

RATNABALI INVESTMENT PRIVATE LIMITED

DIRECTORS

ADITYA GOENKA
RAKESH PANDIYA
HANSRAJ JARIA
SWATI LOHARUKA

AUDITORS

G. P. AGRAWAL & CO.
Chartered Accountants

REGISTERED OFFICE

FMC Fortuna, Block No. A-7 & A-8, 4th Floor,
234/3A, A. J. C. Bose Road, Kolkata-700 020.
Tel : (033) 4015 - 0002, Fax : (033) 2287-5374
Email : ratnabali.investment@rediffmail.com

CONTENTS

Notice	2-3
Directors' Report	4-5
Compliance Certificate	6-8
Auditors' Report	9-11
Balance Sheet	12
Profit & Loss Account	13
Schedules	14-18
Disclosure as required by RBI	19
Cash Flow Statement	20

RATNABALI INVESTMENT PRIVATE LIMITED

NOTICE to the Members

Notice is hereby given that the Fourth Annual General Meeting of the Members of RATNABALI INVESTMENT PRIVATE LIMITED will be held on Wednesday, the 25th May, 2011 at 11.30 A.M. at the registered office of the Company at FMC Fortuna, A-7 & A-8, 4th Floor, 234/3A, A.J.C. Bose Road, Kolkata - 700020 to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rakesh Pandiya, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Auditors of the Company for the current year and to authorise the Board of Directors to fix their remuneration.

Messrs G.P. Agrawal & Co., Chartered Accountants, the present Auditors of the Company, are eligible for re-appointment.

Special Business :

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that Mr. Aditya Goenka, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office as per Section 260 of the Companies Act, 1956 up to the date of this Annual General Meeting and in respect of whom the Company has, pursuant to Section 257 of the Companies Act, 1956 received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Section 293(1)(d) and other applicable provisions of the Companies Act, 1956 consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the moneys borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money / moneys so borrowed by the Board shall not at any time exceed the limit of Rs. 25 crores (Rupees Twenty five crores only).”

Place : Kolkata
Date : 29th April, 2011

By Order of the Board
RAKESH PANDIYA
Director

NOTES :

1. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in relation to Item No. 4 & 5 is annexed hereto.

2. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

RATNABALI INVESTMENT PRIVATE LIMITED

NOTICE to the Members (*Contd.*)

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956.

Item No. 4

Mr. Aditya Goenka was appointed as an Additional Director of the Company on 4th October, 2010 pursuant to Article 40 of the Articles of Association of the Company. In accordance with Section 260 of the Companies Act, 1956 he will hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 along with requisite deposit in respect of the appointment of Mr. Aditya Goenka as a Director of the Company.

The Board of Directors consider that it would be in the interest of the Company to continue to avail the services of Mr. Aditya Goenka as a Director of the Company and therefore recommend his appointment.

None of the Directors other than Mr. Aditya Goenka is concerned or interested in the resolution.

Item No. 5

Your Company is in the process of expansion of its business operations. In this regard the Company may need to borrow substantial amount of funds from various parties. Section 293(1)(d) of the Companies Act, 1956 requires that the Board of Directors of the Company should obtain the consent of the shareholders in the General Meeting to enable them to borrow moneys where the amount to be borrowed together with the amount already borrowed by the Company will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes. Hence the consent of the shareholders is sought at the ensuing Annual General Meeting to enhance the borrowing limit upto Rs. 25 crores in accordance with Section 293(1)(d) of the Companies Act, 1956 by way of an Ordinary Resolution.

None of the Directors is interested in the aforesaid resolution.

Place : Kolkata
Date : 29th April, 2011

By Order of the Board
RAKESH PANDIYA
Director

RATNABALI INVESTMENT PRIVATE LIMITED

DIRECTORS' REPORT to the Members

Your Directors have pleasure in presenting your Company's Fourth Annual Report together with the Audited Accounts for the financial year ended 31st March, 2011.

FINANCIAL RESULTS	For the year ended	For the year ended
	31st March, 2011	31st March, 2010
	(Rs.)	(Rs.)
Profit before Taxation	12,41,453	3,20,916
Provision for Taxation :		
(a) Current Tax	3,87,000	1,05,000
(b) Deferred Tax	4,694	1,483
Profit after Taxation	8,49,759	2,14,433
Balance brought forward from Previous Year	1,97,695	(16,738)
Balance available for Appropriation	10,47,454	1,97,695
Reserve Fund	1,69,952	—
Balance carried to Balance Sheet	8,77,502	1,97,695
	10,47,454	1,97,695
Basic & Diluted Earnings Per Share	1.63	0.73

REVIEW OF OPERATIONS

Your Company has earned a profit of Rs. 8.50 Lacs during the year as compared to a profit of Rs. 2.14 Lacs for the last year. The income of the Company mainly consists of interest income. An amount of Rs. 1.70 Lacs was transferred to Reserve Fund. Barring unforeseen events, your Directors expect to achieve good results in the coming years.

The Company is a Non-Banking Finance Company registered with Reserve Bank of India.

DIVIDEND

Your Directors do not recommend any dividend for the year 2010-11.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 it is hereby confirmed that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation ;
- (ii) the Directors 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 as at 31st March, 2011 and of the profit of the Company for the year ended 31st March, 2011;
- (iii) the Directors had 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;
- (iv) the Directors had prepared the annual accounts on a going concern basis.

RATNABALI INVESTMENT PRIVATE LIMITED

DIRECTORS' REPORT to the Members (*Contd.*)

DIRECTORS

Mr. Rakesh Pandiya, Director of the Company, will retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Aditya Goenka was appointed as an Additional Director of the Company w.e.f. 4th October, 2010. He shall hold office up to the date of this Annual General Meeting of the Company. The Company has received notice under Section 257 of the Companies Act, 1956 along with requisite deposit in respect of his appointment as Director of the Company. Necessary approval in this regard is being sought at the ensuing Annual General Meeting.

AUDITORS

Messrs G. P. Agrawal & Co., Chartered Accountants, Statutory Auditors of the Company, retires at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS' REPORT

No comments under Section 217(3) of the Companies Act, 1956 are required against the Auditors' Report.

COMPLIANCE CERTIFICATE

Pursuant to the provisions of Section 383A of the Companies Act, 1956 read with the Companies (Issue of Compliance Certificate) Rules, 2001 your Company has received a Compliance Certificate from Mr. S. Roy, Practising Company Secretary of 333, Parnashree Pally, Behala, Kolkata – 700060. The same forms part of this report.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company has neither incurred nor earned any Foreign Exchange during the year.

PARTICULARS OF EMPLOYEES

Disclosure in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended is not applicable to your Company.

STATUTORY DISCLOSURES

The additional information required under the provisions of 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 does not apply to the Company.

APPRECIATION

The Board thanks its bankers, shareholders and other business associates for their support during the year and look forward to their continued co-operation and support in future.

For and on behalf of the Board

RAKESH PANDIYA
Director

HANSRAJ JARIA
Director

Place : Kolkata
Date : 29th April, 2011

RATNABALI INVESTMENT PRIVATE LIMITED

COMPLIANCE CERTIFICATE to the Members of Ratnabali Investment Private Limited

I have examined the registers, records, books and papers of Ratnabali Investment Private Limited, as required to be maintained under the Companies Act, 1956 and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a private limited company, is the Subsidiary of a Public Limited Company, has the minimum prescribed paid up capital and its maximum no. of members during the said financial year was 7 (Seven) excluding its present and past employees and the Company during the year under scrutiny :
 - (i) has not invited public to subscribe for its shares or debentures; and
 - (ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives .
4. The Board of Directors duly met 6 (Six) times respectively on 07.04.2010, 30.04.2010, 29.07.2010, 04.10.2010, 07.02.2011 and 14.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year.
6. The annual general meeting for the financial year ended 31st March, 2010 was held on 18th June, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. Two extra-ordinary general meetings were held on 09.09.2010 and 16.03.2011 during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. The Company has not advanced any loan to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of the Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. (i) There was no allotment / transfer/ transmission of securities during the financial year.
 - (ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) The Company was not required to transfer any amount in unpaid dividend account.
 - (v) The Company has duly complied with the requirements of the Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of Directors and Additional Director during the financial year have been duly made.

RATNABALI INVESTMENT PRIVATE LIMITED

COMPLIANCE CERTIFICATE

to the Members of Ratnabali Investment Private Limited (*Contd.*)

15. The Company has not appointed any Managing Director / Whole-Time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agent during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year. The Company has received the Certificate of Registration as a Non-Banking Finance Company from Reserve Bank of India during the year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of Section 299 (3) of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from a bank during the financial year ending 31.03.2011 is within the borrowing limits of the Company.
25. The Company has made loan to other body corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has altered its Articles of Association after obtaining approval of members in the extra-ordinary general meeting held on 09.09.2010 and the amendments to the Articles of Association have been duly registered with the Registrar of Companies.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any punishment was imposed on the Company during the financial year, for offences under the Act as stated by the management or information /explanations given by its officer to me.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year since the same is not applicable.

Place : Kolkata
Date : 29th April, 2011

S. ROY
Company Secretary
FCS No. 1406
C. P. No. 4230

RATNABALI INVESTMENT PRIVATE LIMITED

COMPLIANCE CERTIFICATE

to the Members of Ratnabali Investment Private Limited (Contd.)

Annexure 'A' : Secretarial Compliance Certificate

Name of the Company : Ratnabali Investment Private Limited
Registration No. : 21-120860 (CIN U45400WB2007PTC120860)
Authorised Capital : Rs. 2,00,00,000
Paid-up Capital : Rs. 52,00,000

Registers as maintained by the Company :

1. Register of Members u/s 150
2. Register of Share transfer u/s 108
3. Register of Directors u/s 303
4. Register of Directors' Shareholding u/s 307
5. Register of Directors' attendance under Regulations 71 of Table A
6. Register of shareholders' attendance at their meeting for quorum u/s 174
7. Minutes of Board Meeting of Directors u/s 193
8. Minutes of General Meeting of Members u/s 193 (1)
9. Register of contract u/s 301

Other Register :

1. File regarding copy of Annual Return u/s 163

Annexure 'B' :

Forms and Returns as filed by the Company, during the financial year ended 31st March, 2011 :

Sl. No.	Form No. and Return	Filed u/s	For	Date of filing	Whether filed in the prescribed time	Whether additional fee paid for delay
1.	Form 20B-Annual Return	159	Annual General Meeting	13.07.2010	Yes	No
2.	Form 23AC-Balance Sheet & Form 23ACA-P&L A/C	220	Audited Annual Accounts up to 31.03.2010	30.06.2010	Yes	No
3.	Form 32	303 (2)	Appointment of Director	28.06.2010	Yes	No
4.	Form 32	303 (2)	Appointment of Director	09.10.2010	Yes	No
5.	Form 23	192	Registration of resolution for amendment in Articles of Association	14.09.2010	Yes	No
6.	Form 23	192	Registration of resolution u/s 372A for inter corporate loans and investment	31.03.2011	Yes	No

Place : Kolkata
Date : 29th April, 2011

S. ROY
Company Secretary
FCS No. 1406
C. P. No. 4230

RATNABALI INVESTMENT PRIVATE LIMITED

AUDITORS' REPORT to the Members of Ratnabali Investment Private Limited

1. We have audited the attached Balance Sheet of RATNABALI INVESTMENT PRIVATE LIMITED as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, all of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the 'Act') and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of those books;
 - iii) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - iv) In our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in Section 211(3C) of the Act;
 - v) On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - vi) In our opinion and to the best of our information and according to the explanations given to us, read together with the Notes thereon give information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2011;
 - b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

7A, Kiran Shankar Ray Road
Kolkata - 700 001
Date : 29th April, 2011

For G.P. AGRAWAL & CO.
Chartered Accountants
F. R. No. 302082E
CA. SUNITA KEDIA
Partner
Membership No. 60162

RATNABALI INVESTMENT PRIVATE LIMITED

AUDITORS' REPORT

to the Members of Ratnabali Investment Private Limited (*Contd.*)

Annexure to the Auditors' Report

Statement referred to in our report of even date on the accounts of RATNABALI INVESTMENT PRIVATE LIMITED for the year ended 31st March, 2011 :

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) In our opinion fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies between the book records and the physical inventory are noticed.
- (c) During the year, the Company has not disposed off substantial part of fixed assets.
- (ii) (a) The inventory consisting of units of mutual funds has been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks consisting of units of mutual funds followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) On the basis of our examination, we are of the opinion that the Company is maintaining proper records of inventory and no material discrepancies were noticed on verification between the physical stocks and the book records.
- (iii) As informed the Company has not taken / granted any loans, secured or unsecured from / to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of para (iii) of paragraph 4 of the said order are not applicable to the Company.
- (iv) On the basis of information and explanations given to us, we are of the opinion that the Company has an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) (a) According to the information and explanations given to us, there is no contract or arrangement that needs to be entered in the register required to be maintained under Section 301 of the Companies Act, 1956.
- (b) As the Company has not entered into any contract or arrangement that needs to be entered in the register required to be maintained under Section 301 of the Companies Act, 1956 clause (v)(b) of paragraph 4 of the said order are not applicable to the Company.
- (vi) The Company has not accepted any deposit as per directions issued by the Reserve Bank of India and within the meaning of Section 58A, 58AA and other relevant provisions of the Act and the rules framed thereunder.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The provisions of para (viii) of paragraph 4 of the said order regarding maintenance of cost records under Section 209 (1) (d) of the Act are not applicable to the Company.
- (ix) (a) According to the records of the Company, the Company is regular in depositing Income Tax and other undisputed statutory dues with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable. As explained to us, the provisions of Provident Fund, Investor Education Protection Fund, Sales Tax, Custom duty, Excise duty, Service Tax, Cess and Wealth Tax are not applicable to the Company.

RATNABALI INVESTMENT PRIVATE LIMITED

AUDITORS' REPORT

to the Members of Ratnabali Investment Private Limited (*Contd.*)

- b) According to the information and explanations given to us, there are no disputed statutory dues pending for payment as at the Balance Sheet date.
- (x) The Company has no accumulated losses and has not incurred any cash losses during the period covered by our audit.
- (xi) The Company has not defaulted in payment of dues to any bank. The Company has not issued any debentures and does not have any borrowings from any financial institution.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to chit fund, nidhi or mutual benefit society are not applicable to this Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of para (xiv) of paragraph 4 of the said order are not applicable to the Company.
- (xv) According to the records of the Company and the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to the records of the Company and the information and explanations given to us, the Company has not taken any term loan.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act.
- (xix) The Company has not issued any secured debentures.
- (xx) The Company has not raised any money by public issue during the period covered by our audit report.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period.

7A, Kiran Shankar Ray Road
Kolkata - 700 001
Date : 29th April, 2011

For G.P. AGRAWAL & CO.
Chartered Accountants
F. R. No. 302082E

CA. SUNITA KEDIA
Partner
Membership No. 60162

RATNABALI INVESTMENT PRIVATE LIMITED

BALANCE SHEET as at 31st March, 2011

	Schedule	As at 31st March, 2011		As at 31st March, 2010	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
Shareholder's Fund					
Share Capital	1	52,00,000		52,00,000	
Reserves & Surplus	2	<u>1,63,47,454</u>		<u>1,54,97,695</u>	
			2,15,47,454		2,06,97,695
Loan Funds					
Secured Loan	3		1,00,09,975		—
Deferred Tax Liability					
(Refer Note No. B-5 of Schedule 11)			<u>6,177</u>		<u>1,483</u>
TOTAL			<u>3,15,63,606</u>		<u>2,06,99,178</u>
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	43,680		43,680	
Less: Depreciation		<u>7,649</u>		<u>679</u>	
Net Block			36,031		43,001
Current Assets, Loans and Advances					
Inventories	5	1,25,310		—	
Cash & Bank Balances	6	2,06,36,909		2,05,87,265	
Other Current Assets	7	6,92,557		3,141	
Loans and Advances	8	<u>1,00,82,017</u>		<u>74,449</u>	
		3,15,36,793		2,06,64,855	
Less :					
Current Liabilities & Provisions					
Current Liabilities	9	<u>9,218</u>		<u>8,678</u>	
		9,218		8,678	
Net Current Assets			3,15,27,575		2,06,56,177
TOTAL			<u>3,15,63,606</u>		<u>2,06,99,178</u>
Significant Accounting Policies and Notes on Accounts	11				
The Schedules referred to above form an integral part of the Balance Sheet.					
This is the Balance Sheet referred to in our report of even date.					
For G. P. AGRAWAL & CO. Chartered Accountants F. R. No. 302082E CA. SUNITA KEDIA Partner Membership No. 60162 Place : Kolkata Date : 29th April, 2011			For and on behalf of the Board RAKESH PANDIYA Director HANSRAJ JARIA Director		

RATNABALI INVESTMENT PRIVATE LIMITED

PROFIT & LOSS ACCOUNT for the year ended 31st March, 2011

	Schedule	For the year ended 31st March, 2011		For the year ended 31st March, 2010	
		Rs.	Rs.	Rs.	Rs.
INCOME					
Sale of units of Mutual Fund			1,75,000		—
Interest :					
- On Fixed Deposit with Bank {Gross :Tax Deducted at Source - Rs.1,47,177/- (Previous year - Rs. 78,250/-)}		14,71,755		7,82,506	
- On Loan (Gross :Tax Deducted at Source - Rs.1,480/-)		14,795		—	
- On Income Tax Refund		111	14,86,661	—	7,82,506
Real Estate Consultancy fees			—		6,000
Closing Stock of Inventories			1,25,310		—
TOTAL			17,86,971		7,88,506
EXPENDITURE					
Purchase of units of Mutual Fund			3,00,000		—
Administrative Expenses	10		2,38,548		4,66,911
Depreciation			6,970		679
TOTAL			5,45,518		4,67,590
Profit Before Taxation			12,41,453		3,20,916
Provision for Taxation:					
Less : Current Tax		3,87,000		1,05,000	
Deferred Tax		4,694	3,91,694	1,483	1,06,483
Profit After Taxation			8,49,759		2,14,433
Add/(Less) : Balance brought forward			1,97,695		(16,738)
Profit available for Appropriation			10,47,454		1,97,695
Appropriation					
Transfer to Reserve Fund			1,69,952		—
Balance Carried to Balance Sheet			8,77,502		1,97,695
			10,47,454		1,97,695
Basic & Diluted Earnings Per Share (Face Value of Rs.10/- each) (Refer Note No. B-4 of Schedule 11)			1.63		0.73
Significant Accounting Policies and Notes on Accounts	11				
The Schedules referred to above form an integral part of the Profit and Loss Account. This is the Profit & Loss Account referred to in our report of even date.					
For G. P. AGRAWAL & CO. Chartered Accountants F. R. No. 302082E CA. SUNITA KEDIA Partner Membership No. 60162 Place : Kolkata Date : 29th April, 2011			For and on behalf of the Board RAKESH PANDIYA Director HANSRAJ JARIA Director		

RATNABALI INVESTMENT PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As at 31st March, 2011 Rs.	As at 31st March, 2010 Rs.						
SCHEDULE - 1								
SHARE CAPITAL								
Authorised								
20,00,000 (Previous year - 20,00,000) Equity Shares of Rs. 10/- each	2,00,00,000	<u>2,00,00,000</u>						
Issued, Subscribed and Paid-up								
5,20,000 (Previous year - 5,20,000) Equity Shares of Rs. 10/- each fully paid up in cash	52,00,000	52,00,000						
(Entire share capital of the Company is held by Ratnabali Capital Markets Ltd., the Holding Company and its nominees)	<u>52,00,000</u>	<u>52,00,000</u>						
SCHEDULE - 2								
RESERVES AND SURPLUS								
Securities Premium								
As per last account	1,53,00,000	—						
Add : Received during the year	—	1,53,00,000						
	<u>1,53,00,000</u>	<u>1,53,00,000</u>						
Reserve Fund								
As per last account	—	—						
Add : Transferred during the year	1,69,952	—						
	<u>1,69,952</u>	—						
Profit & Loss Account								
Surplus as per Annexed Account	8,77,502	1,97,695						
	<u>1,63,47,454</u>	<u>1,54,97,695</u>						
SCHEDULE - 3								
SECURED LOAN								
Loan from Bank - Cash Credit	1,00,00,111	—						
{Secured by Pledge of F.D.R. of Rs. 2,06,00,000/- (Previous year - Rs. Nil)}								
Interest Accrued and Due on Secured Loan	9,864	—						
	<u>1,00,09,975</u>	—						
SCHEDULE - 4								
FIXED ASSETS								
Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.10 Rs.	Additions during the year Rs.	As at 31.03.11 Rs.	Up to 31.03.10 Rs.	For the year Rs.	Total Up to 31.03.11 Rs.	As at 31.03.11 Rs.	As at 31.03.10 Rs.
Computer and Accessories	43,680	—	43,680	679	6,970	7,649	36,031	43,001
Total	43,680	—	43,680	679	6,970	7,649	36,031	43,001
Previous year	—	43,680	43,680	—	679	679	43,001	—

RATNABALI INVESTMENT PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	Face Value (Rs.)	As at 31st March, 2011		As at 31st March, 2010	
		Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
SCHEDULE - 5					
INVENTORIES					
Mutual Fund Units - Unquoted, Fully Paid up (At lower of cost or market value)					
Reliance Money Manager Fund - Retail Option - Growth Plan					
	1,000	95.031	1,25,310	—	—
		95.031	1,25,310	—	—
SCHEDULE - 6					
CASH & BANK BALANCES					
Cash-in-Hand					
			23,165		61,920
(As certified by the Management)					
Bank Balances with Scheduled Banks :					
In Current Account					
			13,744		3,25,345
In Fixed Deposit Account					
			2,06,00,000		2,02,00,000
			2,06,36,909		2,05,87,265
SCHEDULE - 7					
OTHER CURRENT ASSETS					
Interest Accrued on Fixed Deposit					
			6,79,242		3,141
Interest Accrued on Loan					
			13,315		—
			6,92,557		3,141
SCHEDULE - 8					
LOANS AND ADVANCES					
(Unsecured, Considered Good)					
Loans					
			1,00,00,000		—
(Advances recoverable in cash or in kind or for value to be received)					
Advance Payment of Taxes { Net of Provision for Taxation - Rs. 4,92,000/- (Previous year - Rs.1,05,000/-)}					
			82,017		74,449
			1,00,82,017		74,449
SCHEDULE - 9					
CURRENT LIABILITIES & PROVISIONS					
Current Liabilities					
Sundry Creditors					
Total outstanding dues of micro and small enterprises (Note No.B - 3 of Schedule 11)					
			—		—
Due to others					
			9,218		8,678
			9,218		8,678

RATNABALI INVESTMENT PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	Year ended <u>31st March, 2011</u>	Year ended <u>31st March, 2010</u>
	Rs.	Rs.
SCHEDULE - 10		
ADMINISTRATIVE EXPENSES		
Rates and Taxes	13,520	2,06,984
Legal and Professional	1,33,782	1,47,300
Travelling and Conveyance	—	21,090
General Expenses	—	3,100
Donation	49,000	51,000
Printing and Stationary	15,395	7,250
Bank Charges	111	—
Demat Charges	331	—
Interest on Bank Overdraft	9,864	—
Auditors' Remuneration	16,545	18,751
Preliminary Expenses Written off	—	11,436
	<u>2,38,548</u>	<u>4,66,911</u>
SCHEDULE - 11		
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS		
A. SIGNIFICANT ACCOUNTING POLICIES		
1. System of Accounting		
The financial statements have been prepared on an accrual basis under the historical cost convention and comply in all material respects with the Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 1956.		
2. Fixed Assets		
Fixed Assets are stated at cost of acquisition including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation. Depreciation is provided on the straight-line method and at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.		
3. Revenue Recognition		
(a) Interest is accounted for on accrual basis as per prudential norms prescribed under Non- Banking Financial Companies Prudential Norms (Reserve Bank) Direction, 2007 (As amended).		
(b) Dividend is accounted for in the year in which the dividend is declared.		
(c) All other income is accounted for on accrual basis.		
4. Loans and Advances		
Loans and Advances are classified as performing and non-performing assets and provisions are made in accordance with prudential norms prescribed under Non-Banking Financial Companies Prudential Norms (Reserve Bank) Direction, 2007 (As amended).		
5. Taxes on Income		
Current tax is determined on the basis of the amount of tax payable in respect of taxable income for the period. Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are recognised and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.		
6. Inventories		
Inventories are valued at lower of cost or market price / fair value, scripwise. Cost is determined on first-in first-out (FIFO) basis.		
7. Impairment of Asset		
An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in previous accounting period is reversed if there has been a change in the estimate of recoverable amount.		

RATNABALI INVESTMENT PRIVATE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE - 11 (Contd.)

8. Provisions, Contingent liabilities and Contingent Assets

- Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable.
- Contingent liabilities are shown by way of Notes on Accounts in respect of obligations, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- Contingent Assets are neither recognised nor disclosed in the financial statements.

B. NOTES ON ACCOUNTS

- The Company has become the wholly owned subsidiary of Ratnabali Capital Markets Ltd. w.e.f. 11th September, 2009.
- The Company received the Certificate of Registration to commence / carry on the business of Non-Banking Financial Institution without accepting public deposits during the financial year 2010-11.

3. Micro, Small and Medium Enterprises

There are no dues to Micro and Small Enterprises as on 31st March, 2011 (Previous year - Rs. Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent of information available with the Company and relied upon by the auditors.

4. Earning Per Share

		<u>2010-11</u>	<u>2009-10</u>
a) Net Profit after tax (Rs.)	(A)	8,49,759	2,14,433
b) Weighted average number of Equity Shares of Rs.10/- each outstanding during the period (No. of shares)	(B)	5,20,000	2,92,247
c) Basic / Diluted Earnings Per Share (Rs.)	(A / B)	1.63	0.73

5. Deferred Tax

The break-up of Deferred Tax Liability (net) as at 31st March, 2011 is given below :

Particulars	<u>As at 31st March, 2011</u>	<u>As at 31st March, 2010</u>
	Rs.	Rs.
Deferred Tax Liabilities :		
Depreciation	7,355	3,839
Deferred Tax Assets :		
Preliminary Expenses	<u>1,178</u>	<u>2,356</u>
Deferred Tax Liability (net)	<u>6,177</u>	<u>1,483</u>

6. Related Party Disclosure

- Names of the related parties with whom transactions have taken place during the period :

<u>Name of the Party</u>	<u>Nature of Relationship</u>
Ratnabali Capital Markets Ltd.	Holding Company

- Transactions carried out with related parties referred to in above, in ordinary course of business, are as under :

<u>Nature of transaction</u>	<u>2010-11</u>	<u>2009-10</u>
	Rs.	Rs.
Allotment of shares at premium	Nil	2,04,00,000

- Year end balance:

<u>Name of the Party</u>		
Ratnabali Capital Markets Ltd.	Nil	Nil

No amount has been written back / written off during the period in respect of dues to / from related parties.

No amount is due from related parties and hence no provision for doubtful debts in respect of dues from such related parties is required.

- The company is engaged in single segment as defined in Accounting Standard (AS) 17, hence Segment Reporting is not applicable.

RATNABALI INVESTMENT PRIVATE LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE - 11 (Contd.)			
8. Auditors' Remuneration		Year ended 31st March, 2011	Year ended 31st March, 2010
		Rs.	Rs.
As Auditors		13,236	13,236
For Certification Matters		3,309	5,515
Total		16,545	18,751
9. Balance Sheet Abstract and Company's General Business Profile			
I. Registration Details :			
Registration No.	U45400WB2007PTC120860	State Code	21
Balance Sheet Date	31.03.2011		
II. Capital raised during the year (Amount in Rs. Thousands) :			
Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands) :			
Total Liabilities	31,564*	Total Assets	31564*
* excluding current liabilities and provisions of Rs. 9 thousands.			
SOURCES OF FUNDS			
Paid-up Capital	5200	Reserves & Surplus	16348
Secured Loans	10010	Unsecured Loans	NIL
Deferred Tax Liability	6		
APPLICATION OF FUNDS			
Net Fixed Assets	36	Investments	NIL
Net Current Assets	31528	Misc. Expenditure	NIL
Accumulated Losses	NIL		
IV. Performance of Company (Amount in Rs. Thousands) :			
Turnover	1661	Total Expenditure	420
Profit Before Tax	1241	Profit/Loss After Tax	850
Earning Per Share (Rs.)	1.63	Dividend Rate (%)	NIL
V. Generic Names of Three Principal Products / Services of the Company (As per Monetary Terms) :			
Being a finance and investment Company : Not Applicable			
10. The previous year figures have been rearranged / regrouped, wherever considered necessary to make them comparable.			
Signature to Schedules 1 to 11.			
In terms of our report of even date annexed.			
For G. P. AGRAWAL & CO. Chartered Accountants F. R. No. 302082E CA. SUNITA KEDIA Partner Membership No. 60162 Place : Kolkata Date : 29th April, 2011		For and on behalf of the Board RAKESH PANDIYA Director HANSRAJ JARIA Director	

RATNABALI INVESTMENT PRIVATE LIMITED

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

	Year ended 31st March, 2011 Rs.	Year ended 31st March, 2010 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Profit & Loss Account	12,41,453	3,20,916
Less : Interest Received	(14,71,755)	(7,82,506)
Add : Depreciation	6,970	679
Add : Preliminary Expenses written off	—	11,436
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(2,23,332)	(4,49,475)
Adjustment for :		
Trade payable & Other Liabilities	540	4,817
Inventories	(1,25,310)	—
Trade & other receivables	(1,06,89,416)	51,859
CASH USED IN OPERATING ACTIVITIES	(1,10,37,518)	(3,92,799)
Direct Taxes (Paid) / Refund (net)	(3,94,568)	(1,78,160)
NET CASH USED IN OPERATING ACTIVITIES	(1,14,32,086)	(570,959)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Maturity / (Investment) in Fixed Deposit	(4,00,000)	(20,200,000)
Interest Received	14,71,755	7,82,506
Purchase of Fixed Assets	—	(43,680)
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES	10,71,755	(1,94,61,174)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issuance of Equity Share Capital	—	2,04,00,000
Proceeds from Secured Loan	1,00,09,975	—
NET CASH FLOW FROM FINANCING ACTIVITIES	1,00,09,975	2,04,00,000
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(3,50,356)	3,67,867
Cash and Cash Equivalents Opening Balance	3,87,265	19,398
Cash and Cash Equivalents Closing Balance	36,909	3,87,265
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 as notified under the Companies (Accounting Standards) Rules, 2006.		
2. Figures in bracket represent cash outflow.		
3. Cash and Cash equivalents at the end of the period consist of :		
	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
a) Cash in hand	23,165	61,920
b) Balance with bank in Current Account	13,744	3,25,345
	36,909	3,87,265
4. Reconciliation of items of Cash & Cash Equivalents as disclosed in Cash Flow Statement with the equivalent items as reported in the Balance Sheet :		
Cash & Cash Equivalents as per Cash Flow Statement	36,909	3,87,265
Add : Fixed Deposits classified as Investing Activities	2,06,00,000	2,02,00,000
Cash & Bank Balances as reported in the Balance Sheet	2,06,36,909	2,05,87,265
5. Previous years' figures have been regrouped and rearranged wherever necessary to conform with this year's classification.		
As per our report of even date.		
For G. P. AGRAWAL & CO. Chartered Accountants F. R. No. 302082E CA. SUNITA KEDIA Partner Membership No. 60162 Place : Kolkata Date : 29th April, 2011	For and on behalf of the Board RAKESH PANDEYA Director HANSRAJ JARIA Director	