 shares have been dematerialized upto 31.03.2011.

O. Outstanding GDR's/ADR's/Warrant or any convertible Instruments, conversion date and likely impact on Equity : Not Applicable

P. Plant Location : Not Applicable

**Q. ADDRESS FOR CORRESPONDANCE**

**REGISTERED OFFICE** : 16A, SHAKESPEARE SARANI, UNIT – II, 2<sup>ND</sup> FLOOR, KOLKATA- 700 071

**INFORMATION REQUIRED TO BE FURNISHED AS PER THE LISTING AGREEMENT**

As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below :

1. NAME	: Mr. D.K. Patni
AGE	: 43 Years
QUALIFICATION	: Chartered Accountant
EXPERTISE	: He is Chartered Accountant in practice and at present associated with Patni & Co. He has good knowledge in Company Law matters and SEBI Rules & Regulations.
OTHER DIRECTORSHIPS	: Trans Scan Securities (P) Ltd. Kaliyagunj Agro Trading (P) Ltd. Patni Resources (P) Ltd. Sarla Enclave (P) Ltd.
OTHER MEMBERSHIP OF COMMITTEE	: Nil
SHARE HOLDING	: 16000 Shares



**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

TO  
THE MEMBER OF  
OCTAL CREDIT CAPITAL LIMITED

We have examined the compliance of conditions of Corporate Governance by OCTAL CREDIT CAPITAL LIMITED for the year ended March 31, 2011, as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement.

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

**For JAIN BINOD & ASSOCIATES**

Firm's Reg. No. 320231E

**CHARTERED ACCOUNTANTS**

**Binod Kumar Jain - (Proprietor)**

Membership No. 55398

Place : Kolkata

Date : The 30<sup>th</sup> day of May, 2011



### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **INDUSTRY STRUCTURE AND DEVELOPMENT OPPORTUNITIES AND THREATS AND FUTURE OUTLOOK**

Macro economic trends reflect that the economic growth in India is reaching sustainable level. GDP growth of the economy in 2010-11 was estimated at 8.6 percent. Though the performance fell short of the 9 percent target at the beginning of the 11<sup>th</sup> Plan, it is to be viewed in light of the unprecedented crisis which derailed the global economy GDP growth during the 12<sup>th</sup> Plan period has been indicated in the range of 9 to 9.5 percent reflecting of the growth imperatives of emerging economy.

Company intends to maintain its focus on Capital Market operations. Company is exposed to specific risk that are particular to its business and the environment within which it operates like interest rate volatility, market risk and credit risk. Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk Management practice.

#### **Risk governance**

The risk management framework of the company aims to achieve the following:-

- Identification of the diverse risk faced by the company.
- The evolution of appropriate systems and process to measure and monitor them.
- Risk management through appropriate mitigation strategies within the policy framework.
- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.

Reporting these risk mitigation results to the appropriate managerial levels.

Companies are exposed to specific risk that is particular to its business and the environment within which it operates which are:-

- Credit Risk
- Market Operational Risk
- Interest Rate Risk
- Liquidity Risk

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

The Company has invested in adequate internal control systems to ensure that the funds, property and other assets of the company safeguarded against loss or appropriation ; that financial reporting is reliable ; and that business is conducted in compliance with applicable laws and regulations.

#### **FINANCIAL AND OPERATION PERFORMANCE**

During the financial year 2010-2011, the performance of the company was satisfactory. The detail highlights of the performance are produced in the Directors Report.

#### **HUMAN RESOURCE**

The Company offers its employees comprehensive on going training to increase their competence level and job capability. The training is tailored to the company's evolving business environment and corporate needs with overall objective of improving customer service, employee loyalty and company's profitability. There is a strong focus on teamwork and team building. Employee relations continue to be cordial.

#### **DEVELOPMENT IN HUMAN RESOURCES**

The Company continued with its policy of Human Resources Development and retention. There is constant endeavor to improve the knowledge, skills and attitude of the employees. The company continued to maintain harmonious and cordial relationship with its employees.

#### **CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY**

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended March 31, 2011.

Date : 30<sup>th</sup> May, 2011  
Place : Kolkata

**J. M. Saraogi**  
Whole Time Director



**AUDITOR'S REPORT**

TO

THE MEMBERS OF

**OCTAL CREDIT CAPITAL LIMITED**

1. We have audited the attached Balance Sheet of **OCTAL CREDIT CAPITAL LIMITED** as at 31st March, 2011 and the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered appropriate and to the best of our knowledge and according to the information and explanations given to us during the course of the audit, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 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 purpose 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 the books of the Company;
  - c. the Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e. On the basis of written representations received from the Directors of the Company as at 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as Director of the company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant Accounting Policies & Notes on Account attached thereto give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India.

in so far as it relates to the Balance Sheet, of the state of affairs of the company as at 31st March, 2011

and

in so far as it relates to the Profit & Loss Account, of the Profit of the Company for the year ended on that date.

and

in so far as it relates to the Cash Flow Statement, of the cash flows for the year ended on that date.

**For JAIN BINOD & ASSOCIATES**

Firm's Reg. No. 320231E

**CHARTERED ACCOUNTANTS**

**Binod Kumar Jain - (Proprietor)**

Membership No. 55398

Place : Kolkata

Date : 30<sup>th</sup> May, 2011



**ANNEXURE TO THE AUDITOR'S REPORT**

(This is the Annexure referred to in our Report of even date)

- i) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. These fixed assets were physically verified by the management during the year. We have been informed that no discrepancies were noticed on such physical verification. Substantial parts of fixed assets have not been disposed off during the year, which will affect its status as going concern.
- ii) The Stock of inventory has been physically verified during the year by the Management at reasonable intervals. In our opinion the procedures of physical verification of inventory followed by the Management are reasonable and adequate to the size of the company and the nature of its business. The Company is maintaining proper records of inventory. No discrepancies were noticed on physical verification of stock as compared to book records.
- iii) The Company has neither granted or taken any loans secured or unsecured to/from Companies, firms or other parties covered in the register maintained under section 301 of the Act. Consequently clauses (b), (c), (d), (f) and (g) of paragraph 4 of the order are not applicable to the Company.
- iv) In our opinion, there is adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure to correct major weaknesses in internal control system.
- v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered. In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Companies Act 1956 exceeding the value of five lakh rupees in respect of any party during the year.
- vi) The company has not accepted any deposits from the public during the year.
- vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- viii) The Central Government has not prescribed the maintenance of cost records by the company under section 209(1)(d) of the Companies Act, 1956 for any of its products.
- ix)
  - a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues as applicable to it. There are no undisputed statutory dues as referred to above as at 31<sup>st</sup> March, 2011 outstanding for a period of more than six months from the date they became payable.
  - b) According to the records of the Company, there are no statutory dues, which have not been deposited on account of any dispute.
- x) The accumulated losses of the company are not more than 50% of its net worth. The company has incurred Rs. 614,962.57/- cash losses in the financial year under report and has incurred Rs. 131,552.90/- cash losses in the immediately preceding financial year. In arriving at the accumulated losses and net worth as above, we have considered all qualifications which are quantifiable in the audit reports of the years to which these losses pertain.
- xi) The Company has not taken any loan from bank and financial institution. The Company has no Debenture Holders.
- xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a chit fund, nidhi or mutual benefit fund/society.
- xiv) Based on our examination of the records and evaluation of the internal control, we are of the opinion that proper records have been maintained of the transactions and contracts in respect of shares, securities, debentures and other investments and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other investments in its own name except to the extent of the exemption under section 49 of the Companies Act, 1956.
- xv) The Company has not given any guarantee for loans taken by others from bank or financial Institutions.
- xvi) The Company has not availed any term loan facilities.
- xvii) On an overall examination of the financial statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- xix) According to the records of the Company, the company has not issued any debentures.
- xx) The Company has not raised any money by Public Issue during the year.
- xxi) During the checks carried out by us, any fraud on or by the company has not been noticed or reported during the year under report.

Place : Kolkata  
Date : The 30<sup>th</sup> day of May, 2011.

For **JAIN BINOD & ASSOCIATES**  
Firm's Reg. No. 320231E  
**CHARTERED ACCOUNTANTS**  
**Binod Kumar Jain - (Proprietor)**  
Membership No. 55398





## Octal Credit Capital Limited

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### BALANCE SHEET AS AT 31ST, MARCH 2011

		2010-2011		2009-2010	
		Rs.	P.	Rs.	P.
<b>SOURCES OF FUNDS</b>					
1) SHARE HOLDERS' FUNDS					
Share Capital	"A"	50,009,000.00		50,009,000.00	
Reserves & Surplus	"B"	957,878.69		912,350.00	
2) DEFERRED TAX LIABILITY		17,059.00		3,535.00	
TOTAL		<u>50,983,937.69</u>		<u>50,924,885.00</u>	
<b>APPLICATION OF FUNDS</b>					
1) FIXED ASSETS	"C"				
Gross Block		1,158,890.00		1,128,262.00	
Less : Depreciation		618,732.00		535,268.00	
Net Block		<u>540,158.00</u>		<u>592,994.00</u>	
2) INVESTMENTS	"D"	12,759,881.16		14,486,481.16	
3) CURRENT ASSETS, LOANS & ADVANCES					
Current Assets	"E"	7,905,827.02		4,011,641.59	
Loans & Advances	"F"	31,462,561.00		34,417,741.00	
(i)		<u>39,368,388.02</u>		<u>38,429,382.59</u>	
Less : CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	"G"	259,651.00		387,224.00	
Provisions	"H"	2,834,159.00		3,788,184.00	
(ii)		<u>3,093,810.00</u>		<u>4,175,408.00</u>	
NET CURRENT ASSETS (i) - (ii)		36,274,578.02		34,253,974.59	
4) PROFIT & LOSS A/C.		1,409,320.51		1,591,435.25	
(As per annexed Profit & Loss Account)					
TOTAL OF 1 TO 4		<u>50,983,937.69</u>		<u>50,924,885.00</u>	

Notes on Accounts

"L"

Schedules referred to above form an integral part of the Balance Sheet

As per attached report on even date

For JAIN BINOD & ASSOCIATES

Firm's Reg. No. 320231E

CHARTERED ACCOUNTANTS

Binod Kumar Jain - (Proprietor)

M. No. - 55398

Place: Kolkata

Date: The 30<sup>th</sup> day of May, 2011.

On behalf of the board

D. K. Patni - Director

J. M. Saraogi - Whole Time Director

Payal Bhutoria - Company Secretary





**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST, MARCH 2011**

	2010-2011		2009-2010	
	Rs.	P.	Rs.	P.
<b>INCOME</b>				
Sales		---		3,865,465.78
Income From Financial Activities	"I"	2,231,259.93		2,192,518.67
Provision for NPA Written Bank		1,000,000.00		---
Increase/(Decrease) in Stock	"J"	---		(567,338.61)
<b>Total (A)</b>		<b>3,231,259.93</b>		<b>5,490,645.84</b>
<b>EXPENDITURE</b>				
Purchases		---		4,849,857.38
Loss on Derivative Trading		2,100,899.00		---
Provision for Assets (Standard)		60,406.00		---
Administration & Other Expenses	"K"	745,323.50		768,967.36
<b>Total (B)</b>		<b>2,906,628.50</b>		<b>5,618,824.74</b>
<b>Profit/(Loss) before Depreciation &amp; Tax [(A) - (B)]</b>		324,631.43		(128,178.90)
Less : Depreciation		83,464.00		81,894.00
<b>Profit/(Loss) before Tax</b>		<b>241,167.43</b>		<b>(210,072.90)</b>
Less : Income Tax for earlier year		---		3,374.00
Less / (Add) : Deferred Tax		13,524.00		14,019.00
<b>Profit/(Loss) After Tax</b>		<b>227,643.43</b>		<b>(227,465.90)</b>
Less : Transfer to Reserve Fund		45,528.69		---
Add : Balance brought forward		(1,591,435.25)		(1,363,969.35)
<b>Balance Carried forward to Balance Sheet</b>		<b>(1,409,320.51)</b>		<b>(1,591,435.25)</b>
<b>Earning per share of Rs. 10/- each (basic/diluted)</b>		0.05		(0.05)

**Notes on Accounts "L"**

Schedules referred to above form an integral part of the Profit & Loss Account

As per attached report on even date

For JAIN BINOD & ASSOCIATES  
Firm's Reg. No. 320231E  
CHARTERED ACCOUNTANTS

Binod Kumar Jain - (Proprietor)  
M. No. - 55398

Place: Kolkata

Date: The 30<sup>th</sup> day of May, 2011.

On behalf of the board

D. K. Patni - Director

J. M. Saraogi - Whole Time Director

Payal Bhutoria - Company Secretary



## Octal Credit Capital Limited

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### SCHEDULES TO THE ACCOUNTS

	2010 - 2011		2009 - 2010	
	Rs.	P.	Rs.	P.
<b>SCHEDULE - A</b>				
<b>SHARE CAPITAL</b>				
<b>AUTHORISED:</b>				
55,00,000 Equity Shares of Rs. 10/- Each	55,000,000.00		55,000,000.00	
<b>ISSUED, SUBSCRIBED &amp; PAID-UP :</b>				
50,00,900 Equity Shares of Rs. 10/- each Fully Paid-Up	50,009,000.00		50,009,000.00	
<b>SCHEDULE - B</b>				
<b>RESERVES &amp; SURPLUS :</b>				
Reserve Fund	912,350.00		912,350.00	
Opening Balance	45,528.69		---	
Add : During the year	957,878.69		912,350.00	

### SCHEDULE - C

#### FIXED ASSETS

Own Assets :	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 01.04.2010	Addition/ Deletion	AS AT 31.03.2011	AS AT 01.04.2010	For the Year	AS AT 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
Computer	423,776.00	24,440.00	448,216.00	341,654.00	21,169.00	362,823.00	85,393.00	82,122.00
Furniture & Fixtures	13,900.00	—	13,900.00	11,796.00	880.00	12,676.00	1,224.00	2,104.00
Motor Car	627,532.00	—	627,532.00	130,308.00	59,616.00	189,924.00	437,608.00	497,224.00
Scooter	28,954.00	—	28,954.00	28,953.00	—	28,953.00	1.00	1.00
Generator	21,600.00	—	21,600.00	10,058.00	1,026.00	11,084.00	10,516.00	11,542.00
Printer	12,500.00	6,188.00	18,688.00	12,499.00	773.00	13,272.00	5,416.00	1.00
<b>TOTAL</b>	<b>1,128,262.00</b>	<b>30,628.00</b>	<b>1,158,890.00</b>	<b>535,268.00</b>	<b>83,464.00</b>	<b>618,732.00</b>	<b>540,158.00</b>	<b>592,994.00</b>
Previous Year	1,051,622.00	76,640.00	1,128,262.00	453,374.00	81,894.00	535,268.00	592,994.00	—

### SCHEDULE - D

#### INVESTMENTS :

(Long Term, Other Investments)

(As per Annexure II-A)

In Quoted Shares

In Unquoted Shares

Aggregate Market Value of Quoted Shares

	1,082,481.16	1,082,481.16
	11,677,400.00	13,404,000.00
	<b>12,759,881.16</b>	<b>14,486,481.16</b>
	1,745,080.00	1,881,270.05



	2010 - 2011		2009 - 2010	
	Rs.	P.	Rs.	P.
<b>SCHEDULE - E</b>				
<b>CURRENT ASSETS :</b>				
Stock In Trade (As per Annexure IIB)	1,652,731.82		1,652,731.82	
<b>Sundry Debtors</b>				
Debts outstanding for a period exceeding 6 months (Unsecured, considered doubtful)	500,450.00		500,450.00	
Others	---		1,393,115.89	
<b>Cash &amp; Bank Balance</b>				
Cash in Hand	165,202.30		18,951.30	
Balance with Scheduled Bank In Current Account	5,587,442.90		446,392.58	
	<b>7,905,827.02</b>		<b>4,001,641.59</b>	
<b>SCHEDULE - F</b>				
<b>LOANS &amp; ADVANCES :</b>				
Loans( Unsecured, considered good)	24,162,499.00		22,015,936.00	
Loans( Unsecured, considered doubtful)	2,273,303.00		3,273,303.00	
Advances recoverable in cash or in kind or for				
Value to be received	4,093,080.00		4,493,580.00	
Prepaid Taxes	412,569.00		1,913,537.00	
Avance against Property	500,000.00		2,700,000.00	
Prepaid Expenses	6,110.00		6,385.00	
Deposits	15,000.00		15,000.00	
	<b>31,462,561.00</b>		<b>34,417,741.00</b>	
<b>SCHEDULE - G</b>				
<b>CURRENT LIABILITIES :</b>				
For Expenses	209,651.00		137,224.00	
Other Liabilities	50,000.00		250,000.00	
	<b>259,651.00</b>		<b>387,224.00</b>	
<b>SCHEDULE - H</b>				
<b>PROVISIONS :</b>				
Provision for Non Performing Assets	2,773,753.00		3,773,753.00	
Provision for Income Tax	---		1,835.00	
Provision for Fringe Benefit Tax	---		12,596.00	
Provision Against Standard Assets	60,406.00		---	
	<b>2,834,159.00</b>		<b>3,788,184.00</b>	
<b>SCHEDULE - I</b>				
<b>INCOME FROM FINANCIAL ACTIVITIES :</b>				
Interest on loan (T.D.S. Rs. 179,310/-, Prev. Yr. Rs. 233,259/-)	2,050,892.00		2,123,400.00	
Interest on Income Tax Refund	164,415.00		54,324.00	
Misc Income	84.88		---	
Income From Dividend (Including dividend on Long Term, Other Investment Rs.5386.80/-, Previous Year Rs. 8080.20/-)	15,868.05		14,794.67	
	<b>2,231,259.93</b>		<b>2,192,518.67</b>	



	2010 - 2011		2009 - 2010	
	Rs.	P.	Rs.	P.
<b>SCHEDULE - J</b>				
<b>INCREASE / (DECREASE) IN STOCK :</b>				
Opening Stock	1,652,731.82		2,220,070.43	
Less : Closing Stock	1,652,731.82		1,652,731.82	
	---		(567,338.61)	
<b>SCHEDULE - K</b>				
<b>ADMINISTRATION &amp; OTHER EXPENSES :</b>				
Advertisement & Publicity	27,789.00		17,511.00	
Books & Periodicals	2,696.00		1,069.00	
Demat Charges	---		1,084.72	
General Expenditures	32,577.00		44,377.50	
Listing Fees & Demat Connectivity Charges	76,128.50		76,128.50	
Motor Car Expenses	21,856.00		30,145.00	
Office Maintenance Charges	82,231.00		48,888.00	
Filing Fees	1,000.00		11,500.00	
Postage & Telegram	2,379.00		1,726.00	
Printing & Stationary	14,700.00		14,043.00	
Professional Service Charges	1,000.00		30,500.00	
Rent, Rates & Taxes	93,312.00		95,515.20	
Staff Payment	341,900.00		345,000.00	
Telephone & Trunkcalls	28,283.00		21,083.44	
Securities Transaction Tax	---		10,893.00	
Travelling & Conveyance	4,472.00		4,503.00	
<b><u>Auditor's Remuneration</u></b>				
Audit Fees	15,000.00		15,000.00	
	<b>745,323.50</b>		<b>768,967.36</b>	

**SCHEDULE - L****SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS :****(A) Significant Accounting Policies****1. Accounting Convention & System of Accounting**

The accompanying financial Statements are prepared under the historical cost convention on accrual basis of accounting. These are presented in accordance with the normally accepted Accounting Principles in India, provisions of the Companies Act, 1956, and the guidelines issued by the Reserve Bank of India, wherever applicable.

**2. Fixed Assets**

Fixed Assets are stated at cost inclusive of expenses related to acquisition. Fixed assets are valued at cost less depreciation.

**3. Depreciation**

The Company provides depreciation on Straight Line method in terms of Section 205(2)(b) of the Companies Act'1956.

**4. Investments**

Investments are long term in nature and are stated at cost of acquisition. In the opinion of the management, decline in the fair market value of investments are of temporary nature, hence no provision has been made.

**5. Revenue Recognition****Sales**

Income from Sale of Shares is recognised on the date of transaction.

**Interest Income**

Interest on Loan is recognised on a time proportion basis taking into account the outstanding amount and the applicable rate.

**6. Stock in Trade**

Shares and Securities purchased for trading purpose are shown as stock in shares and securities under the head current assets and are valued at lower of cost or market price.

**7. Retirement Benefit**

Payment of Gratuity Act is not applicable to the company as numbers of employees are less than the minimum required for applicability of Gratuity Act.

**(B) Notes on Accounts**

- The Company has complied with the prudential norms as per NBFC's (Reserve Bank) directions 1998 with regard to income recognition, assets classification, accounting standard and provision for bad and doubtful debts as applicable to it.
- Provision of Current Tax is made with reference to taxable income computed for the accounting period for which the financial statement are prepared by applying the tax rates as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred Tax Asset/Liabilities are reviewed as at balance sheet date based on the development during the year and reassess realization/Liabilities in terms of AS-22 Issued by ICAI.

Components	Deferred Tax Liability as at 01.04.2010	Originated / (Reversed) During the year	Deferred Tax Liability as at 31.03.2011
Depreciation	3,535.00	13,524.00	17,059.00



**3. In terms of Accounting Standard 20, Earning per share has been calculated as under :**

	Unit	2010-2011	2009-2010
Profit as per Profit & Loss Account	Rs.	227,643.43	(227,465.90)
No of Equity Shares	Nos.	50,00,900	50,00,900
Earning per shares (Basic/Diluted)	Rs.	.05	(.05)

**4. Related Party Disclosure**

Name of the Party	Relationship	Nature of Transaction	Volume of Transaction		Outstanding as on	
			2010-11	2009-10	31.03.2011	31.03.2010
Sri J. M. Saraogi	Whole Time Director	Salary	60,000/-	60,000/-	---	---
Smt. Anjana Devi Jain	Director's Relative	Rent	24,000/-	24,000/-	---	---
Smt. Preeti Patni	Director's Relative	Rent	24,000/-	24,000/-	24,000/-	---
Smt. Sunita Devi Patni	Director's Relative	Rent	24,000/-	24,000/-	---	---

**5. Information about Primary Business Segment**

(Rs. in Lacs)

Particulars	Current Year			Previous Year		
	Shares	Loan	Total	Shares	Loan	Total
<b>A : REVENUE</b>						
Total Revenue	(20.85)	20.51	(.34)	38.80	21.78	60.58
<b>B : RESULT</b>						
Segment Result	(20.85)	20.51	(.34)	(15.26)	21.78	6.52
Less : Unallocated Corporate Expenses net of unallocated income	---	---	(2.76)	---	---	8.62
Operating Profit	---	---	2.42	---	---	(2.10)
Tax Expenses	---	---	.14	---	---	.17
Net Profit	---	---	2.28	---	---	(2.27)
<b>C : OTHER INFORMATION</b>						
Segment Assets	149.13	264.36	413.49	180.33	252.89	433.22
Unallocated Corporate Assets			113.19			101.87
<b>Total Assets</b>			<b>526.68</b>			<b>535.09</b>
Segment Liabilities	---	28.34	28.34	5.00	32.74	37.74
Unallocated Corporate Liabilities			2.77			4.02
<b>Total Liabilities</b>			<b>31.11</b>			<b>41.76</b>
Depreciation			.83			.82
Non-cash Expenses other than depreciation			---			---



6. **Managerial Remuneration:-**
- |             |                                |
|-------------|--------------------------------|
| Salary      | Rs.60,000/- (PY. Rs. 60,000/-) |
| Perquisites | Rs. Nil (PY. Rs. Nil)          |
7. Management has determined that there was no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, during the current year, based on the information available with the Company as at March 31, 2011.
8. 1/5<sup>th</sup> of the Net Profit after tax has been transferred to Reserve as per as per section 45(IC) of the RBI Act, 1934.
9. The quantitative information of opening stock, purchases, sales and closing stock of shares & Securities as per clause 3(i)(a) and 3(ii)(b) of part II of Schedule VI to the companies Act, 1956 has been annexed as Annexure I hereto.
10. A statement as required by schedule VI in respect of Investment and stock in Shares & Securities has been annexed as Annexure II-A and II-B hereto.
11. A statement as required by schedule VI part IV of the Companies Act 1956 has been annexed as Annexure III hereto.
12. Previous year's figures have been regrouped, reclassified and/or renamed to conform to this year's classification.

Signature to Schedules 'A' to 'L'

**For JAIN BINOD & ASSOCIATES**  
Firm's Reg. No. 320231E  
CHARTERED ACCOUNTANTS

Binod Kumar Jain - (Proprietor)  
M. No. - 55398

Place: Kolkata

Date: The 30<sup>th</sup> day of May, 2011.

On behalf of the board

D. K. Patni - Director

J. M. Saraogi - Whole Time Director

Payal Bhutoria - Company Secretary



**Annexure - I**

**Statement of Quantitative Details for Opening Stock, Purchases, Sales and Closing Stock of Shares & Securities.**

Shares & Securities	Current Year		Previous Year	
	Qty. (Nos.)	Amount (Rs.)	Qty. (Nos.)	Amount (Rs)
Opening Stock	169,309	1,652,731.82	322,809	2,220,070.43
Purchase/ Conversion*	3,300	--	62,472	4,849,857.38
Sales/ Conversion	--	--	215,972	3,865,465.78
Closing Stock	172,609	1,652,731.82	169,309	1,652,731.82

\* Stock Split & Bonus

**Annexure II -A**

**Details of Investments**

Name of the company	Face Value	Current Year		Previous Year	
		Qty.	Amount	Qty.	Amount
<b><u>In Shares Quoted fully Paid-up</u></b>					
Ashika Credit Capital Ltd.	10.00	28,000	700,000.00	28,000	700,000.00
Khaitan Chemicals & Fertilizers Ltd.	10.00	4,489	382,481.16	4,489	382,481.16
<b>Total of (A)</b>		<b>32,489</b>	<b>1,082,481.16</b>	<b>32,489</b>	<b>1,082,481.16</b>
<b><u>In Shares Unquoted fully Paid-up</u></b>					
Advance Mang. Services Ltd.	100.00	5,750	115,000.00	5,750	115,000.00
Amber Homes (P) Ltd	10.00	11,250	225,000.00	25,000	500,000.00
Captain Vinimay Pvt Ltd.	10.00	26,400	264,000.00	--	--
Darkin Vincom (P) Ltd.	10.00	484,200	968,400.00	--	--
Derby Properties (P) Ltd.	10.00	--	--	100,000	1,000,000.00
M.S. Finvests (P) Ltd.	10.00	108,000	333,000.00	108,000	333,000.00
Mahak Commercial Pvt Ltd	10.00	--	--	24,000	600,000.00
Mega Markets Sh. Ltd.	10.00	5,000	375,000.00	5,000	375,000.00
New View Consultant Pvt Ltd.	10.00	558,000	1,116,000.00	--	--
Rajshree Creation (P) Ltd.	10.00	--	--	10,000	500,000.00
Sultan Apperls Pvt Ltd	10.00	--	--	50,000	1,000,000.00
The Manipur Tea Co. Pvt. Ltd.	10.00	--	--	7,000	700,000.00
Trans Scan Securities Pvt. Ltd.	10.00	1,611,250	8,281,000.00	1,611,250	8,281,000.00
<b>Total of (B)</b>		<b>2,809,850</b>	<b>11,677,400.00</b>	<b>1,946,000</b>	<b>13,404,000.00</b>
<b>Total of (A) + (B)</b>		<b>2,842,339</b>	<b>12,759,881.16</b>	<b>1,978,489</b>	<b>14,486,481.16</b>





Annexure - IIB Stocks of Shares & Securities (Other than Long Term Investments)	Stock as on 31.03.2011		Stock as on 31.03.2010	
	Qty.	Amount	Qty.	Amount
Name of the Company				
1. ARIHANT ENTERPRISE LTD	10,000	70,000.00	10,000	70,000.00
2. BAID MERCANTILES LTD	82,000	164,000.00	82,000	164,000.00
3. BALA TECHNO GLOBAL LTD.	200	354.00	200	354.00
4. BALMER LAWRIE INVESTMENT LTD.	300	---	300	---
5. BALMER LAWRIE VANLEER LTD.	300	2,400.00	300	2,400.00
6. BENTOLL CHEMICALS LTD.	100	100.00	100	100.00
7. BRESCON CORPORATION ADVISORS LTD.	400	1,380.00	400	1,380.00
8. CHECON LTD.	1,700	37,400.00	1,700	37,400.00
9. CONSORTIUM VAYAPAAR LTD.	500	500.00	500	500.00
10. C.R.B CAPITAL LTD.	100	100.00	100	100.00
11. C.R.B CORPORATION LTD.	2,900	2,900.00	2,900	2,900.00
12. GENUS POWER INFRA. LTD. (FV Rs. 1/-)*	3,000	1,215.00	300	1,215.00
13. GMB CERAMICS LTD.	300	300.00	300	300.00
14. GOLDSTAR STEEL & ALLOYS LTD.	160	80.00	160	80.00
15. GRAPCO INDUSTRIES LTD.	7,000	7,000.00	7,000	7,000.00
16. GULSHAN POLYOLS	2,881	209,160.60	2,881	209,160.60
17. HINDUSTAN FINANCE MANG. LTD.	500	1,350.00	500	1,350.00
18. INTERNATIONAL CONSTRUCTION LTD.	6,900	249,000.00	6,900	249,000.00
19. LORDS CHEMICALS LTD.	3,600	3,425.00	3,600	3,425.00
20. MARSONS LTD.	1,600	3,200.00	1,600	3,200.00
21. MARSONS LTD.(BONUS)**	1,400	---	800	---
22. MY FAIR LADY LTD.	1,900	2,546.00	1,900	2,546.00
23. PRECISION FASTNER LTD.	500	500.00	500	500.00
24. QUALITY SYNTHETICS LTD.	6,500	875,550.00	6,500	875,550.00
25. SHRADHA PROJECTS LTD.	600	8,893.22	600	8,893.22
26. SKYLINE NEPC LTD.	1,000	760.00	1,000	760.00
27. SPENTEX INDUSTRIES LTD.	1,000	3,400.00	1,000	3,400.00
28. UNIWORTH (I) LTD.	460	368.00	460	368.00
29. UNIWORTH TEXTILE LTD	75	60.00	75	60.00
30. VARANASI COMMERCIAL LTD.	1,400	6,790.00	1,400	6,790.00
31. BHATPARA PAPERS LTD.	33,333	---	33,333	---
<b>GRAND TOTAL</b>	<b>172,609</b>	<b>1,652,731.82</b>	<b>169,309</b>	<b>1,652,731.82</b>

\* Stock Split (F.V 10/- to F.V. 1/-)

\*\* Bonus (Ratio 1:4)



**ANNEXURE - III**

**STATEMENT PURSUANT TO PART IV OF THE COMPANIES ACT ACT, 1956  
BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE**

**A) REGISTRATION DETAILS :**

REGISTRATION NO. L74140WB1992PLC055931 STATE CODE : 21  
BALANCE SHEET DATE : THE 31<sup>st</sup> DAY OF MARCH 2011

**B) CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. '000)**

PUBLIC ISSUE	Rs. NIL	RIGHT ISSUE	Rs. NIL
BONUS ISSUE	Rs. NIL	PRIVATE PLACEMENT	Rs. NIL

**C) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. '000)**

TOTAL LIABILITIES	Rs. 52,668.427	TOTAL ASSETS	Rs. 52,668.427
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**SOURCE OF FUNDS :**

PAID UP CAPITAL	Rs. 50,009.000	RESERVE & SURPLUS	Rs. 957.879
SECURED LOAN	NIL	UNSECURED LOAN	NIL
DEFERRED TAX LIABILITY	Rs. 17.059		

**APPLICATION OF FUNDS :**

NET FIXED ASSETS	Rs. 540.158	INVESTMENTS	Rs. 12,759.881
NET CURRENT ASSETS	Rs. 36,274.578	DEFERRED TAX ASSETS	Rs. Nil
ACCUMULATED LOSSES	Rs. 1,409.321		

**D) PERFORMANCE OF COMPANY (AMOUNT IN RS. '000)**

TURNOVER	Rs. 3,231.260	TOTAL EXPENDITURE	2,990.093
PROFIT & (LOSS) BEFORE TAX	Rs. 241.167	PROFIT & (LOSS) AFTER TAX	227.643
EARNING PER SHARE	Rs. 0.05	DIVIDEND RATE %	NIL

**E) GENERIC NAME OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY**

ITEM CODE (ITC CODE NO.)	:	NIL
ITEM DESCRIPTION	:	SHARES & SECURITIES & FINANCING

**On behalf of the board**

**D. K. Patni - Director**

**J. M. Saraogi - Whole Time Director**

**Payal Bhutoria - Company Secretary**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

	2010-2011 Rs.	2009-2010 Rs.
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Adjustment before Tax & Extra Ordinary items	241,167.43	(210,072.90)
Add/Less Adjustment for :		
1. Depreciation	83,464.00	81,894.00
2. Dividend on Shares (Investment)	(5,386.80)	(8,080.20)
3. Provision for Non Performing Assets	(939,594.00)	---
<b>Operating Profit before Working Capital Changes</b>	<b>(620,349.37)</b>	<b>(136,259.10)</b>
Add/Less Adjustment for :		
1. Inventories	---	567,338.61
2. Loan & Advances	2,955,180.00	1,867,400.00
3. Trade Payables	(127,573.00)	293,009.80
4. Trade Receivable	1,393,115.89	(1,393,115.89)
5. Provisions	---	(41,168.00)
<b>Cash Generated from Operation</b>	<b>3,600,373.52</b>	<b>1,157,205.42</b>
Direct Taxes Paid (Net of Refunds)	14,431.00	3,374.00
	<b>3,585,942.52</b>	<b>1,153,831.42</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	(2,648,600.00)	(1,600,000.00)
Sale of Investments	4,375,200.00	160,000.00
Dividend on Shares (Investment)	5,386.80	8,080.20
Purchase of Fixed Assets	(30,628.00)	(76,640.00)
<b>Net Cash used in Investment Activities</b>	<b>1,701,358.80</b>	<b>(1,508,559.80)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
	---	---
<b>Net Increase in cash &amp; cash equivalents(A+B+C)</b>	<b>5,287,301.32</b>	<b>(354,728.38)</b>
Cash and cash equivalents (Opening Balance)	465,343.88	820,072.26
<b>Cash and cash equivalents (Closing Balance)</b>	<b>5,752,645.20</b>	<b>465,343.88</b>

This is the Cash Flow Statement referred to in our report of even date

For **JAIN BINOD & ASSOCIATES**

Firm's Reg. No. 320231E

**CHARTERED ACCOUNTANTS**

**Binod Kumar Jain**

(Proprietor)

M. No.-55398

For and On behalf of the board

**D. K. Patni** - Director

**J. M. Saraogi** - Whole Time Director

**Payal Bhutoria** - Company Secretary

Place : Kolkata

Date : The 30<sup>th</sup> Day of May' 2011.





## OCTAL CREDIT CAPITAL LIMITED

REGISTERED OFFICE : 16A, SHAKESPEARE SARANI, UNIT - II, 2ND FLOOR, KOLKATA - 700 071

### PROXY FORM

I/We .....  
of ..... being the member/members of OCTAL CREDIT CAPITAL LIMITED hereby  
appoint ..... of ..... or failing him  
..... of .....

as my/our proxy to attend and vote for me/us on my/our behalf at the 19th Annual General Meeting of the Company to be held on the 29th day of September, 2011, and at any adjournment thereof.

In witness whereof I/We have signed on this ..... day of ..... 2011.

Folio No. ....

DPID No. ....

Client ID No. ....



Signature of shareholder

**NOTE:** The Proxy must be returned so as to reach the Registered Office of the Company not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.

## OCTAL CREDIT CAPITAL LIMITED

REGISTERED OFFICE : 16A, SHAKESPEARE SARANI, UNIT - II, 2ND FLOOR, KOLKATA - 700 071

DPID NO* :	FOLIO NO. :
CLIENT ID NO.* :	NO. OF SHARES HELD :

### ATTENDANCE SLIP

(to be handed over at the entrance of the meeting hall)

I/We hereby record my/our presence at 19<sup>th</sup> Annual General Meeting of the Company held at 16A, SHAKESPEAR SARANI, UNIT-II, 2<sup>ND</sup> FLOOR, KOLKATA - 700 071, AT 3.00 P.M. on Thursday, the 29<sup>th</sup> September 2011 and at any adjournment thereof.

NAME(S) OF THE MEMBER(S) (IN BLOCK LETTERS)	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE MEMBER(S)/ PROXY	

### NOTES

Please complete and sign the attendance slip and handover at the entrance of the meeting hall. Only Member or their Proxies with this attendance slip will be allowed entry to meeting

\*Applicable for Investors holding shares in electronic form.