

**TWENTY NINTH  
ANNUAL REPORT  
2011-2012**

**EMERGENT ENERGY AND SERVICES LIMITED  
(Formerly Shree Om Trades Limited)**

**EMERGENT ENERGY AND SERVICES LIMITED**  
**(Formerly Shree Om Trades Limited)**

- BOARD OF DIRECTORS - MR. D. K. SOMANI - CHAIRMAN
- MR. T. K. SOMANI
- MR. ARVIND MISHRA
- MR. R. C. KHANDURI
- MR. NEERAJ GOENKA
- MR. H. P. SOHN
- AUDITORS - RAJENDRA K. GOEL & CO.  
CHARTERED ACCOUNTANTS  
NEW DELHI
- BANKERS - CANARA BANK
- REGISTERED OFFICE - 8B, SAGAR  
6, TILAK MARG  
NEW DELHI - 110 001  
(INDIA)

**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**Registered Office: 8B, 'Sagar', 6, Tilak Marg, New Delhi-110001**

**NOTICE**

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of Emergent Energy and Services Limited will be held on Thursday, the 27<sup>th</sup> September, 2012 at 10.30 A.M. at 8B, 'Sagar', 6, Tilak Marg, New Delhi-110001 to transact the following business :-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and the Profit & Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.
2. To elect a director in place of Mr.R.C.Khanduri, who retires by rotation, and being eligible, offers himself for re-election.
3. To elect a director in place of Mr.Arvind Mishra, who retires by rotation, and being eligible, offers himself for re-election.
4. To appoint Auditors and to fix their remuneration and for that matter to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s Rajendra K. Goel & Co., Chartered Accountants, New Delhi be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company."

By Order of the Board  
For Emergent Energy and Services Limited

  
(Sabina Nagpal)

Company Secretary and Law Officer

Place : New Delhi.  
Dated : 31.08.2012.

**NOTES :**

- (1) Explanatory Statement as required u/s 173(2) of the Companies Act, 1956 is attached.
- (2) A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company. The proxy form, signed across 30 paise revenue stamp, should reach the Company's Registered Office at least 48 hours before the scheduled time of the meeting. A proxy form is attached.
- (3) The Register of Members of the Company will remain closed from Thursday, the 20<sup>th</sup> September, 2012 to Thursday, the 27<sup>th</sup> September, 2012 (both days inclusive).
- (4) Shareholders are requested to notify the change in address, if any, to the Company.

**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**Registered Office: 8B, 'Sagar', 6, Tilak Marg, New Delhi-110001**

**PROXY**

I/We \_\_\_\_\_, R/o \_\_\_\_\_, being a member/members of Emergent Energy And Services Limited hereby appoint \_\_\_\_\_ R/o \_\_\_\_\_ or failing him \_\_\_\_\_ R/o \_\_\_\_\_ my/our proxy to attend, act and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday the 27<sup>th</sup> September, 2012 at the Registered Office of the Company and at any adjournment thereof.

Signed this \_\_\_\_\_ day of 2012

Sign.....

Note: An instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for commencement of the aforesaid meeting.

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**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**Registered Office: 8B, 'Sagar', 6, Tilak Marg, New Delhi-110001**

**ATTENDANCE SLIP**

I hereby record my presence at the Annual General Meeting of the Company on

\_\_\_\_\_

Member's Name & Address

.....

(In block letters)

Folio No. /DP ID No.:

No.of Shares Held.

## DIRECTORS' REPORT

### TO THE MEMBERS OF EMERGENT ENERGY AND SERVICES LIMITED

Your directors have pleasure in presenting their Twenty Ninth annual report together with audited statement of accounts of the Company for the year ended 31<sup>st</sup> March, 2012.

#### 1. Financial Results

	(Rs. In Lacs)	
	<u>2011 - 12</u>	<u>2010 -11</u>
Turnover	94.10	38.68
Profit for the year before tax	26.63	5.52
Less: Provision for Taxation	7.50	4.71
Profit after tax	----- 19.13	----- 0.81
Balance of profit brought forward	31.65	30.84
Balance Carried forward	----- 50.78	----- 31.65

#### 2. Dividend

In view of the absence of any surplus, the directors do not recommend any dividend for the year under report.

#### 3. Management Discussion and Analysis

The Company has already filed for registration for setting up solar power plant at RREC and is now awaiting state government policy for allocation of power for setting up 5 MW power plant.

The management is dedicated towards achieving growth of the business of the Company as well as in diversifying in other fields of activity.

#### 4. Directors

Mr.R.C.Khanduri and Mr.Arvind Mishra, Directors who retire by rotation at the ensuing Annual General Meeting being eligible have offered themselves for re-appointment.

#### 5. Corporate Governance:

The shares of the Company are listed on Bombay Stock Exchange. The report on corporate governance as required under the Listing Agreement forms part of this Annual Report.

A certificate of the Practising Company Secretary regarding compliance of Clause 49 of the Listing Agreement is annexed to the Directors Report.

## 6. Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956 as amended, the directors confirm that:

- i) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2012, the applicable accounting standards have been followed;
- ii) appropriate accounting policies have been selected and applied consistently and judgments and estimates made 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 ended 31<sup>st</sup> March 2012 and of the profit for the year ended on that date;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts for year ended 31<sup>st</sup> March, 2012, have been prepared on a going concern basis.

## 7. Fixed Deposits

The Company has neither accepted nor invited any deposits from the public as contemplated under Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975, during the year under the review.

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

Information as required under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 relating to Conservation of Energy, Technology Absorption, is not furnished as the said section is not applicable to the Company.

	<u>2011-12</u>	<u>2010-11</u>
Foreign Exchange Earnings:	Nil	Nil
Foreign Exchange Outgo : Rs.6,680		Nil

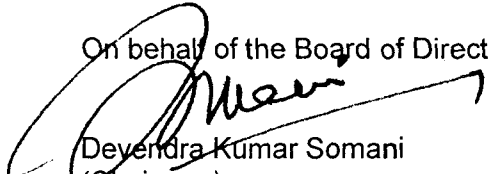
## 9. Particulars of Employees

The Company does not have any employee whose particulars are required to be disclosed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## 10. Acknowledgements

Your directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, employees, Government Authorities and Bankers.

On behalf of the Board of Directors



Deyendra Kumar Somani  
(Chairman)

Place : New Delhi

Date : 22.5.2012

**Certificate on Compliance of Corporate Governance Under Corporate Governance Clause of the Listing Agreement(s)**

**To The Members of Emergent Energy and Services Limited**

We have reviewed the implementation of Corporate Governance procedures by Emergent Energy and Services Limited during the financial year ended March 31, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.


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

The Company has set up various committees and complied with the other requirements of Clause 49 of the Listing Agreement(s).

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Corporate Governance Clause 49 of the listing agreement(s) with the Stock Exchange(s) have been substantially complied with by the Company.

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

New Delhi  
22/05/2012

  
Subhash Gupta  
C.F. No. 7367



## REPORT ON CORPORATE GOVERNANCE

The report on corporate governance as required under the Listing Agreement is as under:-

- a. The Company and the management adhere to the policy of transparent and ethical corporate governance and aims to achieve higher levels of transparency and ethical governance.

### b. BOARD OF DIRECTORS

The Board of Directors comprises of six directors of which two are promoter directors, 4 directors are non-executive Independent Directors.

During the period under review, 4 Board Meetings were held on May 27, 2011, August 11, 2011, November 9, 2011 and February 10, 2012. The composition of the Board of Directors and attendance of the directors at the Board meetings during the period and at the last Annual General Meeting as also number of other directorship in Indian Public Limited Companies are as follows:

<i>Name of Director</i>	<i>Attendance at last AGM</i>	<i>No. of Board meetings attended</i>	<i>Category of directors</i>	<i>Other directorships</i>	<i>Other Boards Committees members</i>
Mr.D.K.Somani	Yes	4	PG	3	Nil
Mr.Tarun Somani	Yes	4	PG	2	Nil
Mr.Arvind Mishra	Yes	4	ID	Nil	Nil
Mr.R.C.Khanduri	Yes	4	ID	Nil	Nil
Mr.H.P.Sohn	No	0	ID	Nil	Nil
Mr.Neeraj Goenka	No	3	ID	Nil	Nil

PG – Promoter Group  
ID – Independent Director

ED–Executive Director  
NED– Non-Executive Director

Director

### c. AUDIT COMMITTEE

The Audit Committee comprises of Mr.Neeraj Goenka, Mr.Arvind Mishra and Mr.R.C.Khanduri, Directors of the Company and Ms.Sabina Nagpal, Company Secretary and Law Officer is the Secretary to the Committee. Mr.Neeraj Goenka is the Chairman of the Audit Committee. The role and powers of the Audit Committee

are as laid down under the relevant clauses of the Listing Agreement and Section 292(A) of the Companies Act, 1956.

During the period under review, 4 Audit Committee Meetings were held on May 27, 2011, August 11, 2011, November 9, 2011 and February 10, 2012. The attendance at the Audit Committee Meetings is as under:

<i>Name of Director</i>	<i>No. of meetings attended</i>
Mr.Neeraj Goenka	3
Mr.Arvind Mishra	4
Mr.R.C.Khanduri	4

**d. REMUNERATION OF DIRECTORS**

Presently the Directors are not being paid any remuneration by the Company.

**e. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

The Shareholders/Investors Grievance Committee has been constituted to look into the redressal of investors' grievances. The Committee comprises of Mr.Neeraj Goenka, Mr.Arvind Mishra and Mr.R.C.Khanduri, Directors of the Company.

Ms.Sabina Nagpal is designated as the Compliance Officer to oversee the investors' grievances. During the period, the Company did not receive any investor complaint. No transfer application was pending for registration of transfer as on 31.3.2012.

**f. GENERAL BODY MEETINGS**

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

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Place</b>
2010-2011	27-09-2011	10.30 a.m.	8B, 'Sagar', 6, Tilak Marg, New Delhi-110 001
2009-2010	28-09-2010	10.30 a.m.	347A, Panchratna, Opera House, Mumbai
2008-2009	30-09-2009	4.30 p.m.	347A, Panchratna, Opera House, Mumbai

At the Annual General Meeting of the Company held in the last year, a special resolution was passed for taking up the business activities in Other Objects of the Company.

#### **g. DISCLOSURES**

- i. There are no materially significant transactions with the related parties viz. Promoters, Directors, Senior Management, their Subsidiaries or relatives conflicting with Company's interest at large.
- ii. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during last three years.
- iii. All the Board members and Senior Management personnel have affirmed compliance with the code of conduct.

#### **h. MEANS OF COMMUNICATION**

The quarterly, half yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are also normally published in the Financial Express (English edition) and Jansatta (Hindi edition) newspapers. The presentation as to the Company's performance etc. are made to the Institutional investors/Financial analysts as and when considered necessary. The Management discussion and analysis report forms part of the annual report.

#### **i. GENERAL SHAREHOLDERS INFORMATION**

- Tentative Financial Calendar:

Audited Accounts (2011-2012): 22.5.2012

First quarter results: Towards mid August '12, Half yearly results: Towards mid Nov. '12, Third quarter results: Towards mid Feb. '13, Fourth quarter results: Towards mid May. '13

- Book Closure Dates: Thursday, 20<sup>th</sup> September to Thursday, 27<sup>th</sup> September, 2012.
- Dividend Payment Date: Not Applicable
- Listing on Stock Exchanges and Stock Codes: The shares of the Company are listed on Bombay Stock Exchange Limited and the stock code is 506180.

- **Market Price Data:**

The details of High & Low market price of the shares at The Bombay Stock Exchange Limited, Mumbai are as follows:

<i>Month</i>	<i>Quotation at Bombay Stock Exchange Limited</i>	
	<i>High (Rs.)</i>	<i>Low (Rs.)</i>
April 2011	18.25	17.90
May 2011	21.20	18.25
June 2011	22.40	21.60
July 2011	22.80	22.80
August 2011	23.25	23.25
September 2011	23.70	23.70
October 2011	24.60	24.15
November 2011	25.05	25.05
December 2011	26.55	25.55
January 2012	33.35	27.05
February 2012	35.30	34.00
March 2012	41.15	36.00

- Registrar and Transfer Agents: M/s. RCMC Share Registry (Pvt.) Ltd., B-106, Sector-2, NOIDA-201301
- Share Transfer System: The Board of Directors of the Company has delegated the power of share transfer to a Sub-Committee on share transfer, which generally meets twice a month with a view to effect the transfer of shares expeditiously.

- **Distribution of Shareholding**

The distribution of shareholding as on 31.03.2012 is given below:

<b>No. of Equity Shares</b>	<b>No. of Shareholders</b>	<b>%age of Shareholders</b>	<b>No. of Shares held</b>	<b>%age of shareholding</b>
Upto - 500	49	69.01	4550	0.10
501 - 1000	0	0	0	0
1001 - 2000	2	2.82	3300	0.07
2001 - 3000	4	5.63	9800	0.21
3001 - 4000	0	0	0	0
4001 - 5000	1	1.41	4050	0.09
5001 - 10000	1	1.41	8000	0.18
10001 & Above	14	19.72	4539300	99.35
<b>TOTAL</b>	<b>71</b>	<b>100.00</b>	<b>4569000</b>	<b>100.00</b>

- **Shareholding Pattern as on 31.3.2012:**

<b>Sr. No.</b>	<b>Category</b>	<b>No. of Shares</b>	<b>%age of holding</b>	<b>of</b>
1.	Promoters	33,75,300	73.87	
2.	Financial Institutions, Banks & Mutual Funds	0.00	0.00	
3.	Private Corporate Bodies	5,22,850	11.44	
4.	NRIs/OCB's	0.00	0.00	
5.	Indian Public	6,70,850	14.69	
	<b>TOTAL</b>	<b>45,69,000</b>	<b>100</b>	

- **Dematerialisation of Shares and Liquidity:**

The Company's shares are fully available for trading in the depository systems of both NSDL and CDSL. As on 31.3.2012, 45,68,500 equity shares of the Company i.e. 99.98% of equity capital has already come under the electronic form.

- International Security Identification No.:

NSDL and CDSL : INE 668L01013

- Outstanding GDR/ADR/WARRANTS or any convertible instruments, conversion date & impact on equity: Nil
- Address for Correspondence-

8B, 'Sagar', 6, Tilak Marg, New Delhi-110001

**j. Directors being re-appointed**

**Mr.Arvind Mishra**

Mr.Arvind Mishra is a Chartered Accountant with extensive industry experience of more than 25 years in the area of financial management and credit control. Mr.Mishra is not holding any shares of the Company.

**Mr.R.C.Khanduri**

Mr.R.C.Khanduri is a law graduate with diverse experience of more than 22 years. Mr.Khanduri is not holding any shares of the Company.

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J-288, GROUND FLOOR,  
SAKET, NEW DELHI-110017

**"AUDITOR'S REPORT"**

To,

The Members of  
**EMERGENT ENERGY AND SERVICES LIMITED**  
**NEW DELHI**

We have audited the attached Balance Sheet of **M/s. EMERGENT ENERGY AND SERVICES LIMITED (Formerly Shree Om Trades Limited)** as at 31<sup>st</sup> March 2012 and the Profit & Loss Statement for the year ended on that date annexed thereto and the Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on 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.

1. As required by the Companies (Auditor's Report) Order 2004 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and on the bases of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the annexure a statement on the matters specified in paragraph 4 & 5 of the said order
2. Further to our comments in annexure referred to in paragraph (1) 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 audit
  - b) In our opinion, the company has kept proper books of accounts as required by the law so far as appears from examination of such books.
  - c) The Balance Sheet and Profit & Loss Statement dealt with by this report are in agreement with the books of accounts.



- d) In our opinion the Balance Sheet, Profit & Loss Statement and Cash Flow Statement are prepared in accordance with Accounting Standard referred to in subsection (3c) of section 211 of the Companies Act, 1956
- e) On the basis of the written representation received from the Directors and taken on record by the board of Directors, we report that none of the said Directors is disqualified as on 31<sup>st</sup> March 2012 from being appointed as Director in terms of clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Profit & Loss Statement and Cash Flow Statement and the other notes on accounts as per note no- 15 give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:-
- I. In case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2012;
- II. In the case of Profit & Loss Statement, of the profit of the Company for the year ended on that date.
- III. In the case of the Cash Flow Statement, of the Cash Flows of the Company for the period ended on that date.

**For RAJENDRA K. GOEL & CO.  
CHARTERED ACCOUNTANTS.  
FRN No- 001457N**

**R. K. GOEL  
PARTNER  
(M. No. 6154)**



**PLACE: NEW DELHI  
DATED: 22.05.2012**



**ANNEXURE TO THE AUDITOR'S REPORT**

Referred to in paragraph (1) of our report to the members of M/s Emergent Energy and Services Limited. On the account for the year ended 31<sup>st</sup> March, 2012

- (i) Since the company does not own any fixed assets, the clause relating to maintenance of proper records, physical verification and valuation of fixed assets are not applicable.
- (ii) The company is earning consultancy income hence paragraph 4ii(a),ii(b) &ii(c) related to inventory, are not applicable.
- (iii) (a) The Company has granted unsecured loan to a Company covered in the register maintained under Section 301 of the Companies Act, 1956 or to 370(1B) of the Companies Act, 1956. Outstanding balance of which as on 31.03.2012 was 12.00 Crores. (Maximum amount outstanding during the year was Rs. 12.00 Crores)
- (b) In our opinion and according to the information and explanations given to us the terms and conditions of loan taken from the person listed in the register maintained under Section 301 of the Companies Act, 1956 are not prima-facie prejudicial to the interest of the Company.
- (c) The principal amount and interest wherever applicable thereon in respect of loan and/or advances in the nature of loans taken by the company are being recovered as stipulated.
- (d) The Company has not taken any loans, secured or unsecured to Companies, firm or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or to 370(1B) of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to procurement of services and fixed assets and for rendering of services.
- (v) (a) According to the information and explanations given by the management, we report that the company has not entered into such transaction during the year which needs to be entered into the register maintained under section 301 of the Companies Act 1956.
- (b) The Company has not entered into transaction relating to services in excess of Rs. 5,00,000/- in value for each firm/to firms in which some of the Directors are interested as listed in the register maintained under Section 301 of the Companies Act, 1956.
- (vi) The Company has not invited any deposits from public and as such provisions of Section 58A and 58AA of the Companies Act, 1956 are not applicable,



- (vii) The Company has an internal audit system which commensurate with size and nature of its business.
- (viii) Maintenance of the cost record has not been prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956.
- (ix) (a) According to information and the explanation given to us and the records of the company examined by us, in our opinion undisputed statutory dues including Provident Fund and Employees' State Insurance, Income-Tax, Custom Duty, Excise Duty, Cess and any other statutory dues, if applicable, have been regularly deposited by the company, with the appropriate authorities. There are no undisputed statutory dues which have remained outstanding as on 31<sup>st</sup> March 2012, for a period of more than six months from the date they became payable.  
  
(b) According to the records of the company and the information and explanation given to us, no disputed amounts in respect of Income tax, sales tax, wealth tax, custom duty and excise duty were outstanding as at 31<sup>st</sup> March 2012.
- (x) The company has no accumulated losses and it has not incurred cash losses in the financial year ended on that date.
- (xi) Based on our examination of documents and records and according to the information and explanations given to us the company has not defaulted in repayment of dues of financial institutions and banks.
- (xii) Based on our examination of documents and records and according to 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.
- (xiii) The company is not a chit fund or nidhi/mutual benefit fund /society. Therefore, the provisions of clause 4(xiii) of Companies (Auditors' report) Order, 2004 are not applicable to the company.
- (xiv) The company is not dealing in or trading in shares, securities, debentures or other investments and hence the requirements of paragraph 4(xiv) are not applicable to the company
- (xv) According to the information and explanations given to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The company has not obtained loan during the year and applied the same for the purpose it was taken.
- (xvii) As per the information and explanations provided to us no short-term funds raised and used for long-term purposes and vice-versa.



- (xviii) According to the information and explanation given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956.
- (xix) According to the information and explanations given to us and the records examined by us no debentures have been issued during the year.
- (xx) The company has not raised public issue during the year.
- (xxi) To the best of our knowledge and belief and according to information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For RAJENDRA K. GOEL & CO.  
CHARTERED ACCOUNTANTS.  
FRN No- 001457N**

**R. K. GOEL  
PARTNER  
(M. No. 6154)**



**PLACE: NEW DELHI  
DATED: 22.05.2012**

**EMERGENT ENERGY AND SERVICES LIMITED**

**(FORMERLY SHREE OM TRADES LIMITED)**

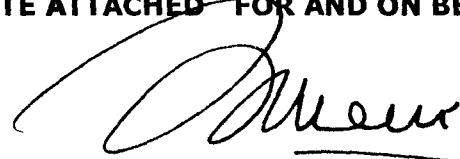
**BALANCE SHEET AS AT MARCH 31, 2012**

	<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
<b>I</b>	<b>EQUITY &amp; LIABILITIES</b>			
<b>1</b>	<b>SHAREHOLDER'S FUNDS</b>			
	- SHARE CAPITAL	1	45,690,000	45,690,000
	- RESERVES & SURPLUS	2	89,880,422	87,967,401
			<b>135,570,422</b>	<b>133,657,401</b>
<b>2</b>	<b>CURRENT LIABILITIES</b>			
	- OTHER CURRENT LIABILITIES	3	650,891	1,501,919
	- SHORT TERM PROVISIONS	4	1,230,000	480,000
			<b>1,880,891</b>	<b>1,981,919</b>
	<b>TOTAL ( 1+2 ) :-</b>		<b>137,451,313</b>	<b>135,639,320</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
	- NON-CURRENT INVESTMENTS	5	3,300,000	9,914,648
	- DEFERRED TAX ASSETS (NET)		11,143	11,642
	- LONG TERM LOANS & ADVANCES	6	120,000,000	116,900,000
			<b>123,311,143</b>	<b>126,826,290</b>
<b>2</b>	<b>CURRENT ASSETS</b>			
	- TRADE RECEIVABLE	7	-	992,700
	- CASH & CASH EQUIVALENTS	8	12,457,965	3,742,230
	- SHORT TERM LOANS & ADVANCES	9	6,450	1,834,348
	- OTHER CURRENT ASSETS	10	1,675,755	2,243,752
			<b>14,140,170</b>	<b>8,813,031</b>
	<b>TOTAL ( 1+2 ) :-</b>		<b>137,451,313</b>	<b>135,639,320</b>

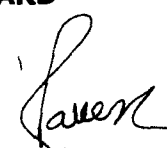
**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS** 15

**AS PER OUR REPORT OF EVEN DATE ATTACHED FOR AND ON BEHALF OF THE BOARD**

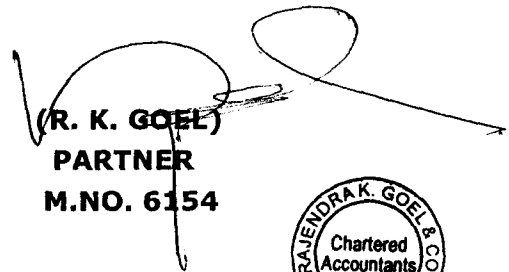
**FOR RAJENDRA K. GOEL & CO  
CHARTERED ACCOUNTANTS  
FRN No- 001457N**



**D.K. SOMANI  
DIRECTOR**



**R. C. KHANDURI  
DIRECTOR**



**(R. K. GOEL)  
PARTNER  
M.NO. 6154**




**SABINA NAGPAL  
COMPANY SECRETARY  
& LAW OFFICER**

**PLACE : NEW DELHI  
DATED : 22.05.2012**

**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**

	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31.03.2012	FOR THE YEAR ENDED 31.03.2011
I	REVENUE FROM OPERATION		500,000	1,000,000
II	OTHER INCOME	11	8,910,418	2,868,093
III	<b>TOTAL REVENUE ( I + II )</b>		<b>9,410,418</b>	<b>3,868,093</b>
IV	EXPENSES:			
	- EMPLOYEE BENEFITS EXPENSE	12	1,786,878	1,127,677
	- OTHER EXPENSES	13	4,911,705	2,145,279
	- PAYMENT TO AUDITORS	14	48,315	43,000
	<b>TOTAL EXPENSES</b>		<b>6,746,898</b>	<b>3,315,956</b>
V	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX ( III - IV )		2,663,520	552,137
VI	EXCEPTIONAL ITEMS		-	-
VII	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX ( V - VI )		2,663,520	552,137
VIII	EXTRAORDINARY ITEMS		-	-
IX	<b>PROFIT BEFORE TAX ( VII - VIII )</b>		<b>2,663,520</b>	<b>552,137</b>
X	TAX EXPENSE			
	- CURRENT TAX		750,000	480,000
	- EARLIER YEAR TAX		-	2,200
	- DEFERRED TAX		499	(11,642)
	<b>TOTAL TAX EXPENSES</b>		<b>750,499</b>	<b>470,558</b>
XI	PROFIT FOR THE PERIOD FROM CONTINUING OPERATION ( IX - X )		1,913,021	81,579
XII	PROFIT/(LOSS) FROM DISCONTINUING OPERATION		-	-
XIII	TAX EXPENSE OF DISCONTINUING OPERATIONS		-	-
XIV	PROFIT/(LOSS) FROM DISCONTINUING OPERATION (AFTER TAX) (XII-XIII)		-	-
XV	<b>PROFIT/(LOSS) FOR THE PERIOD (XI+XIV)</b>		<b>1,913,021</b>	<b>81,579</b>
XVI	EARNINGS PER EQUITY SHARE:			
	- BASIC		0.42	0.04
	- DILUTED		0.42	0.04

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

15

AS PER OUR REPORT OF EVEN DATE ATTACHED FOR AND ON BEHALF OF THE BOARD

FOR RAJENDRA K. GOEL & CO  
 CHARTERED ACCOUNTANTS  
 FRN No- 001457N

(R. K. GOEL)  
 PARTNER  
 M.NO. 6154



*D.K. Somani*  
 D.K. SOMANI  
 DIRECTOR

*R.C. Khanduri*  
 R. C. KHANDURI  
 DIRECTOR

*Sabina Nagpal*  
 SABINA NAGPAL  
 COMPANY SECRETARY  
 & LAW OFFICER

PLACE : NEW DELHI  
 DATED : 22.05.2012

**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**  
**AS PER ACCOUNTING STANDERED-3 ISSUED BY ICAI**

S. NO.	PARTICULARS	FOR THE YEAR ENDED 31.03.2012	FOR THE YEAR ENDED 31.03.2011
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit/Loss Before Tax and Extra-Ordinary Items	2,663,520	552,137
	Less: Interest & Other Income	(8,910,418)	(2,868,093)
	Operating Loss before Working Capital Changes	(6,246,898)	(2,315,956)
	Adjustments For		
	Increase/Decrease in Trade and Other Receivables	2,820,598	(2,827,048)
	Increase/Decrease in Trade Payables	(851,028)	1,497,507
	<b>Cash Generated /Lost from Operations</b>	<b>(4,277,328)</b>	<b>(3,645,497)</b>
	Less: Taxes Paid	(997,595)	(398,625)
	<b>Net Cash Flow from Operating Activities</b>	<b>(5,274,923)</b>	<b>(4,044,122)</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Loan to Subsidiary Company	(3,100,000)	(116,900,000)
	Interest Received	10,174,252	607,448
	Purchases of Mutual Fund	(1,401,758)	(60,568,762)
	Dividend Received	301,758	368,762
	Sale of Mutual Fund	8,016,405	53,980,006
	Investment in Equity Shares of Indo Education P Ltd	-	(3,300,000)
	<b>Net Cash Flow from Investing Activities</b>	<b>13,990,657</b>	<b>(125,812,547)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Issue of Equity Shares with Premium	-	128,000,000
	<b>Net Cash Flow from Financing Activities</b>	<b>-</b>	<b>128,000,000</b>
	<b>Net Increase/Decrease In Cash &amp; Cash Equivalent</b>	<b>8,715,734</b>	<b>(1,856,668)</b>
	<b>Opening Cash &amp; Cash Equivalent</b>	<b>3,742,230</b>	<b>5,598,899</b>
	<b>Closing Cash &amp; Cash Equivalent</b>	<b>12,457,965</b>	<b>3,742,230</b>

AS PER OUR REPORT OF EVEN DATE ATTACHED FOR AND ON BEHALF OF THE BOARD

FOR RAJENDRA K. GOEL & CO  
 CHARTERED ACCOUNTANTS  
 FRN No- 001457N

  
**D.K. SOMANI**  
 DIRECTOR

  
**R. C. KHANDURI**  
 DIRECTOR

  
**(R. K. GOEL)**  
 PARTNER  
 M.NO. 6154



  
**SABINA NAGPAL**  
 COMPANY SECRETARY  
 & LAW OFFICER

PLACE : NEW DELHI  
 DATED : 22.05.2012

**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**NOTES FORMING PART OF THE BALANCE SHEET**

PARTICULARS	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE NO- 1</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED:</b>		
2,00,00,000 EQUITY SHARES (PREVIOUS YEAR 2,00,00,000 EQUITY SHARES) OF Rs. 10/- EACH	<b>200,000,000.00</b>	<b>200,000,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>		
45,69,000 EQUITY SHARES (PREVIOUS YEAR 45,69,000 EQUITY SHARES) OF Rs. 10/- EACH	<b>45,690,000</b>	<b>45,690,000</b>

**Reconciliation of the shares outstanding at the beginning and at the end of the period**

EQUITY SHARES AT RS. 10 EACH	AS AT 31.03.2012	AS AT 31.03.2011
SHARES OUTSTANDING AT THE BEGINNING OF THE YEAR	4,569,000	249,000
SHARES ISSUED DURING THE YEAR	-	4,320,000
SHARES BOUGHT BACK DURING THE YEAR	-	-
ANY OTHER MOVEMENT (PLEASE SPECIFY)	-	-
SHARES OUTSTANDING AT THE END OF THE YEAR	<b>4,569,000</b>	<b>4,569,000</b>

**Detail of shareholders holding more than 5% shares in the company**

	AS AT 31.03.2012	AS AT 31.03.2011
NAME OF SHAREHOLDERS	No. of shares / % holding in the class	No. of shares / % holding in the class
M/S INDO POWERTECH LIMITED	16,50,000 / 36.11 %	16,50,000 / 36.11 %
M/S UNI COKE PRIVATE LIMITED	13,05,000 / 28.56 %	13,05,000 / 28.56 %
MR. SHYAM BAGRI	5,22,500 / 11.44 %	5,22,500 / 11.44 %
M/S YORK FINANCIAL SERVICES PRIVATE LIMITED	5,22,500 / 11.44 %	5,22,500 / 11.44 %

**Terms/rights attached to equity shares**

*Class of Equity Shares, Par Value, Vote per Share, dividend proposed, Distribution at the time of liquidation of co.*

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

<b>NOTE NO- 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
- CAPITAL RESERVES	2,000	2,000
- SECURITIES PREMIUM RESERVE	84,800,000	84,800,000
<b>SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT &amp; LOSS</b>		
BALANCE AS PER THE LAST FINANCIAL STATEMENTS	3,165,401	3,083,822
PROFIT FOR THE YEAR	1,913,021	81,579
NET SURPLUS IN THE STATEMENT OF PROFIT & LOSS	5,078,422	3,165,401
<b>TOTAL RESERVES &amp; SURPLUS</b>	<b>89,880,422</b>	<b>87,967,401</b>
<b>NOTE NO- 3</b>		
<b>OTHER CURRENT LIABILITIES</b>		
- DUTIES & TAXES PAYABLE	351,473	112,695
- EXPENSES PAYABLE	299,418	189,224
- OTHER LIABILITIES	-	1,200,000
	<b>650,891</b>	<b>1,501,919</b>
<b>NOTE NO- 4</b>		
<b>SHORT TERM PROVISIONS</b>		
- FOR INCOME TAX	1,230,000	480,000
	<b>1,230,000</b>	<b>480,000</b>



**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**NOTES FORMING PART OF THE BALANCE SHEET**

<b>PARTICULARS</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>
<b>NOTE NO- 5</b>		
<b>NON-CURRENT INVESTMENTS</b>		
<b>QUOTED - NON TRADE</b>		
<b>INVESTMENTS IN MUTUAL FUND</b>		
BIRLA MUTUAL FUND	-	6,614,648
CURRENT YEAR - NIL PREVIOUS YEAR 6,61,015.281 UNITS @ RS.10.0068 EACH (BOOK VALUE & MARKET VALUE AS ON 31.03.12 RS. NIL)		
<b>TOTAL QUOTED INVESTMENTS</b>	-	<b>6,614,648</b>
<b>UN QUOTED - NON TRADE</b>		
<b>INVESTMENTS IN SHARES</b>		
2,75,000 (PREVIOUS YEAR 2,75,000) EQUITY SHARES OF INDO EDUCATION PRIVATE LIMITED BEING A 100% SUBSIDIARY COMPANY	3,300,000	3,300,000
<b>TOTAL UN QUOTED INVESTMENTS</b>	<b>3,300,000</b>	<b>3,300,000</b>
<b>TOTAL NON-CURRENT INVESTMENTS</b>	<b>3,300,000</b>	<b>9,914,648</b>
<b>NOTE NO- 6</b>		
<b>LONG TERM LOANS &amp; ADVANCES</b>		
<b>LOANS AND ADVANCES TO RELATED PARTIES</b>		
(UNSECURED, CONSIDERED GOOD)		
LOAN TO INDO EDUCATION PVT. LTD. (SUBSIDIARY COMPANY)	120,000,000	116,900,000
	<b>120,000,000</b>	<b>116,900,000</b>
<b>NOTE NO- 7</b>		
<b>TRADE RECEIVABLE</b>		
(UNSECURED, CONSIDERED GOOD)		
EXCEEDING SIX MONTHS	-	-
OTHERS	-	992,700
	-	<b>992,700</b>
<b>NOTE NO- 8</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
<b>- BALANCE WITH BANK</b>		
IN CURRENT ACCOUNT	1,902,196	694,927
- CASH ON HAND	55,548	47,303
- FOREIGN CURRENCY IN HAND	221	-
<b>- OTHER BANK BALANCE</b>		
IN FIXED DEPOSITS (MORE THAN 3 MONTHS & LESS THAN 12 MONTHS)	3,000,000	-
IN FIXED DEPOSITS (MORE THAN 12 MONTHS)	7,500,000	3,000,000
	<b>12,457,965</b>	<b>3,742,230</b>
<b>NOTE NO- 9</b>		
<b>SHORT TERM LOANS &amp; ADVANCES</b>		
(UNSECURED, CONSIDERED GOOD)		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		
- LOANS & ADVANCES	6,450	1,834,348
	<b>6,450</b>	<b>1,834,348</b>
<b>NOTE NO- 10</b>		
<b>OTHER CURRENT ASSETS</b>		
- INTEREST RECEIVABLE	300,400	1,865,992
- ADVANCE TAX INCLUDING TDS	1,375,355	377,760
	<b>1,675,755</b>	<b>2,243,752</b>





**EMERGENT ENERGY AND SERVICES LIMITED**

**(FORMERLY SHREE OM TRADES LIMITED)**

**NOTES FORMING PART OF THE PROFIT AND LOSS STATEMENT**

<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2012</b>	<b>FOR THE YEAR ENDED 31.03.2011</b>
<b>NOTE NO- 11</b>		
<b>OTHER INCOME</b>		
- INTEREST ON FIXED DEPOSIT	265,186	401,933
- INTEREST ON LOAN	8,343,474	2,071,507
(TDS ON INTEREST RS. 8,60,865/- PREVIOUS YEAR RS. 2,67,460/-)		
- PROFIT ON SALE OF INVESTMENTS	-	25,891
- DIVIDEND INCOME	301,758	368,762
	<b>8,910,418</b>	<b>2,868,093</b>
<b>NOTE NO- 12</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
- SALARIES & ALLOWANCES	1,650,852	1,090,000
- OTHER BENEFITS	134,876	37,677
- STAFF WELFARE	1,150	-
	<b>1,786,878</b>	<b>1,127,677</b>
<b>NOTE NO- 13</b>		
<b>OTHER EXPENSES</b>		
- RENT CHARGES	60,000	25,000
- TRAVELING EXPENSES	475,056	126,025
- LEGAL & PROFESSIONAL CHARGES	3,536,604	533,352
- FILLING FEES	4,420	1,288,524
- LISTING FEES	16,645	11,130
- BUSINESS PROMOTION EXPENSES	11,254	-
- CONVEYANCE EXPENSES	18,555	22,599
- POSTAGE & COURIER EXPENSES	837	2,603
- TELEPHONE & INTERNET EXPENSES	6,876	4,102
- ELECTRICITY EXPENSES	8,499	3,084
- REPAIRS & MAINTENANCE	23,016	804
- ADVERTISEMENT EXPENSES	108,572	103,119
- MISCELLANEOUS EXPENSES	634,568	2,529
- PRINTING & STATIONARY	6,169	18,280
- BANK CHARGES	634	4,128
	<b>4,911,705</b>	<b>2,145,279</b>
<b>NOTE NO- 14</b>		
<b>PAYMENT TO AUDITORS</b>		
- STATUTORY AUDIT FEES	48,315	43,000
	<b>48,315</b>	<b>43,000</b>



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Balance Sheet and Profit & Loss Statement**

**Note No. – 15**

**A. SIGNIFICANT ACCOUNTING POLICIES.**

**15.1 System of Accounting**

The company generally follows the accrual basis of accounting both as to income and expenditure except those with significant uncertainties.

**15.2 Method of Accounting**

Assets and liabilities are recorded at historical cost. These costs are not adjusted to reflect the changing value in the purchasing power of money.

**15.3 Revenue Recognition**

Services Income is recognized when service render to customer. Interest income is recognized on accrual basis

**15.4 Fixed Assets**

- a) Fixed assets are stated at cost of acquisition and subsequent improvement thereto, including taxes, duties, freight and other incidental expenses related to acquisition and installation.
- b) Fixed Assets are stated at cost less depreciation. Depreciation is provided on the written down value at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956

**15.5 Foreign Currency Transactions**

Transactions denominated in foreign currency are normally recorded at the exchange rates prevalent on the date of the transaction. All monetary items denominated in foreign currency remaining outstanding at the end of the year are translated at prevailing exchange rate on the Balance Sheet date and loss/gain if any is appropriately recognized as revenue charge/income.

**15.6 Investments**

Investments are considered at cost unless there is a permanent decline in value thereon, in which case, adequate provision is made there against it in the accounts.

**15.7 Sundry Debtors**

Sundry debtors are stated after making adequate provision for doubtful debts, if any.

**15.8 Loans and Advances**

Loans & Advances are stated after making adequate provision for doubtful advances, if any.



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Balance Sheet and Profit & Loss Statement**

**15.9 Retirement Benefits**

Leave encashment are short compensation and are booked on accrual basis.

**15.10 Taxes on Income**

Provision for current income tax is made on the basis of the assessable income under the Income Tax Act 1961.

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act 1961.

Deferred tax asset or liability is recognised for timing differences between the profit/loss as per financial statements and the profit/loss offered for income tax, based on tax rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilised.



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Balance Sheet and Profit & Loss Statement**

**B. NOTES ON ACCOUNTS.**

15.11 Sundry Debtors, Loans & Advances are subject to confirmation.

15.12 Previous year figures have been re-grouped and recast wherever necessary to make them comparable with those of the current year.

15.13 Additional information as required under part II of the Schedule VI of the Companies Act, 1956:-

	<u>2011-12</u>	<u>2010-11</u>
Foreign Currency		
a. Expenses in foreign currency	Rs. 6,680/-	NIL
b. Earnings in foreign exchange	NIL	NIL

**15.14 Managerial Remuneration**

	<u>2011-12</u>	<u>2010-11</u>
Directors Remuneration	NIL	NIL

**15.15 Auditor's remuneration includes:**

	<u>2011-12</u>	<u>2010-11</u>
Audit fees	43000.00	43000.00
Services Tax	5315.00	4429.00
Total Fees	48315.00	47429.00

**15.16 Deferred Tax:**

The break-up of deferred tax asset and liabilities is as under:-

<b>Deferred Tax Asset</b>	<b>As On 31.03.2011</b>	<b>During The Year</b>	<b>As On 31.03.2012</b>
	-----	-----	-----
Timing Difference on account of Leave Encashment	11642.00	(499.00)	11143.00
	-----	-----	-----
Total Deferred tax Asset	11642.00	(499.00)	11143.00
	-----	-----	-----

**15.17 Disclosure under Micro, small and Medium Enterprises Development (MSMED) Act, 2006:**

As per the information available with the Company and as certified by the management, there are no dues outstanding including interest as on 31st March, 2012 to Micro, Small and Medium Enterprises as defined under the Micro, small and Medium Enterprises Development (MSMED) Act, 2006.

**15.18 No provision for Gratuity is made as Gratuity Act 1972 is not applicable.**



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Balance Sheet and Profit & Loss Statement**

15.19 Related Parties Disclosure as required by Accounting Standards- 18 issued by ICAI.:-

**1. Related Parties**

a) **Subsidiary** : Indo Education Private Limited

**b) Associate Companies**

- Uni Coke Pvt. Ltd.
- Indo Powertech Limited.

**c) Group Companies where Common control exist**

- Indo German International Pvt. Ltd.
- Somani Kuttner India Private Ltd.
- Northern Exim Pvt Ltd.
- Somani Housing Pvt. Ltd
- Northern Trading Pvt Ltd.
- Indoit Real Estates Ltd.
- Indo Investment Pvt. Ltd.
- Prudent Apartments Pvt. Ltd.
- Meena Properties Pvt. Ltd.
- Indo Russian International Pvt. Ltd.
- Indo Mercuria International Pvt Ltd.
- Indo Macquarie Education Service Ltd.
- Northern Realtors Pvt. Ltd
- Saatvik Housing Pvt. Ltd.
- Mechel Somani Carbon Pvt. Ltd.

**d) Key Management Personnel**

Mr. D. K. Somani  
Mr. T. K. Somani

**2. Transaction with Related Parties**

Nature of Transaction	Rs. In Lacs	
	FY 2011-2012	FY 2010-2011
i) Income		
Interest on Loan	83.43	20.72
ii) Expenses		
Rent Paid	6.00	0.25
iii) Outstanding Balance at the year end:		
a) Receivables (net)	1200.00	1187.04
b) Payables (net)	NIL	NIL
iv) Key Management Personnel:		
Remuneration and other payments	NIL	NIL
v) Dividend Paid	NIL	NIL



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Balance Sheet and Profit & Loss Statement**

**15.20 Earnings per share**

	<u>2011-12</u>	<u>2010-11</u>
Profit After Taxation (Rs.)	19,13,021	81,579
Number of equity shares as on 31 <sup>st</sup> March (Nos)	45,69,000	45,69,000
Weighted average number of Share (Nos)	45,69,000	18,28,836
Nominal Values of Shares Outstanding (Rs.)	10	10
Basic & Diluted Earnings per Share	0.42	0.04

15.21 Notes 1 to 15 form an integral part of the Balance Sheet and Profit & Loss Statement of the Company.

AS PER REPORT OF EVEN DATE

FOR & ON BEHALF OF THE BOARD

RAJENDRA K. GOEL & CO.  
CHARTERED ACCOUNTANTS  
FRN No- 001457N

(R.K. GOEL)  
PARTNER  
M.NO. 6154



D.K. SOMANI  
DIRECTOR

R. C. KHANDURI  
DIRECTOR

SABINA NAGPAL  
COMPANY SECRETARY  
& LAW OFFICER

PLACE: NEW DELHI  
DATED: 22.05.2012

J-288, GROUND FLOOR,  
SAKET, NEW DELHI-110017

**"AUDITOR'S REPORT"**

To,

The Members of  
Emergent Energy and Services Limited  
(Formerly Shree Om Trades Limited)  
8B, Sagar  
6, Tilak Marg  
**New Delhi - 110001**

1. We have audited the attached Consolidated Balance Sheet of **M/s. Emergent Energy and Services Limited (Formerly Shree Om Trades Limited)** as at 31<sup>st</sup> March 2012 and the Consolidated Profit & Loss Statement for the year ended on that date annexed thereto and the Consolidated Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 misstatements. An audit includes examining, on 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. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting of Accounting Standards (AS) 21 - Consolidated Financial Statements notified under sub-section 3C of section 211 of the Companies Act, 1956.
4. In our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - I. In case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2012;



II. In the case of the Consolidated Profit & Loss Statement, of the profit of the Company for the year ended on that date.

III. In the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Company for the period ended on that date.

**For RAJENDRA K. GOEL & CO.  
CHARTERED ACCOUNTANTS.  
FRN No- 001457N**

**R. K. GOEL**  
**PARTNER**  
**(M. No. 6154)**



**PLACE: NEW DELHI  
DATED: 22.05.2012**



**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012**

	PARTICULARS	NOTE NO.	AS AT 31.03.2012	AS AT 31.03.2011
<b>I</b>	<b>EQUITY &amp; LIABILITIES</b>			
<b>1</b>	<b>SHAREHOLDER'S FUNDS</b>			
	- SHARE CAPITAL	1	45,690,000	45,690,000
	- RESERVES & SURPLUS	2	90,970,890	88,872,673
			<b>136,660,890</b>	<b>134,562,673</b>
<b>2</b>	<b>NON-CURRENT LIABILITIES</b>			
	- DEFERRED TAX LIABILITIES (NET)		-	1,266
<b>3</b>	<b>CURRENT LIABILITIES</b>			
	- OTHER CURRENT LIABILITIES	3	1,498,971	1,848,339
	- SHORT TERM PROVISIONS	4	1,480,000	630,000
			<b>2,978,971</b>	<b>2,478,339</b>
	<b>TOTAL ( 1+2+3 ) :-</b>		<b>139,639,861</b>	<b>137,042,278</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
	<b>FIXED ASSETS</b>			
	- TANGIBLE ASSETS	5	418,947	574,911
	- INTANGIBLE ASSETS UNDER DEVELOPMENT		4,426,577	4,426,577
	- NON-CURRENT INVESTMENTS	6	24,422	6,637,777
	- DEFERRED TAX ASSETS (NET)		16,607	-
	- LONG TERM LOANS & ADVANCES	7	118,250,000	115,300,000
			<b>123,136,553</b>	<b>126,939,265</b>
<b>2</b>	<b>CURRENT ASSETS</b>			
	- TRADE RECEIVABLE	8	-	992,700
	- CASH & CASH EQUIVALENTS	9	13,627,433	4,001,979
	- SHORT TERM LOANS & ADVANCES	10	6,450	1,834,348
	- OTHER CURRENT ASSETS	11	2,869,425	3,273,987
			<b>16,503,308</b>	<b>10,103,014</b>
	<b>TOTAL ( 1+2 ) :-</b>		<b>139,639,861</b>	<b>137,042,278</b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

17

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR RAJENDRA K. GOEL & CO  
 CHARTERED ACCOUNTANTS  
 FRN No- 001457N

(R. K. GOEL)  
 PARTNER  
 M.NO. 6154



*(Signature)*  
 D.K. SOMANI  
 DIRECTOR

*(Signature)*  
 R. C. KHANDURI  
 DIRECTOR

*(Signature)*  
 SABINA NAGPAL  
 COMPANY SECRETARY  
 & LAW OFFICER

PLACE : NEW DELHI  
 DATED : 22.05.2012

**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**

	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31.03.2012	FOR THE YEAR ENDED 31.03.2011
I	REVENUE FROM OPERATION		500,000	1,000,000
II	OTHER INCOME	12	9,378,666	4,834,497
III	<b>TOTAL REVENUE ( I+ II )</b>		<b>9,878,666</b>	<b>5,834,497</b>
IV	EXPENSES:			
	- EMPLOYEE BENEFITS EXPENSE	13	1,789,978	1,135,291
	- FINANCE COSTS	14	1,022	705,360
	- DEPRECIATION EXPENSE	5	155,964	14,223
	- OTHER EXPENSES	15	4,939,561	3,197,064
	- PAYMENT TO AUDITORS	16	61,798	56,236
	<b>TOTAL EXPENSES</b>		<b>6,948,323</b>	<b>5,108,174</b>
V	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX ( III - IV )		2,930,343	726,323
VI	EXCEPTIONAL ITEMS		-	-
VII	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX ( V - VI )		2,930,343	726,323
VIII	EXTRAORDINARY ITEMS		-	-
IX	<b>PROFIT BEFORE TAX ( VII - VIII )</b>		<b>2,930,343</b>	<b>726,323</b>
X	TAX EXPENSE			
	- CURRENT TAX		850,000	630,000
	- EARLIER YEAR TAX		-	6,362
	- DEFERRED TAX		(17,873)	1,266
	<b>TOTAL TAX EXPENSES</b>		<b>832,127</b>	<b>637,628</b>
XI	PROFIT FOR THE PERIOD FROM CONTINUING OPERATION ( IX - X )		2,098,216	88,695
XII	PROFIT/(LOSS) FROM DISCONTINUING OPERATION		-	-
XIII	TAX EXPENSE OF DISCONTINUING OPERATIONS		-	-
XIV	PROFIT/(LOSS) FROM DISCONTINUING OPERATION (AFTER TAX) (XII-XIII)		-	-
XV	<b>PROFIT/(LOSS) FOR THE PERIOD (XI+XIV)</b>		<b>2,098,216</b>	<b>88,695</b>
XVI	EARNINGS PER EQUITY SHARE:			
	- BASIC		0.46	0.05
	- DILUTED		0.46	0.05

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**


17

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR RAJENDRA K. GOEL & CO  
 CHARTERED ACCOUNTANTS


FRN No- 001457N

  
 (R. K. GOEL)  
 PARTNER  
 M.NO. 6154



  
 D.K. SOMANI  
 DIRECTOR

  
 R. G. KHANDURI  
 DIRECTOR

  
 SABINA NAGPAL  
 COMPANY SECRETARY  
 & LAW OFFICER


PLACE : NEW DELHI  
 DATED : 22.05.2012

**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**  
**AS PER ACCOUNTING STANDERED-3 ISSUED BY ICAI**


S. NO.	PARTICULARS	FOR THE YEAR ENDED 31.03.2012	FOR THE YEAR ENDED 31.03.2011
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit/Loss Before Tax and Extra-Ordinary Items	2,930,343	726,323
	Add: Depreciation & Non Cash Expenses	159,167	17,431
	Add: Interest on Loan	-	695,761
	Less: Interest & Other Income	(9,377,744)	(4,833,641)
	Operating Loss before Working Capital Changes	(6,288,234)	(3,394,126)
	Adjustments For		
	Increase/Decrease in Trade and Other Receivables	2,811,831	(2,827,048)
	Increase/Decrease in Trade Payables	(349,368)	1,830,691
	<b>Cash Generated /Lost from Operations</b>	<b>(3,825,771)</b>	<b>(4,390,483)</b>
	Less: Taxes Paid	(1,876,192)	(702,577)
	<b>Net Cash Flow from Operating Activities</b>	<b>(5,701,963)</b>	<b>(5,093,060)</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Loan to Somani Research and Education Foundation	(2,950,000)	(115,300,000)
	Interest Received	11,361,012	647,918
	Purchases of Mutual Fund	(1,403,050)	(60,573,128)
	Dividend Received	303,050	373,128
	Sale of Mutual Fund	8,016,405	54,480,006
	Purchases of Investments	-	(3,300,000)
	Sale of Investments	-	2,400,000
	Investment in Fixed Assets	-	(2,886,824)
	<b>Net Cash Flow from Investing Activities</b>	<b>15,327,417</b>	<b>(124,158,901)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Issue of Equity Shares with Premium	-	128,000,000
	Interest Paid on Loan	-	(695,761)
	<b>Net Cash Flow from Financing Activities</b>	<b>-</b>	<b>127,304,239</b>
	<b>Net Increase/Decrease In Cash &amp; Cash Equivalent</b>	<b>9,625,454</b>	<b>(1,947,721)</b>
	<b>Opening Cash &amp; Cash Equivalent</b>	<b>4,001,979</b>	<b>5,949,700</b>
	<b>Closing Cash &amp; Cash Equivalent</b>	<b>13,627,433</b>	<b>4,001,979</b>

AS PER OUR REPORT OF EVEN DATE ATTACHED FOR AND ON BEHALF OF THE BOARD


FOR RAJENDRA K. GOEL & CO  
 CHARTERED ACCOUNTANTS  
 FRN No- 001457N

  
**D.K. SOMANI**  
 DIRECTOR

  
**R. C. KHANDURI**  
 DIRECTOR

  
**(R. K. GOEL)**  
 PARTNER  
 M.NO. 6154



  
**SABINA NAGPAL**  
 COMPANY SECRETARY  
 & LAW OFFICER

PLACE : NEW DELHI  
 DATED : 22.05.2012

**EMERGENT ENERGY AND SERVICES LIMITED**  
(FORMERLY SHREE OM TRADES LIMITED)  
NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

PARTICULARS	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE NO- 1</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED:</b>		
2,00,00,000 EQUITY SHARES (PREVIOUS YEAR 2,00,00,000 EQUITY SHARES) OF Rs. 10/- EACH	<b>200,000,000.00</b>	<b>200,000,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>		
45,69,000 EQUITY SHARES (PREVIOUS YEAR 45,69,000 EQUITY SHARES) OF Rs. 10/- EACH	<b>45,690,000</b>	<b>45,690,000</b>

Reconciliation of the shares outstanding at the beginning and at the end of the period		
EQUITY SHARES AT RS. 10 EACH	AS AT 31.03.2012	AS AT 31.03.2011
SHARES OUTSTANDING AT THE BEGINNING OF THE YEAR	4,569,000	249,000
SHARES ISSUED DURING THE YEAR	-	4,320,000
SHARES BOUGHT BACK DURING THE YEAR	-	-
ANY OTHER MOVEMENT (PLEASE SPECIFY)	-	-
SHARES OUTSTANDING AT THE END OF THE YEAR	<b>4,569,000</b>	<b>4,569,000</b>

Detail of shareholders holding more than 5% shares in the company		
NAME OF SHAREHOLDERS	AS AT 31.03.2012	AS AT 31.03.2011
	No. of shares / % holding in the class	No. of shares / % holding in the class
M/S INDO POWERTECH LIMITED	16,50,000 / 36.11 %	16,50,000 / 36.11 %
M/S UNI COKE PRIVATE LIMITED	13,05,000 / 28.56 %	13,05,000 / 28.56 %
MR. SHYAM BAGRI	5,22,500 / 11.44 %	5,22,500 / 11.44 %
M/S YORK FINANCIAL SERVICES PRIVATE LIMITED	5,22,500 / 11.44 %	5,22,500 / 11.44 %

**Terms/rights attached to equity shares**

*Class of Equity Shares, Par Value, Vote per Share, dividend proposed, Distribution at the time of liquidation of co.*

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

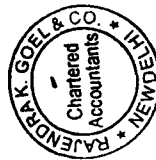
<b>NOTE NO- 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
- CAPITAL RESERVES	2,000	2,000
- CAPITAL RESERVE ON CONSOLIDATION	898,157	898,157
- SECURITIES PREMIUM RESERVE	84,800,000	84,800,000
<b>SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT &amp; LOSS</b>		
BALANCE AS PER THE LAST FINANCIAL STATEMENTS	3,172,516	3,083,822
PROFIT FOR THE YEAR	2,098,216	88,695
NET SURPLUS IN THE STATEMENT OF PROFIT & LOSS	5,270,733	3,172,516
<b>TOTAL RESERVES &amp; SURPLUS</b>	<b>90,970,890</b>	<b>88,872,673</b>
<b>NOTE NO- 3</b>		
<b>OTHER CURRENT LIABILITIES</b>		
- DUTIES & TAXES PAYABLE	1,185,820	445,629
- EXPENSES PAYABLE	313,151	202,710
- OTHER LIABILITIES	-	1,200,000
	<b>1,498,971</b>	<b>1,848,339</b>
<b>NOTE NO- 4</b>		
<b>SHORT TERM PROVISIONS</b>		
- FOR INCOME TAX	1,480,000	630,000
	<b>1,480,000</b>	<b>630,000</b>



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)  
Note No. - 5**

**NOTE OF FIXED ASSETS FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND CONSOLIDATED PROFIT & LOSS STATEMENT**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	COST AS AT 01.04.2011	ADDITIONS During 2011-12	ADJUSTMENT/ SALES	TOTAL COST AS AT 31.03.2012	TOTAL UPTO 01.04.2011	FOR THE PERIOD 2011-12	DEPRECIATION WRITTEN OFF	TOTAL UPTO 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
Computers	52,500	-	-	52,500	2,042	20,183	-	22,225	30,275	50,458
Vehicles	536,634	-	-	536,634	12,181	135,781	-	147,962	388,672	524,453
<b>TOTAL :</b>	589,134	-	-	589,134	14,223	155,964	-	170,187	418,947	574,911
Expenditure Pending For Allocation	4,426,577	-	-	4,426,577	-	-	-	-	4,426,577	4,426,577
<b>GRAND TOTAL :</b>	5,015,711	-	-	5,015,711	14,223	155,964	-	170,187	4,845,524	5,001,488
Previous Year	2,128,887	2,886,824	-	5,015,711	-	14,223	-	14,223	5,001,488	



**EMERGENT ENERGY AND SERVICES LIMITED**  
**(FORMERLY SHREE OM TRADES LIMITED)**  
**NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET**

PARTICULARS	AS AT 31.03.2012	AS AT 31.03.2011
<b>NOTE NO- 6</b>		
<b>NON-CURRENT INVESTMENTS</b>		
<b>QUOTED - NON TRADE</b>		
<b>INVESTMENTS IN MUTUAL FUND</b>		
BIRLA MUTUAL FUND	-	6,614,648
CURRENT YEAR - NIL PREVIOUS YEAR 6,61,015.281 UNITS @ RS.10.0068 EACH		
HSBC MUTUAL FUND	24,422	23,129
RS.10.0331 EACH)		
(MARKET VALUE AS ON 31.03.12 RS. 24,460.66)		
<b>TOTAL QUOTED INVESTMENTS</b>	<b>24,422</b>	<b>6,637,777</b>
<b>TOTAL NON-CURRENT INVESTMENTS</b>	<b>24,422</b>	<b>6,637,777</b>
<b>NOTE NO- 7</b>		
<b>LONG TERM LOANS &amp; ADVANCES</b>		
<b>LOANS AND ADVANCES TO RELATED PARTIES</b>		
(UNSECURED, CONSIDERED GOOD)		
LOAN TO SOMANI RESEARCH AND EDUCATION FOUNDATION	118,250,000	115,300,000
	<b>118,250,000</b>	<b>115,300,000</b>
<b>NOTE NO- 8</b>		
<b>TRADE RECEIVABLE</b>		
(UNSECURED, CONSIDERED GOOD)		
EXCEEDING SIX MONTHS	-	-
OTHERS	-	992,700
	-	<b>992,700</b>
<b>NOTE NO- 9</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
- <b>BALANCE WITH BANK</b>		
IN CURRENT ACCOUNT	3,048,637	921,006
- CASH ON HAND	67,657	74,410
- FOREIGN CURRENCY IN HAND	11,139	6,563
- <b>OTHER BANK BALANCE</b>		
IN FIXED DEPOSITS (MORE THAN 3 MONTHS & LESS THAN 12 MONTHS)	3,000,000	-
IN FIXED DEPOSITS (MORE THAN 12 MONTHS)	7,500,000	3,000,000
	<b>13,627,433</b>	<b>4,001,979</b>
<b>NOTE NO- 10</b>		
<b>SHORT TERM LOANS &amp; ADVANCES</b>		
(UNSECURED, CONSIDERED GOOD)		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		
- LOANS & ADVANCES	6,450	1,834,348
	<b>6,450</b>	<b>1,834,348</b>
<b>NOTE NO- 11</b>		
<b>OTHER CURRENT ASSETS</b>		
- PREPAID EXPENSES	8,767	-
- INTEREST RECEIVABLE	300,400	2,586,718
- ADVANCE TAX INCLUDING TDS	2,560,258	684,066
- MISCELLANEOUS EXPENDITURE (NOT YET WRITTEN OFF)	-	3,203
	<b>2,869,425</b>	<b>3,273,987</b>



**EMERGENT ENERGY AND SERVICES LIMITED**

**(FORMERLY SHREE OM TRADES LIMITED)**

**NOTES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS STATEMENT**

<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2012</b>	<b>FOR THE YEAR ENDED 31.03.2011</b>
<b>NOTE NO- 12</b>		
<b>OTHER INCOME</b>		
- INTEREST ON FIXED DEPOSIT	265,186	405,157
- INTEREST ON LOAN	8,809,508	2,828,938
- PROFIT ON SALE OF INVETMENTS	-	1,226,108
- DIVIDEND INCOME	303,050	373,128
- MISCELLANEOUS INCOME	922	1,166
	<b>9,378,666</b>	<b>4,834,497</b>
<b>NOTE NO- 13</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
- SALARIES & ALLOWANCES	1,653,852	1,090,000
- OTHER BENEFITS	134,876	37,677
- STAFF WELFARE	1,250	7,614
	<b>1,789,978</b>	<b>1,135,291</b>
<b>NOTE NO- 14</b>		
<b>FINANCE COSTS</b>		
- INTEREST ON LOAN	-	695,761
- BANK CHARGES	1,022	9,599
	<b>1,022</b>	<b>705,360</b>
<b>NOTE NO- 15</b>		
<b>OTHER EXPENSES</b>		
- RENT CHARGES	60,000	25,000
- TRAVELING EXPENSES	475,056	126,025
- LEGAL & PROFESSIONAL CHARGES	3,538,104	558,292
- FILLING FEES	6,340	2,291,914
- LISTING FEES	16,645	11,130
- BUSINESS PROMOTION EXPENSES	16,295	14,452
- CONVEYANCE EXPENSES	24,924	22,599
- POSTAGE & COURIER EXPENSES	837	2,603
- TELEPHONE & INTERNET EXPENSES	14,505	6,222
- STAFF RECRUITMENT EXPENSES	1,168	-
- ELECTRICITY EXPENSES	8,499	3,084
- REPAIRS & MAINTENANCE	23,016	804
- ADVERTISEMENT EXPENSES	108,572	103,119
- MISCELLANEOUS EXPENSES	639,351	7,232
- PRINTING & STATIONARY	6,249	24,588
	<b>4,939,561</b>	<b>3,197,064</b>
<b>NOTE NO- 16</b>		
<b>PAYMENT TO AUDITORS</b>		
- STATUTORY AUDIT FEES	61,798	56,236
	<b>61,798</b>	<b>56,236</b>



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Consolidated Balance Sheet and Profit & Loss Statement**

**Note No – 17**

**A. SIGNIFICANT ACCOUNTING POLICIES.**

**17.1 System of Accounting**

The consolidated financial statement of Emergent Energy and Services Limited and its Subsidiary are prepared on an accrual basis of accounting in accordance with generally accepted accounting principle in India and the Accounting Standard 21 on Consolidated Financial Statement, to the extent possible in the same format as that adopted by the Company for its separate financial statement.

**17.2 Principle of Consolidation**

The consolidated financial statements have been prepared on the following basis:

- a) The financial statement of the Company and its Subsidiary Company have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses.
- b) Intra company balances and intra company transactions and resulting profits are eliminated in full.
- c) The Subsidiary considered in consolidated financial statement is Indo Education Private Limited being wholly owned subsidiary.

**17.3 Method of Accounting**

Assets and liabilities are recorded at historical cost. These costs are not adjusted to reflect the changing value in the purchasing power of money.

**17.4 Revenue Recognition**

Services Income is recognized when service render to customer. Interest income is recognized on accrual basis

**17.5 Fixed Assets**

Fixed assets are stated at cost of acquisition and subsequent improvement thereto, including taxes, duties, freight and other incidental expenses related to acquisition and installation.

Fixed Assets are stated at cost less depreciation. Depreciation is provided on the written down value at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

**17.6 Foreign Currency Transactions**

Transactions denominated in foreign currency are normally recorded at the exchange rates prevalent on the date of the transaction. All monetary items denominated if foreign currency remaining outstanding at the end of the year are translated at prevailing exchange rate on the Balance Sheet date and loss/gain if any is appropriately recognized as revenue charge/income.





**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Consolidated Balance Sheet and Profit & Loss Statement**

**17.7 Investments**

Investments are considered at cost unless there is a permanent decline in value thereon, in which case, adequate provision is made there against it in the accounts.

**17.8 Sundry Debtors**

Sundry debtors are stated after making adequate provision for doubtful debts, if any.

**17.9 Loans and Advances**

Loans & Advances are stated after making adequate provision for doubtful advances, if any.

**17.10 Retirement Benefits**

Leave encashment are short compensation and are booked on accrual basis.

**17.11 Taxes on Income**

Provision for current income tax is made on the basis of the assessable income under the Income Tax Act 1961.

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act 1961.

Deferred tax asset or liability is recognised for timing differences between the profit/loss as per financial statements and the profit/loss offered for income tax, based on tax rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilised.

**17.12 Expenditure during Project Period**

Expenditure of Subsidiary Company (M/s Indo Education Private Limited) directly relating to a project/ expansion is capitalised. Indirect expenditure incurred during gestation period is capitalised as part of the indirect cost to the extent to which the expenditure is indirectly related to project or is incidental thereto.

All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure as a results of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its original standard of performance.



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Consolidated Balance Sheet and Profit & Loss Statement**

**B. NOTES ON ACCOUNTS.**

17.13 Sundry Debtors, Loans & Advances are subject to confirmation.

17.14 Previous year figures have been re-grouped and recast wherever necessary to make them comparable with those of the current year.

17.15 Additional information as required under part II of the Schedule VI of the Companies Act, 1956:-

	<u>2011-12</u>	<u>2010-11</u>
Foreign Currency		
a. Expenses in foreign currency	6,680/-	NIL
b. Earnings in foreign exchange	NIL	NIL

**17.16 Managerial Remuneration**

	<u>2011-12</u>	<u>2010-11</u>
Directors Remuneration	NIL	NIL

**17.17 Deferred Tax:**

The break-up of deferred tax asset and liabilities is as under:-

<b>Deferred Tax Asset</b>	<b>As on 31.03.2011</b>	<b>During The Year</b>	<b>As On 31.03.2012</b>
	-----	-----	-----
Timing Difference on account of Leave Encashment	11642.00	(499.00)	11143.00
Fixed Assets	(12908.00)	18,372.00	5464.00
	-----	-----	-----
<b>Total Deferred tax Asset</b>	<b>(1266.00)</b>	<b>17873.00</b>	<b>16607.00</b>
	-----	-----	-----

**17.18 Disclosure under Micro, small and Medium Enterprises Development (MSMED) Act, 2006:**

As per the information available with the Company and as certified by the management, there are no dues outstanding including interest as on 31st March, 2012 to Micro, Small and Medium Enterprises as defined under the Micro, small and Medium Enterprises Development (MSMED) Act, 2006.

17.19 No provision for Gratuity is made as Gratuity Act 1972 is not applicable.



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Consolidated Balance Sheet and Profit & Loss Statement**

17.20 Related Parties Disclosure as required by Accounting Standards- 18 issued by ICAI.:-

**1. Related Parties**

**a) Associate Companies**

- Uni Coke Pvt. Ltd.
- Indo Powertech Limited.

**b) Group Companies where Common control exist**

- Indo German International Pvt. Ltd.
- Somani Kuttner India Private Ltd.
- Northern Exim Pvt Ltd.
- Somani Housing Pvt. Ltd
- Northern Trading Pvt Ltd.
- Indoit Real Estates Ltd.
- Indo Investment Pvt. Ltd.
- Prudent Apartments Pvt. Ltd.
- Meena Properties Pvt. Ltd.
- Indo Russian International Pvt. Ltd.
- Uni Coke Pvt. Ltd.
- Indo Mercuria International Pvt Ltd.
- Indo Powertech Limited.
- Indo Macquarie Education Service Ltd.
- Northern Realtors Pvt. Ltd
- Saatvik Housing Pvt. Ltd.
- Mechel Somani Carbon Pvt. Ltd.

**c) Key Management Personnel**

Mr. D. K. Somani  
Mr. T. K. Somani

**2. Transaction with Related Parties**

Nature of Transaction	Rs. In Lacs	
	FY 2011-12	FY 2010-11
i) Expenses		
Rent Paid	6.00	0.25
Interest on Loan	NIL	6.96
ii) Outstanding Balance at the year end:		
a) Receivables (net)	NIL	NIL
b) Payables (net)	NIL	NIL
iii) Key Management Personnel:		
Remuneration and other payments	NIL	NIL
iv) Dividend Paid	NIL	NIL



**EMERGENT ENERGY AND SERVICES LIMITED  
(FORMERLY SHREE OM TRADES LIMITED)**

**Notes Forming Part of The Consolidated Balance Sheet and Profit & Loss Statement**

**17.21 Earnings per share**

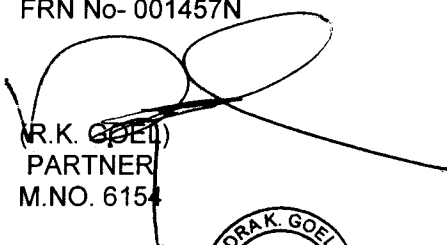
	<u>2011-12</u>	<u>2010-11</u>
Profit After Taxation (Rs.)	20,98,216	88,695
Number of equity shares as on 31 <sup>st</sup> March (Nos)	45,69,000	45,69,000
Weighted average number of Share (Nos)	45,69,000	18,28,836
Nominal Values of Shares Outstanding (Rs.)	10	10
Basic & Diluted Earnings per Share	0.46	0.05

17.22 Notes 1 to 17 form an integral part of the Consolidated Balance Sheet and Profit & Loss Account of the Company.

AS PER REPORT OF EVEN DATE

FOR & ON BEHALF OF THE BOARD

RAJENDRA K. GOEL & CO.  
CHARTERED ACCOUNTANTS  
FRN No- 001457N

  
(R.K. GOEL)  
PARTNER  
M.NO. 6154



  
B.K. SOMANI  
DIRECTOR

  
R. C. KHANDURI  
DIRECTOR

  
SABINA NAGPAL  
COMPANY SECRETARY  
& LAW OFFICER

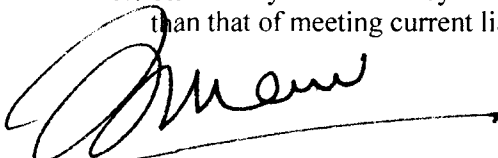
PLACE: NEW DELHI  
DATED: 22.05.2012

# EMERGENT ENERGY AND SERVICES LIMITED

Regd. Office:8B, 'Sagar' 6, Tilak Marg, New Delhi-110001

## Statement Regarding Subsidiary Company Pursuant to Section 212 of the Companies Act. 1956.

1	Name of the Subsidiary Company :	Indo Education Private Limited
2	Holding Company's interest at end of financial year of the Subsidiary Company as on 31.03.2012.	Holder of 2,75,000 Equity Shares out of subscribed capital of 2,75,000 Equity Shares of Rs.10/- each.
3	Net aggregate amount, so far it concerns members of the Holding Company, of Subsidiary Company's profits, less losses or vice versa and not dealt with in the Company's Accounts:	
	i. For Subsidiary Company's financial year ended on 31st March, 2012	Rs.1,85,196/-
	ii. For the previous financial years of the Subsidiary since it became Subsidiary.	Rs. 7,115/-
4	Net aggregate amount of Subsidiary Company's profits, less losses or vice versa and dealt with the Company's Accounts:	
	i. For Subsidiary Company's financial year ended on 31st March, 2012.	NIL
	ii. For the previous financial years of Subsidiary since it became subsidiary.	NIL
5	a) Change in the holding of company's interest between the end of financial year of Subsidiary and end of the financial year of the Holding Company.	N.A.
	b) Details of any material changes which have occurred between the end of the financial year of the Subsidiary and the end of the Holding Company's financial year in respect of the Subsidiary's.	N.A.
	i. Fixed Assets	
	ii. Investments	
	iii. The moneys lent by it	
	iv. The moneys borrowed by it for any purpose other than that of meeting current liabilities.	

  
D. K. SOMANI  
Director

  
R. C. KHANDURI  
Director

  
SABINA NAGPAL  
Company Secretary  
& Law Officer

Dated: 22.5.2012  
Place: New Delhi

