

29th ANNUAL REPORT

OF

ZENITH CAPITALS LIMITED

FOR THE YEAR ENDED

ON

31ST MARCH, 2012

29th Annual Report

BOARD OF DIRECTORS

Amala Rai
Sabha Shakar Tripathi
Lalmani Tiwari

AUDITORS

Kala Jain & Co.
Chartered Accountants
Mumbai - 400 002

REGISTRARS & TRANSFER AGENTS

System Support Services
209, Shivani Industrial Estate,
89 Andheri Kurla Road, Sakinaka,
Andheri (East), Mumbai – 400 072

REGISTERED OFFICE

307/308, Sharda Chambers,
New Marine Lines,
Mumbai - 400 020

E-MAIL ADDRESS

zenithvenkatesh@hotmail.com

WEBSITE

www.zenithcapital.in

NOTICE TO THE MEMBERS

NOTICE is hereby given that Twenty Ninth Annual General Meeting of the members of Zenith Capital Limited will be held on Thursday, 27th September, 2012 at 02.30 p.m. at the Registered Office of the company at 307/308, Sharda Chambers New Marine Lines, Mumbai - 400 020 to transact the following business :

ORDINARY BUSINESS

01. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 alongwith the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
02. To appoint a Director in place of Mr. Amala Rai, who retires by rotation and being eligible, offers himself for re-appointment.
03. To appoint M/s. Kala Jain & Co, Chartered Accountants having Firm Registration No.127886W as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration

NOTES :

01. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, but so that every proxy so appointed shall be a member of the company. Proxies in order to be effective, must be received at the registered office of the company not less than 48 hours before the commencement of the meeting.
02. The Register of Members and the Share Transfer Books of the company will remain closed from 25/09/2012 to 27/09/2012 (both days inclusive).

[Cont...2]

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03. Members seeking any information with regard to accounts are requested to write to the company at an early date so as to enable the management to keep the information ready.

04. Members are requested to notify immediately any change in their address to the company.

By Order of the Board of Directors

Director

Date : 30/05/2012

Place : Mumbai

Registered Office :

307/308, Sharda Chambers New Marine Lines,

Mumbai - 400 020

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Annual Report of the Company Audited accounts for the year ended 31st March, 2012.

Financial Results :

During the year under review the Company has incurred Net loss of Rs.12,90,127/- compared to Previous Year's Net loss of Rs. 24,038/- after making Provision for Taxation.

Dividend :

In view of losses incurred, Your Directors do not propose any dividend for the year ended 31st March, 2012.

Public Deposits :

During the year under review, Your Company has not accepted any fixed deposits from the public within the meaning of section 58A of the Companies Act, 1956.

Directors :

In terms of the Article of Association of the company and as per Provisions of the Companies Act, 1956, Mr. Amala Rai, Director of the company retires by rotation and being eligible offers himself for re appointment.

Auditors :

M/s. Kala Jain & Co, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and being eligible, has consented to act as the Statutory Auditors of the Company, if re-appointed.

You are requested to appoint the Statutory Auditors for the Financial Year 2012-2013 and authorize the Board of Directors to fix their remuneration.

[Cont...2]

Auditors Remark :

The observation made by the Auditors for the year under report are self-explanatory and need no further comments from Directors.

Particulars Of Employees :

There are no employee drawing remuneration more than the limit prescribed in Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Report of Board of Directors) Rules, 1988. Therefore no information is provided in this report.

Buy-Back Of Shares

There was no buy-back of shares during the year under review.

Energy Conservation, Technology Absorption And Foreign Exchange :

Details regarding conservation of energy pursuant to section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy, technology absorption, foreign exchange earning and out go are not given since the Company is not scheduled industries pursuant to the said rule. The Company has neither earned nor spent any foreign exchange during the year under review.

Directors Responsibility Statement :

The Directors of the Company confirm pursuant to Section 217(2AA) of the Companies Act, 1956 that:

1. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures ;
2. They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that year;
3. They had 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;
4. They had prepared the annual accounts on a going concern basis.

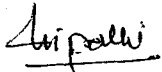
SECRETATIAL COMPLIANCE CERTIFICATE

Your directors attach the Compliance Certificate issued by Practicing Company Secretaries, as per the proviso Under Section 383A of the Companies Act, 1956.

Acknowledgment :

Your Directors acknowledges with gratitude and wish to place on record, their appreciation for the support and co-operation received by the Company from the various Government authorities, Bankers and Shareholders during the year.

For and on behalf of the Board



Director

Date : 30/05/2012

Place : Mumbai

Registered Office :

307/308, Sharda Chambers New Marine Lines,
Mumbai - 400 020

KALA JAIN & CO.

: 022-2207 4442
Telefax : 022-2207 5552

CHARTERED ACCOUNTANTS

203/204, Daulat Bhavan, 2nd Floor, 407, Kalbadevi Road, Mumbai-400 002.

E-mail: contactus@kalajain.com Website: www.kalajain.com

AUDITORS REPORT

To
The Members of **Zenith Capitals Ltd.**

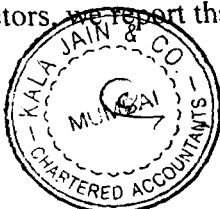
1. We have audited the annexed Balance Sheet of **M/s. Zenith Capitals Ltd.** as at 31st March 2012, and also the Profit and Loss Account and Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatement. An audit includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the 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 and read with the amendments made by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the course of audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent they are applicable to the Company.

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

- a. We have obtained all information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
- b. In our opinion, proper books of accounts, except compliance *with accrual concept in the matters stated in Para (f) below*, as required by law have been kept by the Company, so far as appears from our examination of those books;
- c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
- d. In our opinion, *except Note no.2.13 of Note 2, regarding non provision of Rs. 28,20,576/- for diminution in the value of long term investment as required by Accounting Standard 13 "Accounting for Investment" issued by Institute of Chartered Accountant of India*, the attached Balance Sheet and Profit and Loss Account is in compliance with the accounting standards referred to in sub- section (3C) of section 211 Companies ACT, 1956 to extent applicable.
- e. On the basis of written representations received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as



on 31st March 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 (1) (g) of the Companies Act, 1956;

f. We further report that:-

i) *The company has granted interest free loan during the year and cumulative amount of interest free loan granted is Rs.1,40,60,000/- (P. Y. Rs. 1,53,05,000/-) which is in contravention of section 372A of the Companies Act,1956. (Refer Note No. 2.17 of Note 2).*

ii) *No Provision has been made for diminution in the value of long term investment amounting to Rs.28,20,576/- (P.Y. 28,20,576/-) as required by Accounting Standard 13 "Accounting for Investments". (Refer Note No. 2.13 of Note 2).*

iii) *The balances of Sundry Debtors, Sundry creditors, deposits loans & Advances, unsecured loans are subject to confirmation, reconciliation and consequential adjustment. The consequential impact thereof on the account is not ascertainable. (Refer Note No. 2.20 of Note 2)*

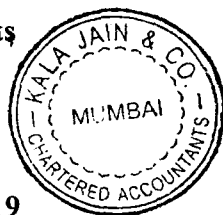
g) *We further report that, without considering item mention at para (f)(i) & (iii) above, the effect of which could not be determined, had the observation made by us in paragraph d & f (ii) above has been considered, the loss for the year would have been Rs. 41,10,703/-as against the reported figure of Rs. 12,90,127/-, Accumulated loss would have been Rs. 36,29,051/-(as against reported figure of reserve and surplus of (Rs. 8,08,475/-) and Investment would have been Rs.4,58,526/- (as against reported figure Rs. 32,79,102/-).*

h) *In our opinion and to the best of our information and according to the explanations given to us, the said Accounts, subject to our comments in paragraph 4(f) above consequential cumulative effect thereof is not ascertainable read together with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India :*

- i) *In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012 and*
- ii) *In the case of the Profit & Loss Account, of the loss for the year ended on that date.*
- iii) *In the case of the cash flow Statement, of the cash flows for the year ended on that date.*

For and on behalf of
Kala Jain & Co.
Chartered Accountants

Partner
Suparsh Kala
Membership No.114419
Mumbai :



30 MAY 2012

KALA JAIN & CO.

CHARTERED ACCOUNTANTS

203/204, Daulat Bhavan, 2nd Floor, 407, Kalbadevi Road, Mumbai-400 002.
E-mail: contactus@kalajain.com Website: www.kalajain.com

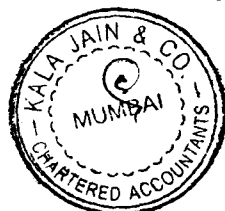
ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR AUDITORS REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31st March 2012.

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

- i. a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
b) We have been informed that most of the fixed assets have been physically verified by the management during the year. In our opinion, frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
c) During the year, the Company has not disposed off any substantial part of the fixed assets.
- ii. a) The Inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of the inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c) In our opinion and according to the information and explanations given to us the company is maintaining proper records of the inventory and no material discrepancies were noticed on physical verification between the physical stock and book records.
- iii. a) The Company has granted interest free unsecured loan to three company covered under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1,53,05,000/- and the year-end balance of loans granted to such party was Rs. 1,40,60,000/-.
b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions are, *prima facie prejudicial to the interest of the company*.
c) The said interest free loan given to the company was repayable on demand and there is no repayment schedule.
d) In view of (c) above, the said clause 4 (iii) (d) of the Order is not applicable.
e) The Company has not taken any loans, secured loans or unsecured from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956 provisions of clause 4(iii) (f) and (g) are not applicable to the Company.
- 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 purchases of inventory, fixed assets and sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.



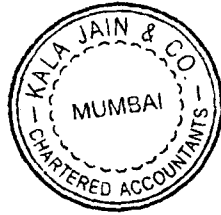
- v. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the Company has not entered into any contract or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956.
- vi. The Company has not accepted any deposits from the public and consequently the directives issued by the Reserve Bank of India, the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable. No order has been passed by the company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vii. *During the year under review the Company did not have an internal audit system in place.*
- viii. The Central Government has not prescribed for maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies ACT, 1956.
- ix. a) According to the information and explanation given to us, and on the basis of our examination of the books of account, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection fund, Employees State Insurance, Income Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Cess and any other material statutory dues applicable to it *except Profession Tax where some delay has been observed*. According to the information and explanations given to us, there are no undisputed arrear of statutory dues were outstanding as at 31st March 2012 for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no statutory dues in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, authorities on account of any disputes.
- x. The accumulated losses of the company are not more than fifty percent of its net worth. (also refer point (4) (f) (ii) (g) of the main report). *The company has incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.*
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a bank.
- 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 or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) Order 2003 are not applicable to the company.
- xiv. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the companies (Auditors Report) Order 2003, are not applicable to the company.



- xv. The Company has not given guarantees for loans taken by others from banks or financial institutions.
- xvi. In our opinion, the Company has not raised any term loans during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that there no funds raised on short – term basis that have been used for long - term investment.
- xviii. The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised any monies from public issue during the year.
- xxi. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For and on behalf of
Kala Jain & Co.
Chartered Accountants,

Partner
Suparsh Kala
Membership No.114419
Mumbai



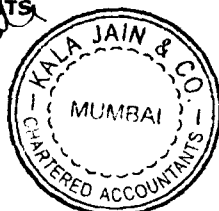
30 MAY 2012

ZENITH CAPITALS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	Note No.	As at March 31, 2012 Rupees	As at March 31, 2011 Rupees
I EQUITIES & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	19,186,000	19,186,000
(b) Reserves & Surplus	2.2	(808,475)	481,652
(c) Money Received against share warrants		-	-
		18,377,525	19,667,652
(2) Share Application Money Pending Allotment			
		-	-
(3) Non Current Liabilities			
(a) Long Term Borrowings		-	-
(b) Deferred Tax Liabilities		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short Term Borrowings		-	-
(b) Trade Payables		-	-
(c) Other Current liabilities	2.3	20,854	15,582
(d) Short - Term provisions	2.4	102,463	102,463
		123,317	118,045
TOTAL		18,500,842	19,785,697
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets		-	-
(ii) Intangible Assets		-	-
(iii) Capital work in progress		-	-
(iv) Intangible Assets under development		-	-
(b) Non Current Investments	2.5	3,279,102	3,396,145
(c) Deferred Tax Assets (Net)		-	-
(d) Long term loans and advances	2.6	14,160,000	15,405,000
(e) Other Non-Current Assets		-	-
		17,439,102	18,801,145
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories	2.7	2,517	3,261
(c) Trade receivables		-	-
(d) Cash and Cash equivalents	2.8	58,676	70,744
(e) Short term loans and advances		-	-
(f) Other current assets	2.9	1,000,547	910,547
		1,061,740	984,552
TOTAL		18,500,842	19,785,697

**SIGNIFICANT ACCOUNTING POLICIES,
NOTES ON ACCOUNTS & CONTINGENT LIABILITIES** 1&2
As per our report of even date attached

KALA JAIN & CO.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 127826W
(Signature)
(SUPARSH KALA)
PARTNER
Membership No. 114419



PLACE : Mumbai
DATE : 30th May, 2012

For and on Behalf of the Board
(Signature)
(S.S. TRIPATHI) *(Signature)*
(AMLA RAI)

DIRECTORS

ZENITH CAPITALS LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

	Particulars	Note No.	For The Year Ended March 31, 2012 Rupees	For The Year Ended March 31, 2011 Rupees
I	Revenue from operations		-	-
II	Other Income	2.10	151,355	1,813
	Total Revenue (I +II)		151,355	1,813
III	Expenses:			
	Cost of materials consumed		-	-
	Purchase of Stock-in-Trade		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-		744	1,460
	Employee benefit expense		-	-
	Financial costs		-	-
	Depreciation and amortization expense		-	4,360
	Other expenses	2.11	1,440,738	20,031
	Total Expenses		1,441,482	25,851
IV	Profit before exceptional and extraordinary items and tax		(1,290,127)	(24,038)
V	Exceptional Items		-	-
VI	Profit before extraordinary items and tax		(1,290,127)	(24,038)
VII	Extraordinary Items		-	-
VIII	Profit before tax		(1,290,127)	(24,038)
IX	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
X	Profit(Loss) from the period from continuing operations		(1,290,127)	(24,038)
XI	Profit/(Loss) from discontinuing operations		-	-
XII	Tax expense of discounting operations		-	-
XIII	Profit/(Loss) from Discontinuing operations (after tax)		-	-
XIV	Profit/(Loss) for the period		(1,290,127)	(24,038)
XVI	Earning per equity share:			
	Basic & Diluted		(0.67)	(0.01)

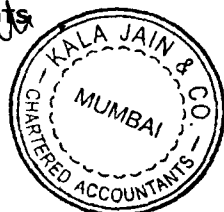
**SIGNIFICANT ACCOUNTING POLICIES,
NOTES ON ACCOUNTS & CONTINGENT LIABILITIES**
As per our report of even date attached

1&2

For and on Behalf of the Board

KALA JAIN & CO.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 127886W

(SUPARSH KALA)
PARTNER
Membership No. 114419



PLACE : Mumbai

DATE : 130 MAY 2012


(S.S. TRIPATHI)


(AMLA RAI)

DIRECTORS

ZENITH CAPITALS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2012

	2011-12 Rs.	2010-11 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before tax and extraordinary items	(1,290,127)	(24,038)
Adjustments for:		
Depreciation	-	4,360
Net Profit/(Loss)	(1,290,127)	(19,678)
Operating profit before working capital changes		
Adjustments for:		
Trade and other receivables	(90,000)	-
Inventories	744	1,460
Trade and other Payables	5,272	1,654
Cash Generated from Operation	(1,374,111)	(16,564)
Direct Taxes Paid		
NET CASH FROM OPERATING ACTIVITIES	(1,374,111)	(16,564)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(Purchase)/Sales of Investments	117,043	-
NET CASH USED IN INVESTING ACTIVITIES	117,043	-
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Loans & Advances received back	1,245,000	-
NET CASH USED IN FINANCING ACTIVITIES	1,245,000	-
Net increase in cash and cash equivalents	(12,068)	(16,564)
Openig Balance of Cash and cash equivalents	70,744	87,308
Closing Balance of Cash and cash equivalents	58,676	70,744

Notes:1. The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.

As per our report of date attached

For and on Behalf of the Board

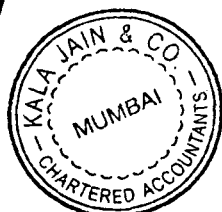
KALA JAIN & CO.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 127886W

(Signature)
(S.S. TRIPATHI)

(Signature)
(AMLA RAI)

DIRECTORS

(Signature)
(SUPARSH KALA)
PARTNER
Membership No. 114419



PLACE : Mumbai

DATE : 30 MAY 2012

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2012

The previous period figures have been regrouped/reclassified wherever necessary to confirm to the current period presentation

NOTE 2.1: SHARE CAPITAL

PARTICULARS	AS AT	AS AT
	March 31, 2012	March 31, 2011
	Rupees	Rupees
Authorised		
2000000 Equity Shares of Rs.10/- each	20,000,000	20,000,000
	20,000,000	20,000,000
Issued		
1920000 Equity Shares of Rs.10/- each	19,200,000	19,200,000
	19,200,000	19,200,000
Subscribed and Paid-up		
1920000 Equity Shares of Rs.10/- each	19,200,000	19,200,000
Less: Allotment money in arrears		
2800 shares @ Rs. 5/- each	14,000	14,000
(Other than Directors)		
	19,186,000	19,186,000

A. Subscribed and paid up share capital includes :

The details of Shareholders holding more than 5% shares :

Name of the Shareholder	AS AT		AS AT	
	March 31, 2012		March 31, 2011	
	No. of Shares	% held	No. of Shares	% held
(a) Aditya Singi	153800	8.01	153800	8.01
(b) G D Singi	390100	20.32	390100	20.32
(c) Matrushree Finance & Investment Pvt. Ltd.	249000	12.97	249000	12.97
(d) Sita Devi Singi	213950	11.14	213950	11.14
(e) Zest Iron Agencies Pvt. Ltd.	96950	5.05	96950	5.05
(f) Kamana Leasing & Finance Pvt. Ltd.	337500	17.58	337500	17.58

B. Reconciliation of Share Capital

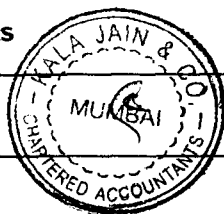
Particulars	Equity Shares	
	No. of shares	Amount
Opening balance	1,920,000	19,200,000
Add : Issued during the year	-	-
Less: Buy back during the year	-	-
Closing balance	1,920,000	19,200,000

NOTE 2.2: RESERVES & SURPLUS

PARTICULARS	AS AT	AS AT
	March 31, 2012	March 31, 2011
	Rupees	Rupees
General Reserve		
	1,275,000	1,275,000
	1,275,000	1,275,000
Surplus		
Opening Balance	(793,348)	(769,310)
Add: Net Profit/(Net Loss) for the current year	(1,290,127)	(24,038)
	(2,083,475)	(793,348)
TOTAL	(808,475)	481,652

NOTE 2.3 : OTHER CURRENT LIABILITIES

PARTICULARS	AS AT	AS AT
	March 31, 2012	March 31, 2011
	Rupees	Rupees
(a) Other payables	20,854	15,582
TOTAL	20,854	15,582



NOTE 2.5 : NON CURRENT INVESTMENTS

PARTICULARS	AS AT 31/3/2012 Rupees	AS AT 31/3/2011 Rupees
A OTHER INVESTMENTS		
(b) Investment in Equity Instruments	3,827,723	3,827,723
(b) Investment in Mutual Fund	-	117,043
	3,827,723	3,944,766
Less : Provision for diminution in the value	548,621	548,621
Total	3,279,102	3,396,145
Aggregate Book Value - Quoted	3,827,609	3,827,609
- Unquoted	114	117,157
Market Value - Quoted	1,425,434	2,568,726

A. Details of Trade Investments

Sr. No	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units	Partly Paid / Fully paid	Extent of Holding (%)	Amount (`)		Whether stated at Cost Yes / No	If Answer to Column (11) is 'No' Basis of Valuation	
						As at 31st March 2012 (4)	As at 31st March 2011 (5)			
#	(2)	(3)	(4)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
OTHER INVESTMENTS QUOTED										
(a) Investment in Equity Instruments										
	Jay Iron & Steels Ind. Limited*	Others	280000	Fully Paid	3.27%	3.27%	2,856,000	2856000	Yes	N.A
	Larsen & Toubro Ltd	Others	50	Fully Paid	0%	0%	2,456	2,456	Yes	N.A
	Ultra Tech Cement Ltd	Others	20	Fully Paid	0%	0%	1,964	1964	Yes	N.A
	Zenith Steel Tubes & Ind.Ltd*	Others	19000	Fully Paid	0.48%	0.48%	513,197	513,197	Yes	N.A
	Vishal Malleables Ltd	Others	82350	Fully Paid	3.27%	3.27%	453,992	453,992	Yes	N.A
*Not quoted due to delisting of securities										
UNQUOTED										
	Reliance Enterprise Ltd	Others	1	Fully Paid	0%	0%	114	114	Yes	N.A
Total							3,827,723	3,827,723		

Investment in Mutual Fund

UNQUOTED
Templeton Fund

Others 117.043 Fully Paid

117,043
117,043

Total

3,827,723.00
3,944,766.00



NOTE 2.4 : SHORT TERM PROVISIONS

PARTICULARS	AS AT March 31, 2012 Rupees	AS AT March 31, 2011 Rupees
(a) Provision for Taxation	102,463	102,463
TOTAL	102,463	102,463

NOTE 2.6: LONG TERM LOANS AND ADVANCES

PARTICULARS	AS AT March 31, 2012 Rupees	AS AT March 31, 2011 Rupees
(a) Security Deposits		
(i) Unsecured, considered good	100,000	100,000
TOTAL (a)	100,000	100,000
(b) Loans and advances to related parties		
(i) Unsecured, considered good	14,060,000	15,305,000
(ii) Doubtful	-	-
TOTAL (b)	14,060,000	15,305,000
(c) Other loans and advances		
(i) Unsecured, considered good	-	-
(ii) Doubtful	290,687	290,687
Less: Provision for doubtful advances	290,687	290,687
TOTAL (c)	-	-
TOTAL (a+b+c)	14,160,000	15,405,000

NOTE 2.7 : INVENTORIES

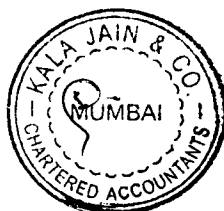
PARTICULARS	AS AT March 31, 2012 Rupees	AS AT March 31, 2011 Rupees
Shares	2,517	3,261
TOTAL	2,517	3,261

NOTE 2.8 : CASH AND CASH EQUIVALENTS

PARTICULARS	AS AT March 31, 2012 Rupees	AS AT March 31, 2011 Rupees
(a) Balances with banks	41,198	57,736
(b) Cash on hand	17,478	13,008
TOTAL	58,676	70,744

NOTE 2.9 : OTHER CURRENT ASSETS

PARTICULARS	AS AT March 31, 2012 Rupees	AS AT March 31, 2011 Rupees
(a) Other Advances Recoverable	1,000,547	910,547
TOTAL	1,000,547	910,547



NOTE 2.10 : OTHER INCOME

PARTICULARS	AS AT	AS AT
	March 31, 2012	March 31, 2011
	Rupees	Rupees
(a) Dividend Income	-	1,813
(b) Net gain/loss on sale of investments	61,355	-
(c) Other non-operating income (net of expenses directly attributable to such income)	90,000	-
	151,355	1,813

NOTE 2.11 : OTHER EXPENSES

PARTICULARS	AS AT	AS AT
	March 31, 2012	March 31, 2011
	Rupees	Rupees
(a) Lising fees	1,391,436	-
(b) Legal & Professional Fees	14,838	6,000
(c) Telephone & Internet Charges	-	2,737
(d) Business Promotion	8,500	-
(e) Bank charges	374	176
(f) Miscellaneous Expense	-	1,654
	1,415,148	10,567
Payments to the auditor as		
(a) an auditor	16,854	4,964
(b) for other services,	8,736	4,500
	25,590	9,464
TOTAL	1,440,738	20,031



SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

NOTE -1 SIGNIFICANT ACCOUNTING POLICIES

1.1 METHOD OF ACCOUNTING:

The accounts are prepared on historical cost basis and income and expenditure are recognised on accrual basis and as per the RBI guidelines applicable to NBFC's.

1.2 FIXED ASSETS

All fixed assets are stated at cost inclusive of all related expenses less depreciation.

1.3 DEPRECIATION

Depreciation on Fixed Assets is provided on 'Straight Line Method' (SLM) at the rates specified in Schedule XIV of the Companies Act, 1956.

1.4 INVESTMENT

Long term investment are stated at cost less permanent diminution (in value) if any.

1.5 STOCK IN TRADE (SHARES)

Stock in Trade (Shares) are valued at lower of cost or market value/break up value.

1.6 NON PERFORMING ASSETS

Non Performing Assets are identified as per the directives of the Reserve Bank of India.

1.7 EARNING PER SHARE

i) Net profit is considered after tax & includes post tax effect of any extra ordinary items.

ii) Basic earnings per share is computed using the weight average number of shares outstanding during the period.

1.8 OTHER ACCOUNTING POLICIES

These are consistent with the generally accepted accounting practices

NOTE -2 NOTES TO ACCOUNTS

- 2.11 The Company has identified Non Performing Assets (NPAs) to the extent of Rs.290687/- and full provision provision for the same as per the NBFC prudential Norms (Reserve Bank of India) Directions, 1998 has been held in the accounts.
- 2.12 Provision has not been made for diminution in the value of investment as required by NBFC prudential Norms (Reserve Bank of India) Directions, 1998, as the management expects that this diminution in the value of investment is temporary.
- 2.13 In view of carry forward losses of earlier years no provision for current tax has been made during the year.
- 2.14 In view of time limitations on carry forward losses and brought forward business losses being the only timing difference, as matter of prudence deferred tax assets has not been recognised..

2.15 Earning per share calculation:

Particulars	Year ended 31.03.2012	year ended 31.03.2011
Net Profit Attributable to Shareholders	(1,290,127)	(24,038)
Weighted average members of Equity Shares	1,918,600	1,918,600
Basic & Diluted Earning per shares of Rs.10/- each (in Rs.)	(0.67)	(0.01)

- 2.16 The company has not been granted interest free loan during the year but cumulative amount of interest free loan granted is Rs.1,40,60,000/- which is in contravention of section 372A of the Companies Act, 1956.
- 2.17 Disclosure requirements as per Accounting Standard 18 As -18) 'Related Party Disclosure' issued by the Institute of Chartered Accountants of India.

Enterprises under common control of the Promoter :Zenith Steel Tubes and Industries Ltd, Jay Iron and Steels industries Ltd, Matrushree Finance & Investments Pvt.Ltd. SDS Trading & Agencies Pvt. Ltd, Everbright Trading & Agencies Pvt.Ltd. AVS Trades & Agencies Pvt.Ltd.

Key Management Personnel :Mr. S.S.Tripathi (Director) and Mr.Amala Rai (Director).

No transaction has been made with the above group companies during the year.

- 2.18 Segment Reporting : There are no separate reportable segments as per Accounting Standard on Segment Reporting (As -17) as the Company's primary business is of Investment and Finance activities.
- 2.19 The Balance of sundry debtors, sundry creditors, deposits, loans & advances and other liabilities etc. are subject to confirmation and reconciliation consequential impact thereof on the accounts is not ascertainable.
- 2.20 In the opinion of the Board , the current Assets, Loans & Advances are approximately of the value stated in in the balance sheet if realised in the ordinary course of business.The provision for all known and determined liabilities are adequate and not in excess of the amount reasonably required.

Other additional information pursuant to the provisions of para 3, 4C and 40 of Part II of Schedule VI to the companies Act, 1956 are as under: -

Details of Trading Activities

Particulars	Opening Stock		Purchase		Sale/ Transfer		Closing	
	Nos	Amount	Nos	Amt.	Nos.	Amt.	Nos.	Amt.
Quoted shares & Securities								
1. Premier Auto L 38		3260	--	-744	--	--	--	2516
UNQUOTED								
Alpine Ceramics I 50000 Ltd		<u>1</u>	--	--	--	--	--	<u>1</u>
		<u>3261</u>						<u>2517</u>

b. Other informations are not applicable for the year.

2.21 The previous year figures are regrouped, reclassified wherever considered necessary to compare with Current year figure.

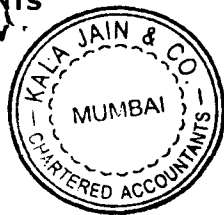
As per our report of even date attached

For and on Behalf of the Board

KALA JAIN & CO.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 127885W

(SUPARSH KALA)
PARTNER

Membership No. 114419



S.S. Tripathi
(S.S. TRIPATHI)

Amla Rai
(AMLA RAI)

DIRECTORS

PLACE : Mumbai

DATE : 130 MAY 2012