

Twenty-Fourth Annual Report, 2009

BOARD OF DIRECTORS

SHRI ARIHANT JAIN
Managing Director
SHRI SANTOSH KUMAR JAIN
SHRI AMIYA KUMAR BASU
SHRI SUBHABRATA TALUKDAR

**Certified to be true copy
For BLUE CHIP INDIA LIMITED**

Arihant Jain
Managing Director

AUDITORS

AGRAWAL S. KUMAR & ASSOCIATES
Chartered Accountants

BANKERS

HDFC BANK
ORIENTAL BANK OF COMMERCE
CITI BANK
CANARA BANK

REGISTERED OFFICE

10, PRINCEP STREET
2ND FLOOR
KOLKATA - 700 072
Phone : 2225-6851
E-mail : mail.bluechipind.net
Website : www.bluechipind.net

REGISTRARS & SHARE TRANSFER AGENTS

MAHESHWARI DATAMATICS PVT. LTD.
6, MANGOE LANE, KOLKATA-700 001
Phone : (033) 2243-5029 / 5809
Fax : (033) 2248-4787

NOTICE

NOTICE is hereby given that the Twenty-Fourth Annual General Meeting of the Members of Blue Chip India Limited will be held at "Somani Conference Hall", Merchants' Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 on Tuesday, the 15th day of September, 2009 at 11.00 A.M. to transact the following businesses :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Santosh Kumar Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint M/s. Agrawal S. Kumar & Associates, Chartered Accountants, the retiring Auditors of the Company, as Auditors, who shall hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Registered Office :

10, Princep Street,
2nd Floor,
Kolkata - 700 072

Dated : 25th June, 2009

By order of the Board of Directors
For Blue Chip India Limited

Arihant Jain
Managing Director

Certified to be true copy,
For BLUE CHIP INDIA LIMITED

Arihant Jain
Managing Director

NOTES :

1. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company at 10, Princep Street, 2nd Floor, Kolkata - 700 072, not less than forty-eight hours before the commencement of the Annual General Meeting.
2. Members/proxies should bring duly filled Attendance Slips along with copy of the Annual Report & Accounts to the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 9th September, 2009 to Tuesday, 15th September, 2009 (both days inclusive).
4. The Register of Directors Shareholding maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the members at the Annual General Meeting.
5. Members are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited of 6, Mangoe Lane, 2nd Floor, Kolkata 700 001.
6. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
7. Additional information to be provided under Clause 49 of the Listing Agreement pertaining to the Directors being appointed/re-appointed, Members are requested to kindly refer Para 2 of the Report on Corporate Governance forming part of this Annual Report.

3 **Certified to be true copy.**
For BLUE CHIP INDIA LIMITED

Asishant Jain

Managing Director

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty-Fourth Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2009.

1. FINANCIAL HIGHLIGHTS

The working results of the Company for the year under review are given below :

	Year ended 31.03.2009 (In Rs.)	Year ended 31.03.2008 (In Rs.)
Profit / (Loss) before Taxation	(11,79,60,072.30)	(1,71,49,219.09)
Less : Provision for Tax :		
- Current	3,20,810.00	—
- Provision for Fringe Benefit Tax	23,640.00	12,853.00
- For Earlier Year	6,63,378.61	—
- Deferred	3,56,03,674.00	46,37,204.00
Profit/(Loss) after Taxation	(8,33,64,226.91)	(1,25,24,868.09)
Less : Previous Year Adjustment	—	25,174.00
Balance brought forward from previous year	(2,01,44,962.25)	(83,51,037.16)
Securities Transaction Tax	32,67,788.48	—
Excess Provision of Income Tax written back	20,682.00	7,56,117.00
Balance carried to Balance Sheet	(10,67,56,295.64)	(2,01,44,962.25)

2. DIVIDEND

In view of the brought forward losses of the Company, the Board have decided not to recommend any dividend for the year under review.

3. PERFORMANCE REVIEW

The performance of the Company during the current year, was not satisfactory due to several economic reasons. However your Directors are making all efforts to improve the performance of the Company in the coming years by taking opportunity from the growing market.

4. FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

4 **Certified to be true copy.**
FOR BLUE CHIP INDIA LIMITED

Ashant Jain
Managing Director

5. DIRECTORS

As per the provisions of the Article of Association of the Company, Shri Santosh Kumar Jain, retires by rotation and being eligible offers himself for re-appointment at this Annual General Meeting. The Board recommends his re-appointment for consideration of the shareholders.

6. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed :

- a. That in the preparation of the accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2009 on a going concern basis.

7. AUDITORS' REPORT

All the items on which the Auditors have commented in their report are self-explanatory and no further explanation is required by the Board of Directors.

8. AUDITORS

Messrs. Agrawal S. Kumar & Associates, Chartered Accountants, Auditors of the Company, who retire at the conclusion of the forthcoming Annual General Meeting, have consented to continue in office, if appointed. They have confirmed that their appointment, if made, will be in accordance with the limits specified in Section 224(1B) of the Companies Act, 1956.

9. EMPLOYEES

None of the employees were in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read along with Companies (Particulars of Employees) Rules, 1975.

10. STATUTORY INFORMATION

The Company being basically in the financial sector, requirement regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules is not applicable.

11. FOREIGN EXCHANGE

The Company had no foreign exchange inflow or outflow during the year under review.

12. CORPORATE GOVERNANCE

As per the Listing Agreement with the Stock Exchange, the Company has implemented the Code on Corporate Governance. The Corporate Governance compliance certificate obtained from the Auditors of the Company is attached to this report.

The Management Discussion and Analysis Report and the Report on Corporate Governance are given in the annexure attached to this report. The Code of Conduct is available on the Company's website www.bluechipind.net. The Board members and Senior management personnel have confirmed compliance with the said code.

13. EMPLOYER EMPLOYEE RELATIONSHIP

The Company has maintained a cordial relationship with its employees, which resulted in smooth flow of business operations during the year under review.

14. ACKNOWLEDGEMENTS

Your Directors acknowledge the support and owe a debt of gratitude to the Shareholders, Investors & Bankers. Your Directors are also thankful to its clients for their continued faith and support reposed in them. Last but not the least, your Directors' place on record their sense of appreciation of the valuable contribution made by the employees of the Company.

On behalf of the Board of Directors

For BLUE CHIP INDIA LIMITED

Registered Office :

10, Princep Street,
2nd Floor,
Kolkata - 700 072

Dated : 25th June, 2009

ARIHANT JAIN
Managing Director

SANTOSH KUMAR JAIN
Director

6 **Certified to be true copy.**
For BLUE CHIP INDIA LIMITED

Arihant Jain
Managing Director

REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance as per the guidelines prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is as follows :-

Para 1. CORPORATE GOVERNANCE PHILOSOPHY

The Company believes that transparency, empowerment, accountability and integrity are the fundamental principles of sound Corporate Governance. This philosophy has guided the operations and the functioning of the Company. The Company strives to attain business excellence and enhance long-term shareholder value while safeguarding the interests of all stakeholders. It is this motivation that has led the Company to make Corporate Governance intrinsic in all its operations. Thriving for continuous improvement has ensured that the Company is fully compliant with the stipulations mandated by revised Clause 49 of the Listing Agreement of the Stock Exchanges.

Para 2. BOARD OF DIRECTORS

(I) Composition of the Board :

The Composition of the Board of Directors of the Company consists of qualified executive and non-executive Directors. The Board comprises of persons who have excelled in their respective areas and have good standing.

The composition of the Board of Directors as on 31st March, 2009 is given below :

Sr. No.	Name of Director	Executive/ Non-Executive	No. of other		
			Directorships(+)	Committee(++)	
				Chairman	Member
1	Shri Arihant Jain - Managing Director	Executive	6	—	—
2	Shri Santosh Kumar Jain	Non-Executive	8	2	4
3	Shri Amiya Kumar Basu	Non-Executive & Independent	Nil	Nil	Nil
4	Shri Subhabrata Talukdar	Non-Executive & Independent	Nil	Nil	Nil

(+) Excluding directorship held in private limited/foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.

(++) Represents Chairmanship / Membership of the Audit Committee and Shareholder's/ Investors' Grievance Committee of other companies, in which they are Director.

(ii) The attendance of the Directors at the Board meetings and the last AGM held are given below :

Name of the Director	No. of Meetings		Attendance at last AGM - held on 23rd September, 2008
	Held	Attended	
Shri Arihant Jain - Managing Director	7	7	Yes
Shri Santosh Kumar Jain	7	6	Yes
Shri Amiya Kumar Basu	7	4	No
Shri Subhabrata Talukdar	7	3	Yes

Particulars of the Directors to be appointed/re-appointed at the ensuing Annual General Meeting pursuant to revised Clause 49 of the Listing Agreement :

Name of the Director	Sri Santosh Kumar Jain (Re-appointment)
Date of Birth	13.01.1954
Date of Appointment	16.08.2008
Qualification	Chartered Accountant
Expertise in specific functional area	Shri Jain is having an extensive knowledge in finance, accounts, stock, shares and investments.
Directorship of other Companies (*)	1. ATN International Ltd. 2. Amluckie Investment Company Ltd. 3. Silicon Valley Infotech Ltd. 4. Bahubali Properties Ltd. 5. Jagannathpur Steel Ltd. 6. Sheetal Farms Ltd. 7. Arihant Ltd.
Chairman/Membership in the Committees	2
Shareholding in Equity Shares of the Company and % of holding	Nil

(iii) Directors' membership in board/committees of other companies :

In terms of the Listing Agreement, none of the directors of your Company were Members in more than 10 (ten) committees nor acted as chairman of more than 5 (five) committees across all companies in which they were Directors. Details of other directorships/committee membership/chairmanship held by them are given in Para 2(i) above.

(iv) Number of Board meetings held, dates on which held :

As per the Listing Agreement, the Board of Directors must meet at least four times a year, with a maximum gap of four months between any two meetings.

During the financial year 2008-09, the Board met 7 (Seven) times on 28.04.2008, 20.06.2008, 30.06.2008, 29.07.2008, 14.08.2008, 29.10.2008, and 28.01.2009.

The gap between any two Board Meetings did not exceed four months.

Para 3. AUDIT COMMITTEE

(i) Brief description of the terms of reference :

The terms of-reference of the Audit Committee cover the matters specified under revised Clause 49 of the Listing Agreement with Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Audit Committee reviews, acts and reports to the Board of Directors with respect to :

- a. the appointment of statutory auditors of the Company,
- b. provide Board with additional assurance as to reliability of financial information and statutory financial statements and as to the adequacy of internal accounting and control systems,
- c. it acts as a link between the management, statutory auditors and the Board of Directors,
- d. Company's compliance with the statutory requirements.

(II) Composition and name of members :

The Audit Committee, presently, consists of 3 (three) Independent Members. The following directors are the present Members of the Committee :

Name of the Members	Designation	Nature of Membership
Shri Subhabrata Talukdar	Chairman	Independent & Non-Executive
Shri Santosh Kumar Jain	Member	Non-Executive
Shri Amiya Kumar Basu	Member	Independent & Non-Executive

All the Members of the Audit Committee are financially literate and Shri Subhabrata Talukdar, Chairman possesses financial /accounting expertise.

(III) Meetings held and attendance during the year :

During the financial year 2008-2009, the Audit Committee met 5 (Five) times on 25.04.2008, 27.06.2008, 25.07.2008, 24.10.2008 and 24.01.2009.

Sr. No.	Members of Audit Committee	No. of meetings held	No. of meetings attended
1	Shri Subhabrata Talukdar - Chairman	5	5
2	Shri Santosh Kumar Jain	5	5
3	Shri Amiya Kumar Basu	5	5

Para 4. REMUNERATION COMMITTEE**Details of sitting fees, remuneration etc. paid to Directors :**

No Sitting fees have been paid to the directors during the year.

The Company has paid total remuneration of Rs. 7,00,000/- to Sri Arihant Jain - Managing Director of the Company at various time, whose appointment and remuneration have been fixed by the Board and in terms of resolution passed by the Shareholders of the Company.

In view of this, no Remuneration Committee has been constituted.

Para 5. SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE**Brief description of the terms of reference :**

The Share Transfer and Investors' Grievance Committee administers the following :

- a. Transfer of shares
- b. Transmission of shares
- c. Issuance of duplicate share certificates as and when required
- d. Shareholders' queries/complaints and its redressal as and when received
- e. Dematerialisation/Rematerialisation of shares
- f. Split/consolidation of shares
- g. Such other matters resulting from statutory amendments/modifications from time to time.

(i) Composition and name of the Chairman:

The Committee comprises of the following persons :

Name of the Members	Designation	Nature of Membership
Shri Amiya Kumar Basu	Chairman	Independent & Non-Executive
Shri Santosh Kumar Jain	Member	Non-Executive
Shri Subhabrata Talukdar	Member	Independent & Non-Executive

During the financial year 2008-09, the Share Transfer and Investors Grievance Committee met 4 (Four) times on 30.04.2008, 30.06.2008, 29.10.2008 and 31.12.2008.

Members of Share Transfer and Investors' Grievance Committee	No. of meetings held	No. of meetings attended
Shri Santosh Kumar Jain	4	4
Shri Amiya Kumar Basu	4	4
Shri Subhabrata Talukdar	4	4

(ii) Name and designation of compliance officer :

As per the requirements of the Listing Agreement, Sri Naresh Kumar Mukherjee acts as the Compliance Officer.

(iii) to (iv) Details of the shareholders' complaints received and resolved during the year 2008-09 :

No. of complaints received	No. of complaints resolved	Pending
Nil	Nil	Nil

There have been no material grievances raised and all items referred have been dealt with. All the complaints were resolved to the satisfaction of shareholders.

As on 31st March 2009, there were no pending complaints and no pending share transfers.

Para 6. GENERAL BODY MEETINGS**(i) Location and Time of last three Annual General Meeting (AGM) :**

The location and time of the last three AGMs are as follows :

Year	Date	Location	Time
2007-08	23.09.2008	Somani Conference Hall, Merchants Chamber of Commerce, 15B Hemanta Basu Sarani, Kolkata - 700 001	11.00 a.m.
2006-07	20.09.2007	Somani Conference Hall, Merchants Chamber of Commerce, 15B Hemanta Basu Sarani, Kolkata - 700 001	11.00 a.m.

2005-06	05.09.2006	Somani Conference Hall, Merchants Chamber of Commerce, 15B Hemanta Basu Sarani, Kolkata - 700 001	11.00 a.m.
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(ii-a) Details of special resolutions passed in the previous three AGMs :

No special resolution has been passed in the previous three AGMs.

(ii-b) Details of special resolutions passed in the previous three EGMs :

There has been no extra ordinary general meeting convened in the past three years.

(iii) to (iv) Special resolution passed during the financial year 2008-09 through the Postal ballot :

No special resolution was passed through postal ballot during the financial year 2008-09.

(v) to (vi) Postal ballot during the current year :

For the financial year 2009-10, if resolutions are to be conducted through the Postal Ballot procedure, those will be taken up at the appropriate time.

Para 7. DISCLOSURES**(i) Disclosure of materially significant related party transactions :**

During the year 2008-09, there has been no materially significant related party transaction/pecuniary material relationship entered into by the Company with the management or their relatives that may have a potential conflict with the interest of the Company at large.

(ii) Details of non-compliance by the Company :

The Company has complied with all the requirements of the Listing Agreement with Stock Exchange as well as the Regulations and Guidelines prescribed by SEBI. There were no penalties or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authorities for non-compliance on any matter related to capital markets, during the last three years.

(iii) Whistle Blower Policy :

The Company has not established whistle blower policy.

(iv) Details of compliance with the mandatory requirements :

Your Company has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreement. The details of these compliances have been given in the relevant sections of this Report.

Para 8. MEANS OF COMMUNICATION**(i) Quarterly results :**

The Quarterly and Annual Results of the Company are communicated immediately to the stock exchanges upon conclusion of the Board Meeting convened to consider the same.

(ii) Newspapers wherein results are normally published :

The Financial Results of the Company are published in "Business Standard" and in "Dainik Lipi".

(iii) to (v) Any website, where displayed :

The Results are displayed on the Company's web-site at www.bluechipind.net.

Full Annual Reports for the financial year 2008-09, Code of Conduct for the Board of Directors and Senior Management Personnel and other relevant information are also available on the website of the Company in a user-friendly and downloadable form.

Para 9. GENERAL SHAREHOLDER INFORMATION**(i) AGM : Date, time and venue :**

The forthcoming Annual General Meeting of the Company will be held as given below :

Date & Time	15th September, 2009 at 11.00 a.m.
Venue	"Somani Conference Hall" Merchants' Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001

(ii) Financial year :

Financial Year is 1st April, 2009 to 31st March, 2010 and the quarterly results will be declared as per the following schedule :

Tentative schedule	
Financial Results for the quarter ending June 30, 2009	End of July 2009
Financial Results for the quarter ending September 30, 2009	End of October 2009
Financial Results for the quarter ending December 31, 2009	End of January 2010
Financial Results for the year ending March 31, 2010	End of June 2010
AGM for the year ending March 31, 2010	Mid of September 2010

(iii) Date of Book closure :

The Company's Register of Members and Share Transfer Books will remain closed from Wednesday, 9th September, 2009 to Tuesday, 15th September, 2009 (both days inclusive).

(iv) Dividend Payment Date :

No dividend has been recommended by the Board for the year under review.

(v) Listing on Stock Exchanges :

Your Company's shares are listed on the following stock exchanges as on 31st March, 2009.

1. Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001.
2. The Calcutta Stock Exchange Association Limited
7, Lyons Range, Kolkata 700 001.
3. National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No.C/1, 'G' Block,
Bandra-Kurla Complex, Bandra (E), Mumbai 400 051.

Listing fees upto the financial year 2009-10 have been paid to BSE & NSE.

(vi) Stock Code :

Name of the Exchange	Code
Bombay Stock Exchange Limited	531936
National Stock Exchange of India Limited	BLUECHIP
International Securities Identification Number (ISIN)	INE657B01025
Depositories Connectivity	NSDL and CDSL

(vii) to (viii) Market Price Data : High, Low during each month in the last financial year :

Months (2008-09)	National Stock Exchange (in Rs.)		Mumbai Stock Exchange (in Rs.)	
	High	Low	High	Low
April	2.15	1.85	2.15	1.88
May	2.00	1.60	2.02	1.56
June	1.65	1.25	1.69	1.20
July	1.50	1.10	1.50	1.10
August	1.70	1.25	1.70	1.25
September	1.35	0.95	1.38	1.00
October	1.15	0.65	1.23	0.65
November	0.95	0.60	0.97	0.60
December	1.00	0.60	0.99	0.58
January	1.05	0.70	1.03	0.75
February	0.80	0.65	0.82	0.59
March	0.75	0.60	0.80	0.58

(ix) Registrar and Transfer Agents :

The Board has delegated the work of processing of share transfers to Maheshwari Datamatics Private Limited, Registrar and Share Transfer Agents. Their complete address is as follows :

Maheshwari Datamatics Private Limited

6, Mangoe Lane, 2nd Floor,

Kolkata - 700 001.

Tel. No. : (033) 2243-5029 / 5809

Fax No. : (033) 2248-4787

(x) Share Transfer System :

The transfer of shares in physical form is processed and completed by Maheshwari Datamatics Private Limited within the statutory time period. In case where shares are held in electronic form, the transfers are processed by NSDL/CDSL through the Depository Participants and Registrars.

(xi) Distribution of Shareholding :

The distribution of shareholding as on 31st March, 2009, pursuant to Clause 35 of the Listing Agreement is as under :

A. Shareholding Pattern of Equity Shares as on 31st March, 2009 :-

	Categories	No. of Shares held	% of Shareholding
A	PROMOTERS' HOLDING		
1.	Promoters :		
	a) Indian Promoters	509750	0.9217
	b) Foreign Promoters	0	0.0000
2.	Persons Acting in concert	0	0.0000
	Sub-total	509750	0.9217
B	NON PROMOTERS' HOLDING		
3.	Institutional Investors :		
	a) Mutual Funds and UTI	0	0.0000
	b) Banks, FIs, Insurance Companies	0	0.0000
	c) Foreign Institutional Investors	0	0.0000
	Sub-total	0	0.0000
4.	Others		
	a) Private Corporate Bodies	16176175	29.2494
	b) Indian Public	38444202	69.5139
	c) NRIs / OCBs	156213	0.2825
	d) Any Other	18000	0.0325
	Sub-total	55304340	100.00
	Grand Total	55304340	100.00

B. Distribution of Equity Shareholding as on 31st March, 2009 :

No. of Equity Shares held	No. of Shareholders holding shares in		No. of Shares held		% age of Equity Capital held in	
	Physical Form	Demat Form	Physical Form	Demat Form	Physical Form	Demat Form
1-1,000	65	10945	16565	6216666	0.02	11.24
1,001-5,000	15	4865	38800	13355247	0.07	24.14
5,001-10,000	8	840	55500	6749704	0.10	12.20
10,001-50,000	7	545	196825	11604624	0.35	20.98
50,001-1,00,000	-	47	-	3504526	-	6.33
1,00,001 & Above	-	39	-	13565883	-	24.57
Total	95	17281	307690	54996650	0.54	99.46

(xii) Dematerialisation of shares and liquidity :

As on 31st March, 2009, 99.46% of the total equity capital was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited.

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments :

There are no GDR, ADR or any convertible instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

(xiv) Plant Locations :

The Company does not have any plant.

(xv) Address for correspondence :

Investors' correspondence may be addressed to :-

1. The Compliance Officer
Blue Chip India Limited
10, Princep Street,
2nd Floor, Kolkata - 700 072.
Tel No. : 033 2225 6851
e-mail : mail.bluechipind.net
2. Registrar & Transfer Agent
Maheshwari Datamatics Private Limited
6, Mangoe Lane, 2nd Floor,
Kolkata - 700 001.
Tel No. : (033) 2243-5029 / 5809
Fax No. : (033) 2248-4787

(xvi) E-mail ID of the grievance redressal division / compliance officer exclusively for the purpose of registering complaints by investors : mail.bluechipind.net

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :

The Management's Discussion and Analysis Report forms part of the Director's Report.

CODE OF CONDUCT :

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel and the same has been posted in the Company's website (www.bluechipind.net). The Directors and Senior Management Personnel have affirmed the compliance with the same for the financial year 2008-09.

A declaration to this effect is given elsewhere in this Annual Report.

RISK MANAGEMENT POLICY :

The Company has formulated a comprehensive Risk Management Policy to reduce the inherent risk associated with the business activities of the Company.

ANNUAL DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT PURSUANT TO CLAUSE 49(D)(D) OF THE LISTING AGREEMENT

I, Arihant Jain, Managing Director of BLUE CHIP INDIA LIMITED having its registered office at 10, Princep Street, 2nd Floor, Kolkata - 700 072 hereby declare that the Company has formulated a Code of Conduct for its Directors and Senior Management Personnel and that all Board Members and Senior Management Personnel have affirmed the compliance of the Code for the financial year 2009-10.

Place : Kolkata

Dated : 25th June, 2009

Sd/-
Arihant Jain
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**To the Members of Blue Chip India Limited**

We have examined the compliance of conditions of Corporate Governance by Blue Chip India Limited ('the Company') for the year ended on 31st March 2009, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

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

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

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

For Agrawal S. Kumar & Associates
Chartered Accountants

Mukesh Jhawar
Partner
Membership No. 61308

Place : Kolkata

Dated : 25th June, 2009

**CERTIFICATION BY
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

We hereby certify that for the financial year, ending 31st March, 2009, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :-

1. These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2008-09 which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that :
 - (a) there have been no significant changes in internal control system during this year.
 - (b) there have been no significant changes in accounting policies during this year.
 - (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Arihant Jain
Managing Director

Manoj Saraogi
Chief Financial Officer

Place : Kolkata

Dated : 25th June, 2009

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development - Overview :

The GDP is growing at a rate of about 9.5% and with this high growth, it is expected that your company will also grow in future. The BSE Sensex has crossed the 15000 mark during the current year, which shows that there can be substantial growth in the equity investment and finance companies. With this growth, your company is expected to see a bright future.

We witness that NBFC sector, in India, are facing stiff competition from different banks and financial institutions. The cost of funds of the banks is lower as compared to NBFC's. Not only this, they have a very wide network and huge capital base which makes them more attractive than NBFC's. However as the market is volatile in nature, the long-term growth of capital market calls for a matter of concern.

Opportunities, Threats, Risks and Concerns :

Your company sees opportunities in the market with existing and new customers. Your company has dedicated accounts team to focus on each customer. Rising input costs and volatility in material, energy are some of the key challenges that your company is addressing by specific initiatives for each.

There is a major threat coming from Banks. Banks have reduced the rate of interest; this has reduced the spread, thereby reducing the margin. The volatile nature of market also poses another threat. Your company also faces stiff competition from Nationalised, Foreign and Private Sector Banks as they provide loans at a very low rate of interest.

Your company is exposed to external and internal risks associated with the business. It is exposed to strong competitive pressures and financial risks from changes in interest rate, economic cycles, etc.

Your company is taking steps to ensure the effective risk management by maintaining a prudent and commercial business practices and a comprehensive risk management policy.

Future Outlook :

Your Company intends to invest in businesses related to infrastructure, telecommunication, software etc., in the coming years since it sees good prospect in these areas. It would definitely try to establish itself and remain as a strong player in the finance industry. With the Capital market expected to be in a better mode than the previous few years and with our efforts we can look forward to a prosperous year for the Company.

Internal Control Systems and their adequacy :

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of its business. These procedures are designed to ensure :-

- That all assets and resources are used efficiently and are adequately protected,
- That all internal policies and statutory guidelines are complied within letter & spirit, and
- The accuracy and timing of financial reports and management information.

Material Development in Human Resources / Industrial Relations front number of people employed:

The Company believes that people are the key ingredient to the success of an organization. Looking after people makes good business sense because, if people are motivated, service excellence will follow. The Company recognizes the importance and contribution of its Human resources for its growth and development and is committed to the development of its people.

Financial and Operational Performance :

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India.

Cautionary Statement :

Statement in the Management's Discussion and Analysis describing the Company's projections estimates, expectations or predictions may be forward looking predictions within the meaning of applicable securities laws and regulations. These forward-looking statements are based on certain assumptions and expectations of future events over which the Company exercises no control. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. Actual results may differ materially from such estimates, projections, etc. whether expressed or implied.

AUDITORS' REPORT**TO THE MEMBERS OF BLUE CHIP INDIA LIMITED**

1. We have audited the attached balance sheet of M/s. BLUE CHIP INDIA LIMITED as at March 31, 2009 and also the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require us to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on test check basis, evidence supporting the amounts and disclosures of 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, (as amended) issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph (1) above :
 - 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, proper books of account as required by Law, have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account as submitted to us.
 - d) In our opinion, the Balance Sheet, the Profit and Loss account and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representation received from the directors of the company as at 31st March, 2009 and taken on records by the Board of Directors, we report that no director is disqualified from being appointed as Director of the company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said statements of account read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009 and
 - ii. in the case of the Profit & Loss Account, of the loss for the year ended on the date,
 - iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **Agrawal S. Kumar & Associates**
Chartered Accountants

M. K. Jhawar
Partner

Membership No. 061308

Place : Kolkata

Dated : The 25th day of June, 2009

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 3 of our report of even date

As required by the Companies (Auditors' Report) Order, 2003, (as amended) issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as were considered appropriate and according to the information and explanations given to us, we report that :

1. (a) The company is maintaining proper records to show full particulars including quantitative details and situation of fixed Assets.
(b) The fixed Assets of the company are physically verified by the management at reasonable intervals, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets, a physical verification was carried out during the year and this revealed no material discrepancies.
(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the company during the year.
2. The company is dealing in shares and has maintained proper records in respect thereof and has made timely entries therein of the transactions and contracts entered in to during the year. The company is holding the shares in its own name. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory and no material discrepancies were noticed on such physical verification.
3. (a) The Company has not given any loan to parties covered in the register maintained under section 301 of the Companies Act, 1956.
(b) The Company has not taken any loan from parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to explanation given to us, there is adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and sale of inventory. During the course of our audit no major weakness has been noticed in the internal control.
5. Based on audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that there were no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
6. Based on our scrutiny of the Company's records and according to the information and explanation provided by the management, in our opinion, the Company has not accepted any public deposits so far up to 31st March, 2009.
7. In our opinion and according to the information and explanations given to us, the company have adequate internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations provided by the management, the Company is not engaged in production, processing, manufacturing or mining activities. Hence the provision of Section 209(1)(d) does not apply to the Company. Hence in our opinion, no comment is required on maintenance of cost record.

9. According to the records of the Company, the Company has not yet deducted TDS on expenses amounting to Rs. 65000/- and had deducted but not yet deposited TDS amounting to Rs. 14,38,631/- with the appropriate authorities. Else the company is regular in depositing with the appropriate authorities undisputed statutory dues including Income Tax, Wealth Tax, Sales Tax, Service Tax, Cess and other statutory dues applicable to the Company.
10. The Company has not incurred cash losses during the financial year covered by our audit. Hence no comments is required.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to bank.
12. According to the records, the Company has not granted any loans on the basis of security or pledge of shares, debentures or other securities.
13. As the Company is neither a Chit fund or a nidhi mutual benefit society. Hence the requirement under Para 4(xiii) is not applicable.
14. According to informations and explanations provided by the management, the Company deals in share and securities and proper records have been maintained by the company for the transactions and contracts and the investments made are held in the name of the company itself.
15. According to the information and explanations provided by the management, the company has not given any guarantee for loans taken by others, from banks or financial institutions.
16. According to the records of the Company, the Company has not obtained any term loans.
17. We have been informed by the management that the fund raised on short term basis have not been used for long-term investment.
18. According to the records of the Company, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. According to the records of the Company, the Company has not issued any debentures.
20. The Company has not raised any public issues during the period covered by our audit report.
21. Based on the audit procedures applied by us and according to the information and explanation provided by the management, we report that no frauds on or by the Company has been noticed or reported during the course of our audit.

Place : Kolkata

Dated : The 25th day of June, 2009

For Agrawal S. Kumar & Associates
Chartered Accountants

M. K. Jhawar
Partner

Membership No. 061308

BALANCE SHEET as at 31st March, 2009

	Schedule	As at 31.03.2009		As at 31.03.2008	
		Rs.	P.	Rs.	P.
SOURCES OF FUNDS					
1. SHAREHOLDERS' FUNDS					
(a) Share Capital	A	11,06,08,680.00		11,06,08,680.00	
(b) Reserves & Surplus	B	4,41,99,829.45		4,41,99,829.45	
		<u>15,48,08,509.45</u>		<u>15,48,08,509.45</u>	
2. LOAN FUNDS					
(a) Secured Loan Fund	C	1,29,66,167.33		2,01,36,403.82	
		<u>16,77,74,676.78</u>		<u>17,49,44,913.27</u>	
TOTAL :					
APPLICATION OF FUNDS					
1. FIXED ASSETS					
(a) Gross Block	D	82,71,604.00		82,71,604.00	
(b) Less : Depreciation		16,61,071.25		10,95,786.25	
(c) Net Block		<u>66,10,532.75</u>		<u>71,75,817.75</u>	
2. DEFERRED TAX ASSETS					
		4,37,82,517.00		81,78,843.00	
3. CURRENT ASSETS, LOANS & ADVANCES					
(a) CURRENT ASSETS					
- Stock in Trade		7,43,82,584.93		17,79,81,361.81	
- Sundry Debtors	E	1,37,04,452.05		5,63,96,786.71	
- Cash & Bank Balances	F	6,06,527.08		15,53,446.53	
- Other Current Assets	G	22,41,027.15		56,93,138.96	
(b) LOANS & ADVANCES					
	H	1,61,39,443.67		1,82,57,267.67	
		<u>10,70,74,034.88</u>		<u>25,98,82,001.68</u>	
4. LESS : CURRENT LIABILITIES & PROVISIONS					
(a) Current Liabilities	I	9,60,32,239.49		12,02,45,645.41	
(b) Provisions	J	4,16,464.00		1,91,066.00	
		<u>9,64,48,703.49</u>		<u>12,04,36,711.41</u>	
NET CURRENT ASSETS					
		1,06,25,331.39		13,94,45,290.27	
5. PROFIT & LOSS A/C (Dr.)					
		10,67,56,295.64		2,01,44,962.25	
Total Utilisation of Funds					
		<u>16,77,74,676.78</u>		<u>17,49,44,913.27</u>	

Significant Accounting Policies &
Notes on Accounts

P

As per our Report of even date

For **Agrawal S. Kumar & Associates**
Chartered Accountants

Arihant Jain
Managing Director

Place : Kolkata

M. K. Jhawar
Partner

Santosh Kumar Jain
Director

Dated : The 25th day of June, 2009

Membership No. 61308

PROFIT & LOSS ACCOUNT for the year ended 31st March, 2009

	Schedule	For the year ended 31.03.2009		For the year ended 31.03.2008	
		Rs.	P.	Rs.	P.
INCOME :					
Sales		42,69,62,890.55		62,66,16,790.03	
Interest & Dividend	K	35,50,839.51		41,08,822.24	
Other Income	L	—		14,25,271.32	
Increase/(Decrease) in Stock	M	(10,35,98,776.88)		5,78,06,645.16	
		<u>32,69,14,953.18</u>		<u>68,99,57,528.75</u>	
EXPENDITURE :					
Purchases		42,92,15,617.81		69,61,12,947.00	
Administrative & Other Expenses	N	49,43,997.91		43,78,347.34	
Interest Paid		1,01,33,579.76		62,31,697.50	
Auditors' Remuneration		16,545.00		16,854.00	
		<u>44,43,09,740.48</u>		<u>70,67,39,845.84</u>	
PROFIT BEFORE NON CASH CHARGES		(11,73,94,787.30)		(1,67,82,317.09)	
Less : Non Cash Charges	O	5,65,285.00		3,66,902.00	
PROFIT BEFORE TAX		(11,79,60,072.30)		(1,71,49,219.09)	
Provision for Taxation - Current Tax		3,20,810.00		—	
Provision for Fringe Benefit Tax		23,640.00		12,853.00	
- For Earlier Year		6,63,378.61		—	
- Deferred Tax		3,56,03,674.00		46,37,204.00	
PROFIT AFTER TAX		(8,33,64,226.91)		(1,25,24,868.09)	
Less : Previous Year Adjustment		—		25,174.00	
Balance Brought Forward from Previous Year		(2,01,44,962.25)		(83,51,037.16)	
		<u>(10,35,09,189.16)</u>		<u>(2,09,01,079.25)</u>	
APPROPRIATIONS					
Securities Transaction Tax		32,67,788.48		—	
Excess Provision of Income Tax Written Back		20,682.00		7,56,117.00	
Balance Carried to Balance Sheet		(10,67,56,295.64)		(2,01,44,962.25)	
		<u>(10,35,09,189.16)</u>		<u>(2,09,01,079.25)</u>	
Significant Accounting Policies & Notes on Accounts	P				
Basic & Diluted Earning per Share		(1.51)		(0.23)	
Face Value per Share		2.00		2.00	

As per our Report of even date

For **Agrawal S. Kumar & Associates**
Chartered Accountants**Arihant Jain**
Managing Director

Place : Kolkata

M. K. Jhawar
Partner**Santosh Kumar Jain**
Director

Dated : The 25th day of June, 2009

Membership No. 61308

CASH FLOW STATEMENT

<u>DESCRIPTION</u>	<u>Year ended 31st March, 2009 (Rs.)</u>	<u>Year ended 31st March, 2008 (Rs.)</u>
A. Cash Flow from Operating Activities		
Net Profit before Interest, Tax & Extraordinary Items	(11,89,98,292.30)	(1,86,49,219.09)
Depreciation	5,65,285.00	3,66,902.00
Dividend Received	(25,12,619.51)	—
Earlier year adjusted	20,682.00	7,56,117.00
Fringe Benefit Tax	(3,44,450.00)	(12,853.00)
Security Transaction Tax	(32,67,788.48)	—
Previous Year Adjustment	(6,63,378.61)	(25,174.00)
Operating Profit before Working Capital Changes	(12,52,00,561.90)	(1,75,64,227.09)
Changes in :-		
Inventories	10,35,98,776.88	(5,78,06,645.16)
Trade and Other Receivables	4,26,92,334.66	(5,50,85,286.71)
Other Current Assets	34,52,111.81	(9,50,410.57)
Loans & Advances	21,17,824.00	97,33,175.00
Trade and other Payables	(2,39,88,007.92)	10,43,55,023.28
Net Cash From Operating Activities (A)	26,72,477.53	(1,73,18,371.25)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets .	—	(32,62,625.00)
Interest Received	10,38,220.00	15,00,000.00
Dividend Received.	25,12,619.51	—
Net Cash Flow from Investing Activities (B)	35,50,839.51	(17,62,625.00)
C. Cash Flow from Financing Activities		
Secured Loan	(71,70,236.49)	1,87,68,803.82
D. Net Cash Flow from Financing Activities (C)	(71,70,236.49)	1,87,68,803.82
Net Increase In Cash and Cash Equivalents (A+B+C)	(9,46,919.45)	(3,12,192.43)
Cash and Cash Equivalents (Opening Balance)	15,53,446.53	18,65,638.96
Cash and Cash Equivalents (Closing Balance)	6,06,527.08	15,53,446.53

As per our Report of even date

For **Agrawal S. Kumar & Associates**
Chartered Accountants**Arihant Jain**
Managing Director

Place : Kolkata

M. K. Jhawar
Partner**Santosh Kumar Jain**
Director

Dated : The 25th day of June, 2009

Membership No. 61308

Schedules forming part of the Balance Sheet as at 31st March, 2009 and the Profit & Loss Account for the year ended 31st March, 2009

	As at 31.03.2009		As at 31.03.2008	
	Rs.	P.	Rs.	P.
SCHEDULE - A				
SHARE CAPITAL				
AUTHORISED				
107,500,000 Equity Shares of Rs. 2/- each	21,50,00,000.00		21,50,00,000.00	
ISSUED, SUBSCRIBED AND PAID UP				
55,304,340 Equity Shares of Rs. 2/- each	11,06,08,680.00		11,06,08,680.00	
	11,06,08,680.00		11,06,08,680.00	
SCHEDULE - B				
RESERVES & SURPLUS				
Amalgamation Reserve	1,28,31,689.45		1,28,31,689.45	
Reserve Fund	39,74,640.00		39,74,640.00	
Share Premium	2,73,93,500.00		2,73,93,500.00	
	4,41,99,829.45		4,41,99,829.45	
SCHEDULE - C				
SECURED LOANS				
ICICI Bank Car Loan	1,26,480.00		6,08,720.00	
Citi Corp Finance India Ltd.	1,28,39,687.33		1,95,27,683.82	
	1,29,66,167.33		2,01,36,403.82	

SCHEDULE - D

FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	BALANCE AS ON 01.04.2008	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS ON 01.04.2008	DURING THE YEAR	ADJUSTMENT	TOTAL AS ON 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
LAND	10,00,000.00	—	—	—	—	—	—	10,00,000.00	10,00,000.00
COMPUTER	4,76,217.00	—	—	50,735.00	77,195.00	—	1,27,930.00	3,48,287.00	4,25,482.00
ELECTRICAL INSTALL.	2,52,163.00	—	—	2,986.00	11,978.00	—	14,964.00	2,37,199.00	2,49,177.00
OFFICE EQUIPMENTS	15,69,895.00	—	—	66,891.00	74,570.00	—	1,41,461.00	14,28,434.00	15,03,004.00
VEHICLES	27,35,979.00	—	—	5,02,101.00	2,59,918.00	—	7,62,019.00	19,73,960.00	22,33,878.00
FURNITURE & FIXTURE	22,37,350.00	—	—	4,73,073.25	1,41,624.00	—	6,14,697.25	16,22,652.75	17,64,276.75
TOTAL :	82,71,604.00	—	—	10,95,786.25	5,65,285.00	—	16,61,071.25	66,10,532.75	71,75,817.75
PREVIOUS YEAR :	50,08,979.00	32,62,625.00	—	7,28,884.25	3,66,902.00	—	10,95,786.25	71,75,817.75	—

	As at 31.03.2009		As at 31.03.2008	
	Rs.	P.	Rs.	P.
SCHEDULE - E				
SUNDRY DEBTORS				
(Unsecured, Considered Good)				
Exceeding Six Months	50,60,059.11		10,00,000.00	
Others	86,44,392.94		5,53,96,786.71	
	<u>1,37,04,452.05</u>		<u>5,63,96,786.71</u>	
SCHEDULE - F				
CASH & BANK BALANCES :				
1. Cash-in-Hand	16,585.17		39,082.20	
(As per Cash Book and as Certified by the Management)				
2. With Scheduled Banks				
In Current Account	4,89,941.91		14,14,364.33	
In S.I.F.D. Account	1,00,000.00		1,00,000.00	
	<u>6,06,527.08</u>		<u>15,53,446.53</u>	
SCHEDULE - G				
OTHER CURRENT ASSETS				
Tax Deducted at Source	16,87,322.48		18,39,520.48	
Advance Income Tax	5,15,000.00		5,15,000.00	
Fringe Benefit Tax Paid	36,568.00		35,771.00	
Share Application Money Paid	2,136.67		35,059.00	
Securities Transaction Tax	—		32,67,788.48	
	<u>22,41,027.15</u>		<u>56,93,138.96</u>	
SCHEDULE - H				
LOANS & ADVANCES				
Loans (Unsecured, Considered Good)				
To Bodies Corporate	1,50,34,964.67		1,46,23,398.67	
To Others	9,08,288.00		9,08,288.00	
Advance Recoverable in cash or in kind or for value to be received	1,96,191.00		2,25,581.00	
Deposits to Maharashtra State Mining Corporation	—		25,00,000.00	
	<u>1,61,39,443.67</u>		<u>1,82,57,267.67</u>	
SCHEDULE - I				
CURRENT LIABILITIES				
Sundry Creditors	6,76,31,462.95		7,05,41,591.31	
Other Liabilities	2,84,00,776.54		4,97,04,054.10	
	<u>9,60,32,239.49</u>		<u>12,02,45,645.41</u>	

	As at 31.03.2009		As at 31.03.2008	
	Rs.	P.	Rs.	P.
SCHEDULE - J				
Provision for Income Tax	3,79,971.00		1,42,442.00	
Provision for Fringe Benefit Tax	36,493.00		48,624.00	
	<u>4,16,464.00</u>		<u>1,91,066.00</u>	
	For the year ended 31.03.2009		For the year ended 31.03.2008	
	Rs.	P.	Rs.	P.
SCHEDULE - K				
INTEREST & DIVIDEND				
Interest	10,38,220.00		15,00,000.00	
Dividend	25,12,619.51		26,08,822.24	
	<u>35,50,839.51</u>		<u>41,08,822.24</u>	
SCHEDULE - L				
OTHER INCOME				
Miscellaneous Receipts	—		19,450.00	
Profit on Share Dealings	—		14,05,821.32	
	—		<u>14,25,271.32</u>	
SCHEDULE - M				
INCREASE/(DECREASE) IN STOCK				
Closing Stock	7,43,82,584.93		17,79,81,361.81	
Less : Opening Stock	17,79,81,361.81		12,01,74,716.65	
	<u>(10,35,98,776.88)</u>		<u>5,78,06,645.16</u>	

	For the year ended 31.03.2009		For the year ended 31.03.2008	
	Rs.	P.	Rs.	P.
SCHEDULE - N				
ADMINISTRATIVE & OTHER EXPENSES				
Advertisement	37,403.00		28,825.00	
Bank Charges	252.47		3,044.66	
Books & Periodicals	21,505.74		650.00	
Business Promotion	15,389.60		39,647.82	
Certification Charges	1,500.00		3,561.00	
Computer Stationery	8,099.00		28,269.00	
Consultancy Charges	—		20,113.00	
Contract Charges	—		5,75,000.00	
Custodian Charges	98,741.43		1,33,673.68	
Director's Remuneration & Perquisites	7,00,000.00		6,23,438.00	
Electricity Charges	49,500.00		39,910.00	
Filing Fees	1,500.00		6,396.00	
HRA & Other Allowance	97,380.00		92,984.00	
Internal Audit Fees	12,000.00		13,483.00	
Legal Fees	—		2,60,750.00	
Listing Fees	1,21,732.00		93,300.00	
Loss on Sale of Shares	4,40,265.13		—	
Meeting Expenses	—		5,250.00	
Members & Subscriptions	1,07,991.00		42,000.00	
Miscellaneous Expenses	10,118.71		9,762.00	
Motor Car Expenses	1,83,816.30		1,12,992.00	
P. F. Contribution	89,588.00		79,586.00	
Postage & Telegrams	8,155.00		12,568.00	
Printing & Stationery	12,866.00		15,120.60	
Professional Charges	18,312.00		2,39,712.00	
Rent, Rate & Taxes	6,82,101.00		10,101.00	
Repairs & Maintenance	39,100.00		4,36,343.00	
Salary & Other Allowances	5,77,957.00		5,69,231.00	
Securities Transaction Tax	8,92,021.42		—	
Share Register & Transfer Charges	12,000.00		22,472.00	
Share Trading Other Statutory Expenses	2,57,246.45		4,22,690.49	
Software Expenses	1,35,832.00		1,34,832.00	
Sundry Balance W/Off	35,059.00		1,01,016.00	
Telephone Expenses	1,69,096.39		26,456.00	
Travelling & Conveyance	1,07,469.27		1,75,170.09	
	49,43,997.91		43,78,347.34	
SCHEDULE - O				
NON CASH CHARGES				
Depreciation	5,65,285.00		3,66,902.00	
	5,65,285.00		3,66,902.00	

SCHEDULE - P

(Annexed to and forming part of the Accounts for the year ended 31st March, 2009)

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**1. SIGNIFICANT ACCOUNTING POLICIES :****a) Accounting Convention :**

The Financial Statements have been prepared under the historical cost convention and are in accordance with the provisions of the Companies Act, 1956 and accounting standards issued by ICAI. Accounting has been done on Accrual basis.

b) Fixed Assets & Depreciation :

- Fixed Assets of the Company have been valued at their cost of acquisition less depreciation.
- Depreciation has been charged on straight line basis in accordance with the rates prescribed under Schedule XIV of the Companies Act, 1956.

c) Inventory and Valuation thereof :

Stock of securities has been valued at lower of cost and market price.

d) Retirement Benefit :

None of the employees has completed the service period to become eligible for payment of Gratuity.

e) Taxation :

Consequent to mandatory Accounting Standard issued by ICAI on accounting for taxes on income, the Company has recorded cumulative net deferred tax Assets of Rs. 4,37,82,517/- till 31st March, 2009 as an addition to Revenue Reserves. Deferred tax adjustment for the year ended 31st March, 2009 amount to Rs. 3,56,03,674/-.

Significant component of deferred tax assets (liability) as shown in Balance Sheet are as follows :

	(Rs.)		
	DTA	DTL	Net DTA
Carry forward of Loss	81,78,843.00	—	81,78,843.00
Depreciation Differences	—	3,56,03,674.00	3,56,03,674.00
Total	81,78,843.00	3,56,03,674.00	4,37,82,517.00

2. NOTES ON ACCOUNTS :

- a) Estimated amount of Capital Contracts remaining to be executed (Advance paid) NIL NIL
- b) Earning/Expenditure in Foreign Currency NIL NIL
- c) Since the company has operated in only one segment i.e. Fund Based Financial Activities during the year, like Granting Loan & Advances and Trading in Shares & Securities, the provision relating to segment wise reports are not applicable.

d) Quantitative Details of Goods Traded :

	SHARES & DEBENTURES			
	<u>As on 31.03.2009</u>		<u>As on 31.03.2008</u>	
	Qty. (Nos.)	Amount (Rs.)	Qty. (Nos.)	Amount (Rs.)
Opening Stock	27,77,587	17,79,81,361.81	31,38,853	12,01,74,716.65
Purchases	38,34,119	42,92,15,617.81	39,67,952	69,61,12,947.00
Sales	40,19,552	42,69,62,890.55	43,29,218	62,66,16,790.03
Closing Stock	25,92,154	7,43,82,584.93	27,77,587	17,79,81,361.81

e) STOCK IN TRADE :

Name of the Company	<u>As on 31.03.2009</u>			<u>As on 31.03.2008</u>		
	No. of Shares	Rs.	P.	No. of Shares	Rs.	P.

i) QUOTED SHARES :

3I Infotech Ltd.	5,000	1,62,500.00	—	—
ABG Shipyard Ltd.	2,205	1,82,684.25	785	2,11,929.00
Acc Limited	—	—	1,500	12,39,225.00
Aditya Birla Nuvo Ltd.	600	2,66,970.00	960	13,39,104.00
Adlab Films Ltd.	25,762	43,66,659.00	4,000	24,54,200.00
Aftek Ltd.	5,000	37,250.00	5,000	2,15,250.00
Agro Tech Foods Ltd.	—	—	4,000	4,88,800.00
AIA Engineering Ltd.	2,500	3,12,375.00	1,000	15,06,400.00
Akar Laminators Ltd.	400	340.00	400	340.00
Amara Raja Batteries Ltd.	1,500	54,975.00	—	—
Ambuja Cements Ltd.	2,000	1,41,200	2,000	2,13,400.00
Amtek Auto Ltd.	1,296	96,292.80	—	—
Ashiana Agro Industries Ltd.	2,000	3,500.00	2,000	3,435.00
Assam Co. Ltd.	22,000	1,80,400.00	22,000	5,47,800.00
Associated Pigment Ltd.	1,400	14,000.00	1,400	14,000.00
ATN International Ltd.	90,341	74,079.62	90,341	2,15,011.58
Atul Products Ltd.	—	—	462	26,472.60
Bajaj Hindustan Ltd.	4,500	2,15,775.00	2,000	3,76,900.00
Balrampur Chini Mills Ltd.	2,000	90,306.44	27,000	21,82,950.00
BCC Fuba India Ltd.	1,940	9,680.60	1,940	19,400.00
Bharat Bijlee Ltd.	427	1,86,321.45	—	—
BEML Ltd.	—	—	500	4,95,500.00
Birla Corporation Ltd.	6,000	10,65,600.00	6,000	1,17,540.00
Birla Jute	—	—	1,000	1,94,350.00
Black Rose Industries Ltd.	1,400	2,800.00	1,400	14,000.00
Blow Plast Ltd.	3,361	3,47,359.35	3,361	3,47,359.35
Blue Star Ltd.	500	67,590.00	5,300	22,67,075.00
BST Ltd.	300	600.00	300	600.00
Calcom Vision Ltd.	1,700	6,154.00	1,700	6,154.00
CFL Capital Financial Ltd.	200	326.00	200	850.00
Cauvery Software Engg. Sys. Ltd.	1,200	780.00	1,200	780.00
Central Bank of India	15,000	5,10,000.00	10,000	8,69,000.00
Century Textiles & Ind. Ltd.	2,000	3,06,055.80	—	—
Chambal Fertilizers Ltd.	5,000	2,09,250.00	—	—

Name of the Company	As on 31.03.2009		As on 31.03.2008	
	No. of Shares	Amount Rs. P.	No. of Shares	Amount Rs. P.
Chennai Petroleum Corporation Ltd.	1,000	94,400.00	—	—
CMS Infotech Ltd.	10,000	23,500.00	10,000	23,500.00
Cochin Minerals & Rutilites Ltd.	800	8,000.00	800	8,000.00
Cromton Greaves Ltd.	1,400	1,72,900.00	—	—
Cummins India Ltd.	500	87,380.00	—	—
Compact Disc. (I) Ltd.	6,900	2,42,535.00	27,900	18,06,525.00
Deccan Chronicle Holdings Ltd.	1,000	47,100.00	1,000	1,61,900.00
Deepak Fertilizer & Chemicals Ltd.	2,000	1,12,800.00	—	—
Digjam Ltd.	102	433.50	102	1,392.30
Dish TV India Ltd.	15,000	3,60,000.00	15,000	7,39,500.00
DLF Ltd.	2,000	3,34,600.00	3,000	19,37,250.00
Dr. Reddy's Laboratories Ltd.	64	31,372.80	64	37,840.00
Dujodwala Paper Chemicals Ltd.	800	11,120.00	800	11,120.00
Dynamatic Technologies Ltd.	500	2,52,075.00	500	5,12,175.00
Eskay Knit (India) Ltd.	2,000	2,440.00	2,000	7,040.00
Fame India Ltd.	34,913	3,52,621.30	41,509	25,98,463.40
Fine Line Circuit Ltd.	1,000	7,000.00	1,000	7,000.00
Gandhimaathi Appliance Ltd.	10,700	24,075.00	13,200	29,700.00
Gateway Distriparks Ltd.	3,537	1,89,760.05	2,500	1,92,776.55
Genus Power Ltd.	1,341	1,17,337.50	25,341	1,21,35,804.90
Geojit Financial Ser. Ltd.	16,000	3,01,115.50	10,000	4,59,000.00
Great Offshore Ltd.	7,500	18,79,875.00	6,500	41,66,500.00
Greaves Cotton Ltd.	14,000	8,04,300.00	14,000	30,10,700.00
Golden Tobacco Ltd.	5,766	2,32,658.10	766	1,73,116.00
GHCL Ltd.	1,78,202	49,89,656.00	1,84,119	1,86,45,731.13
Gujarat Industrial Power Co. Ltd.	6,000	2,80,500.00	6,000	4,62,300.00
Gujrat NRE Coke Ltd.	1,200	—	—	—
Gulf Oil Corporation Ltd.	10,070	2,71,890.00	340	—
Gee Gee Granites Ltd.	3,600	21,780.00	3,600	21,780.00
Gujarat Borosil Ltd.	5,100	35,751.00	5,100	55,080.00
Gujarat Poly. Avx. Elec. Ltd.	1,000	4,200.00	1,000	4,200.00
HCL Technologies Ltd.	1,196	1,21,693.00	—	—
Helious & Matheson Tech. Ltd.	15,000	3,03,750.00	15,000	8,57,250.00
Hexaware Tech Ltd.	15,000	3,92,250.00	15,000	9,09,000.00
Himachal Futuristic Comm. Ltd.	79,625	6,37,000.00	79,525	15,22,903.75
Hindalco Industries Ltd.	10,011	5,04,251.43	2,301	3,79,895.10
Hindustan Motors Ltd.	—	—	20,650	6,66,995.00
Hindustan Zinc Ltd.	1,700	7,43,464.70	1,700	8,92,925.00
HTMT Global Ltd.	17,652	56,81,296.20	17,652	56,81,296.20
ICICI Bank Ltd.	1,000	3,32,800.00	—	—
ICRA Ltd.	3,000	14,75,250.00	3,000	19,92,150.00
Idea Cellular Ltd.	65,000	32,56,500.00	—	—
IFB Industries Ltd.	840	19,320.00	840	19,320.00
IFGL Refractories Ltd.	1,470	3,920.00	1,470	3,920.00
India Bulls Finance Ltd.	33,031	29,76,093.10	30,000	1,24,26,000.00
India Bulls Retail Services Ltd.	2,000	95,159.75	2,000	2,37,500.00
India Bulls Real Estate Ltd.	—	—	27,086	1,12,89,444.80
India Bulls Securities Ltd.	7,000	1,47,700.00	7,000	1,47,420.00
India Cement Capital Fin. Ltd.	700	2,415.00	700	2,415.00

Name of the Company	As on 31.03.2009		As on 31.03.2008	
	No. of Shares	Amount Rs. P.	No. of Shares	Amount Rs. P.
India Cement Ltd.	5,000	4,85,250.00	—	—
Indian Hotel Co. Ltd.	12,302	4,85,313.90	10,000	11,22,000.00
Indo Count Industries Ltd.	120	300.00	120	300.00
Indo Rama Synthetics (India) Ltd.	1,800	36,810.00	1,800	61,650.00
Indusind Bank Ltd.	20,000	6,01,224.05	20,000	15,73,000.00
Industrial Dev. Bank of India Ltd.	22,000	9,98,800.00	22,000	19,60,200.00
Infotech Enterprise India Ltd.	143	12,155.00	143	39,997.10
Infrastructure Development Fin. Co. Ltd.	19,000	9,48,345.00	—	—
Integrated Digital Co. Ltd.	212	1,999.16	212	1,999.16
IPCL Limited	799	81,498.00	799	81,498.00
ISMT Limited	2,746	—	2,746	—
Icnet Ltd.	212	689.00	212	689.00
Idl-Salzbau India Ltd.	1,700	25,500.00	1,700	25,500.00
India Securities Ltd.	243	7,102.89	243	7,102.89
Insilco Ltd.	800	4,992.00	800	12,120.00
ITC Limited	—	—	1,473	3,03,806.25
Jaiprakash Associates Ltd.	13,575	11,40,300.00	3,750	7,91,250.00
JK Lakshmi Cement Ltd.	—	—	659	76,707.60
JMG Corporation Ltd.	20,000	77,800.00	20,000	77,800.00
Kale Consultants Ltd.	5,073	1,10,854.00	13,309	5,78,941.50
Kapur KCP Packaging Ltd.	1,565	33,491.00	—	—
Kilburn Chemicals Ltd.	2,000	20,000.00	2,000	20,000.00
Kirloskar Electric Co. Ltd.	1,000	1,35,310.00	1,000	1,35,310.00
Kolte Patil Developers Ltd.	10,000	1,93,000.00	10,000	9,59,000.00
Kojam Finvest Ltd.	5	—	5	—
Kunststoffe India Ltd.	600	1,008.00	600	1,008.00
Larsen & Toubro Ltd.	236	1,46,067.48	118	2,69,748.00
LCC Infotech Ltd.	71,330	32,098.50	71,330	89,162.50
Lumax Automotive Systems Ltd.	10	142.00	10	416.00
Lumax Industries Ltd.	20	500.00	20	500.00
Mahan Foods Ltd.	8,200	1,23,000.00	8,200	1,23,000.00
Mahanagar Telephone Nigam Ltd.	7,496	5,17,224.00	12,000	17,08,800.00
Maharastra Polybutenes Ltd.	55	825.00	1,200	4,536.00
Mangalam Cement Ltd.	13,463	7,94,990.15	3,563	4,85,815.05
Mangalore Refinery Petro Ltd.	—	—	10,000	7,81,000.00
Marson's Ltd.	10,000	19,816.67	10,000	19,816.67
Marsons Power & Infra. Devp. Ltd.	18,800	33,464.00	18,800	42,908.65
Mather & Platt Pumps Ltd.	—	—	2,100	26,670.00
Mega Soft Ltd.	3,125	—	3,125	—
Menon Bearings Ltd.	1,200	55,560.00	1,200	62,040.00
Modern Steels Ltd.	250	125.00	250	125.00
Moserbaer India Ltd.	14,973	7,95,066.30	10,000	15,21,500.00
Mount Everest Mineral Water Ltd.	10,000	1,00,000.00	10,000	1,00,000.00
Murudeshwar Ceramics Ltd.	4,561	73,432.10	9,000	5,33,250.00
Maral Overseas Ltd.	100	510.00	100	1,380.00
Monica Electronics Ltd.	50	545.00	50	545.00
Nagarjuna Fertilizer Ltd.	36,250	5,45,200.00	—	—
Navin Flourine International Ltd.	2,500	2,13,400.01	2,500	5,51,375.00
Networking Med. & Invt. Co. Ltd.	243	16,730.55	200	42,480.00

Name of the Company	As on 31.03.2009		As on 31.03.2008	
	No. of Shares	Amount Rs. P.	No. of Shares	Amount Rs. P.
NEPC Agro Foods Ltd.	363	417.45	363	417.45
Network 18 Media & Inv. Ltd. (14my1)	43	3,403.02	—	—
Network 18 Media & Inv. Ltd. (24ag12)	43	—	—	—
NIIT Ltd.	10,000	2,02,500.00	10,000	9,93,000.00
NTPC Ltd.	1,500	2,70,300.00	4,500	8,84,700.00
Nuchem Plastics Ltd.	300	1,785.00	300	5,475.00
ONGC Limited	—	—	2,000	23,88,000.00
Orchid Chemicals Ltd.	5,500	4,24,600.00	—	—
Oswal Chemicals & Fertilizer Ltd.	30,000	3,25,500.00	—	—
Oswal Spg. & Wvg. Mills Ltd.	700	1,680.00	700	1,085.00
P. H.Capital Ltd.	1,500	7,125.00	3,000	10,875.00
Pace Textiles Ltd.	2,551	38,859.89	2,551	38,859.89
PBA Infrastructure Ltd.	5,000	1,24,250.00	5,000	3,50,750.00
PCS Technology Ltd.	10,000	91,000.00	10,000	2,04,500.00
Peninsula Land Ltd.	10,000	2,15,500.00	—	—
Pennar Aqua Exports Ltd.	38,500	59,675.00	38,500	59,675.00
Piramal Glass Ltd.	5	—	5	—
Piramal Healthcare Ltd.	128	8,505.70	—	—
Piramal Lifescience Ltd.	12	—	12	—
Polymech Plast Machines Ltd.	5,000	33,400.00	5,000	33,400.00
Pricol Limited	50,907	3,63,985.05	50,907	10,46,138.85
Prism Cement Ltd.	25,000	5,70,000.00	—	—
Prithvi Information Systems Ltd.	24,000	10,99,200.00	21,000	34,58,700.00
Prudential Mouli Sugar Ltd.	2,800	3,836.00	2,800	3,836.00
Punj Lloyd Ltd.	5,000	4,52,650.00	205	57,164.25
Pasupati Acrylon Ltd.	472	830.72	525	2,021.25
Raymond Synthetics Ltd.	4,900	34,006.00	4,900	34,006.00
Recron Synthetic Ltd.	100	400.00	100	400.00
Reliance Capital Ltd.	4,052	14,29,806.66	925	11,36,640.00
Reliance Communications Ltd.	10,845	18,93,537.00	457	2,32,955.75
Reliance Infrastructure Limited	812	4,18,626.60	625	7,63,036.80
Reliance Indus. Infrastructure Ltd.	800	36,000.00	900	40,500.00
Reliance Natural Resources Ltd.	1,000	44,850.00	3,500	3,49,300.00
Rico Auto Industries Ltd.	960	4,896.00	960	4,896.00
Rishi Laser Ltd.	4,000	90,400.00	—	—
Radico Khaitan Finance Ltd.	11,300	80,795.00	11,300	80,795.00
Radico Khaitan Ltd.	10,728	6,88,737.60	10,728	10,34,051.52
Rico Agroils Ltd.	2,400	3,960.00	2,400	3,960.00
Rolta India Ltd.	425	7,650.00	425	7,650.00
S. & S. Industries Ltd.	166	124.50	166	124.50
S. & S. Power Ltd.	80	216.00	80	216.00
Sasken Communication Ltd.	27,500	15,97,750.00	13,000	13,27,300.00
Satyam Computer Ltd.	3,000	1,15,350.00	2,000	7,92,700.00
Shasun Finance Ltd.	200	2,000.00	200	2,000.00
Shreyans Industries Ltd.	500	1,250.00	500	1,250.00
Siemens Ltd.	3,516	8,23,174.98	1,200	7,39,680.00
Silicon Valley Infotech Ltd.	1,41,000	70,500.00	1,41,000	1,80,480.00
SKF India Ltd.	5,503	8,23,523.95	4,000	11,64,400.00
SM Dyechem Ltd.	1,461	10,913.67	1,461	10,913.67

Name of the Company	As on 31.03.2009		As on 31.03.2008	
	No. of Shares	Amount Rs. P.	No. of Shares	Amount Rs. P.
Spartek Ceramic India Ltd.	640	2,173.41	640	3,769.60
Spentex Industries Ltd.	5,215	22,946.00	5,215	95,434.50
Srei Infrastructure Finance Ltd.	10,500	2,55,675.00	5,500	2,58,723.70
SRF Limited	19,000	14,11,700.00	12,105	12,18,973.50
Steel Authority of India Ltd.	—	—	11,000	20,38,300.00
Sterling Holiday Resorts India Ltd.	10,000	2,82,000.00	10,000	2,74,000.00
Sun Pharma Adv. Res. Co. Ltd.	1,000	—	1,000	—
Sun Pharmaceuticals Industries Ltd.	970	8,60,845.90	970	8,60,845.90
Sunil Hitech Engineering Ltd.	3,000	1,94,400.00	—	—
Supriya Pharmaceutical Ltd.	3,700	38,110.00	3,700	38,110.00
Sharp India Ltd.	3,040	35,233.60	6,700	1,94,970.00
Shree Krishna Petroyarns Ltd.	500	5,000.00	500	5,000.00
Shree Sponge Steel & Forg. Ltd.	1,800	18,000.00	1,800	18,000.00
Silverline Technology Ltd.	2,300	13,892.00	2,300	59,688.83
Simbhaoli Sugar Ltd.	13,500	3,15,900.00	13,500	6,02,100.00
Sumeet Synthetics Ltd.	1,800	11,142.00	1,800	9,180.00
Sumitra Pharmaceutical & Chem.Ltd.	260	6,630.00	260	6,630.00
Surya Morphy Richards Ltd.	600	600.00	600	600.00
T.T. Ltd.	31,000	1,82,590.00	31,000	5,87,450.00
Talbros Automation Tech Ltd.	1,031	18,558.00	1,031	42,116.35
Tamilnadu Telecom Ltd.	1,000	5,210.00	1,000	13,100.00
Tartia Constructions Ltd.	4,964	1,61,330.00	4,964	4,52,965.00
Tata Consultancy Services Ltd.	3,600	19,38,780.00	3,875	31,40,493.75
Tata Steels Ltd.	1,000	1,62,534.00	—	—
Tech Mahindra Ltd.	3,500	9,28,025.00	3,000	21,20,550.00
Terrygold India Ltd.	13,600	14,960.00	13,600	14,960.00
Thermax Ltd.	4,000	7,22,600.00	2,000	12,14,000.00
Timken India Ltd.	310	3,100.00	410	4,100.00
Transformers & Rectifiers Ltd.	89	11,018.20	—	—
Triveni Engineering & Ind. Ltd.	10,000	3,95,000.00	—	—
TV 18 Ltd.	2,256	1,57,920.00	—	—
TV Today Network Ltd.	10,000	6,55,000.00	10,000	9,85,000.00
Tirumala Textile Proc. Ltd.	5,500	14,025.00	5,500	14,025.00
Unisys Soft & Hold.Ind.Ltd.	2,45,000	24,50,000.00	2,45,000	24,50,000.00
United Van Der Horst Ltd.	825	9,240.00	825	9,240.00
Universal Media Network Ltd.	43,900	10,975.00	43,900	10,975.00
Uniworth International Ltd.	100	80.00	100	80.00
Unimers India Ltd.	652	—	652	—
Usha Ispat Ltd.	19,400	23,280.00	19,400	23,280.00
Vadlial Industries Ltd.	600	9,000.00	600	9,000.00
Viceroy Hotels Ltd.	3,000	47,250.00	3,000	1,98,900.00
Videocon Industries Ltd.	500	43,600.00	—	—
VIP Industries Ltd.	1,266	43,107.30	2,790	2,62,539.00
Warner Multimedia Ltd.	3	4.38	3	4.38
Welspun India Ltd.	1,270	25,908.00	1,270	57,340.50
Wires & Fabriks Ltd.	200	11,420.00	200	11,420.00
Zoom Industrial Serv. Ltd.	2,000	30,000.00	2,000	30,000.00
	21,02,472	6,97,94,535.67	19,17,184	14,85,89,825.67

Name of the Company	As on 31.03.2009		As on 31.03.2008	
	No. of Shares	Amount Rs. P.	No. of Shares	Amount Rs. P.
II) UNQUOTED SHARES :				
Accord Tracon Ltd.	—	—	550	55,000.00
Aminex Infrastructures Ltd.	—	—	680	17,000.00
Bahubali Properties Ltd.	—	—	43,000	43,00,000.00
Celeste Merchandise Ltd.	—	—	12,200	4,98,100.00
Coastal Ferrotech Ltd.	—	—	53,700	53,70,000.00
JMD Sounds Ltd.	240	15,624.00	240	15,624.00
JLD Cement Ltd.	—	—	50,000	50,00,000.00
Ojas Suppliers Ltd.	—	—	24,000	24,00,000.00
Ricon Infrastructures Ltd.	—	—	2,068	2,06,800.00
Thunder Traders Ltd.	—	—	27,800	23,33,012.14
	<u>240</u>	<u>15,624.00</u>	<u>2,14,238</u>	<u>2,01,95,536.14</u>
III) MUTUAL FUNDS :				
Prudential ICICI FMCG Fund	89,222	17,74,625.26	89,222	25,00,000.00
Reliance Long Term Equity Fund	2,00,000	14,16,000.00	2,00,000	20,00,000.00
Reliance Pharma Fund	—	—	1,62,343	25,00,000.00
SBI Blue Chip Fund	2,00,000	13,64,000.00	2,00,000	21,96,000.00
	<u>4,89,222</u>	<u>45,54,625.26</u>	<u>6,51,565</u>	<u>91,96,000.00</u>
IV) DEBENTURE				
Spartek Ceramic Ltd.	210	16,800.00	—	—
Timken India Ltd.	10	1,000.00	—	—
	<u>220</u>	<u>17,800.00</u>	<u>—</u>	<u>—</u>
Aggregate Value of Quoted & Unquoted Shares & Debentures	<u>25,92,154</u>	<u>7,43,82,584.93</u>	<u>27,82,987</u>	<u>17,79,81,361.81</u>
Market Value of Quoted Shares & Debentures		<u>7,66,17,919.68</u>		<u>16,34,54,925.58</u>

f) The Company has not made provision for Non-performing assets amounting to Rs. 35,81,754.44 as per Prudential Norms issued by Reserve Bank of India.

g) Related Party Disclosures :

List of Related Parties with whom transactions have taken place and Relationships :

***A) Key Management Personnel & Relatives :**

<u>Name of the Related Party</u>	<u>Nature of Relationship</u>
1) Arihant Jain	Managing Director
2) Santosh Kumar Jain	Director
3) Amiya Kumar Basu	Director
4) Subhabrata Talukdar	Director

***B) Enterprises over which above person has significant influence :**

- 1) ATN International Ltd.
- 2) Silicon Valley Infotech Ltd.
- 3) Amluckie Investment Co. Ltd.

***C) Transaction with the enterprise mentioned in (B) above :**

	<u>Amount (in Rs.)</u>
Purchase of Shares during the year	Rs. 3,65,96,040/-

D) Transaction with parties mentioned in (A) above :

Remuneration & Perquisites	Rs. 7,00,000/-
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h. Earnings per Share :

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard - 20 'Earnings per Share' issued by the Institute of Chartered Accountants of India :

	<u>2008 - 09</u>	<u>2007 - 08</u>
Numerator used : Profit for the year	(8,33,64,226.91)	(1,25,24,868.09)
Denominator used : No. of Shares of Rs. 2/- each	5,53,04,340	5,53,04,340
EPS	(1.51)	(0.23)

- i) In terms of AS-17 of the ICAI, Segment information has not been given as the entire business activities of investing and finance considered as one business segment.
- j) Information pursuant to Part IV of Schedule VI to the Companies Act, 1956 has been given in Annexure - I.
- k) Information pursuant to paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 has been given in Annexure - II.

l. Auditors' Remuneration :

	<u>2008 - 09</u>	<u>2007 - 08</u>
For Audit Fees	11,030.00	11,236.00
For Tax Audit	5,515.00	5,618.00
For Certification	1,500.00	3,561.00
	<u>18,045.00</u>	<u>20,415.00</u>

- m) Previous year's figures have been regrouped/rearranged wherever necessary.
- n) Schedule "A" to "P" annexed to herewith are forming part of the Balance Sheet and Profit & Loss Account.

Signed For Identification Schedule 'A' to 'P'

As per our Report of even date

For **Agrawal S. Kumar & Associates**
Chartered Accountants

Arihant Jain
Managing Director

Place : Kolkata

M. K. Jhawar
Partner

Santosh Kumar Jain
Director

Dated : The 25th day of June, 2009

Membership No. 61308

ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV SCHEDULE VI OF COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.

6	0	5	9	7
---	---	---	---	---

 State Code

2	1
---	---

 Balance Sheet Date

3	1	0	3	2	0	0	9
---	---	---	---	---	---	---	---

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Lakhs)

Public Issue (Allotment Money)

N	I	L
---	---	---

 Right Issue

N	I	L
---	---	---

 Bonus Issue

N	I	L
---	---	---

 Private Placement

N	I	L
---	---	---

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities

1	6	7	7	7	5
---	---	---	---	---	---

 Total Assets

1	6	7	7	7	5
---	---	---	---	---	---

Sources of Funds

Paid-up Capital

1	1	0	6	0	9
---	---	---	---	---	---

 Reserve & Surplus

4	4	2	0	0
---	---	---	---	---

 Secured Loans

1	2	9	6	6
---	---	---	---	---

 Unsecured Loans

N	I	L
---	---	---

Application of Funds

Net Fixed Assets

6	6	1	1
---	---	---	---

 Deferred Tax Assets

4	3	7	8	3
---	---	---	---	---

 Net Current Assets

1	0	6	2	5
---	---	---	---	---

 Investments

N	I	L
---	---	---

 Accumulated Losses

1	0	6	7	5	6
---	---	---	---	---	---

 Miscellaneous Expenditure

N	I	L
---	---	---

IV. PERFORMANCE OF THE COMPANY (Amount in Rs. Thousands)

Turnover

4	3	0	5	1	4
---	---	---	---	---	---

 Total Expenditure

5	4	8	4	7	4
---	---	---	---	---	---

 Profit Before Tax (-)

1	1	7	9	6	0
---	---	---	---	---	---

 Profit After Tax (-)

8	3	3	6	4
---	---	---	---	---

 Earning Per Share (in Rs.) (-)

1	.	5	1
---	---	---	---

 Dividend Rate (%)

N	I	L
---	---	---

V. GENERIC NAME OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY

Item Code No. (ITC Code)

NOT APPLICABLE

Product Description

GRANTING LOANS & ADVANCES & TRADING IN SHARES & SECURITIES
--

As per our Report of even date

For **Agrawal S. Kumar & Associates**
Chartered Accountants**M. K. Jhavar**
Partner**Arihant Jain**
Managing Director**Santosh Kumar Jain**
Director

Place : Kolkata

Dated : The 25th Day of June, 2009

Membership No. 61308

ANNEXURE - II

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company
 (as required in terms of Paragraph 13 on Non-Banking Financial (Non-Deposit Accepting or Holding)
 Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in Lakhs)

	Particulars		
	Liabilities Side :		
1.	Loans and advances availed by the Non-banking Financial Company Inclusive of interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	NIL	NIL
	Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	129.66	NIL
	(d) Inter-corporate Loans and Borrowings	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Other Loans (specify nature)	NIL	NIL
	<i>*Please see Note 1 below</i>		

	Assets Side :		
		Amount Outstanding	
2.	Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :		
	(a) Secured		NIL
	(b) Unsecured		161.39
3.	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease		NIL
	(b) Operating Lease		NIL
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire		NIL
	(b) Repossessed Assets		NIL
	(iii) Other loans counting towards AFC activities :		
	(a) Loans where assets have been repossessed		NIL
	(b) Loans other than (a) above		NIL

	Particulars	Amount Outstanding
4. Break-up of Investments :		
	Current Investments :	
	1. Quoted :	
	(I) Shares : (a) Equity	697.95
	(b) Preference	NIL
	(ii) Debentures and Bonds	0.18
	(iii) Units of Mutual Funds	45.55
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	2. Un-Quoted :	
	(I) Shares : (a) Equity	0.16
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (Please specify)	NIL
	Long Term Investments :	
	1. Quoted :	
	(i) Shares (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	2. Un-Quoted :	
	(I) Shares (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL

5. Borrower group-wise classification of assets financed as in (2) and (3) above : Please see Note 2 below			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	161.39	161.39
Total	NIL	161.39	161.39

6. Investor group-wise classification of all investments (Current and Long Term) in shares and securities (both quoted and unquoted) : Please see Note 3 below		
Category	Market Value/Break-up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties**		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	766.34	743.83
Total	766.34	743.83

** As per Accounting Standard of ICAI (Please see Note 3).

7. Other Information :	
Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related Parties	NIL
(b) Other than related parties	34.81
(i) Net Non-Performing Assets	
(a) Related Parties	NIL
(b) Other than related parties	34.81
(iii) Assets acquired in satisfaction of debt	NIL

Notes :

- As defined in paragraph 2(1)(xii) of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.