

PARTICULARS	NOTES	As at 31.03.2014	As at 31.03.2013
INCOME			
Revenue from operations	14	3,749,623.71	34,148,372
Other income	15	1,789,334.50	13,404,231
Total Revenue (+)		5,538,958.21	47,552,603
Expenses:			
Purchase of Stock-in-Trade	16	13,811,300.00	8,250
Changes in inventories of finished goods and Stock-in-Trade	17	(13,060,329.00)	6,428,780
Employee Benefits Expenses	18	815,168.00	413,976
Finance Cost	19	7,196,464.00	38,587,529
Depreciation and amortization expense		819,421.00	864,137
Other expenses	20	1,741,152.93	808,288
Total Expenses		11,293,176.93	47,111,260
Profit before exceptional and extraordinary items and tax		(5,754,218.72)	441,343
Exceptional & Extraordinary items			
Profit before tax (-)		(5,754,218.72)	441,343
Tax expense:			
(1) Current tax			
(2) Deferred tax		2,446,338.00	(94,632)
Profit/(Loss) for the period (+)		(3,307,880.72)	346,711
Earning per equity share (Basic & Diluted):		(0.55)	0.06
Significant Accounting Policies and Other Notes	21		

As per our report of even date
For SALARPURIA & PARTNERS
FIRM REGN NO 302113E
CHARTERED ACCOUNTANTS


(KAMAL KUMAR GUPTA)
PARTNER
M.NO.89190

Place : New Delhi
DATE : 29.05.2014.


(N. K. SUREKA)
MANAGING DIRECTOR .

(YOGESH MATHUR)
DIRECTOR

(PRIYANKA SHARMA)
ACS 32848
COMPANY SECRETARY



NOTES 4 : OTHER LONG TERM LIABILITIES	as at 31-03-2014	as at 31-03-2013
A. From Bodies Corporate	4,471,031.00	81,185,930
B. Due to firms where Company is partner :		
M/s Rashi Developers	4,875,545.00	4,871,760
M/s Annapali Grand	38,800,000.00	38,800,000
	<u>48,146,576.00</u>	<u>124,857,690</u>

NOTES 5 : TRADE PAYABLE	as at 31-03-2014	as at 31-03-2013
Sundry Creditors	9,709,218.75	1,507,314
	<u>9,709,218.75</u>	<u>1,507,314</u>

NOTES 6 : OTHER CURRENT LIABILITIES	as at 31-03-2014	as at 31-03-2013
Income Tax deducted at source	689,545.00	
Advance from Customers	69,044,050.00	11,923,253
	<u>69,733,595.00</u>	<u>11,923,253</u>

NOTES 7 : PROVISIONS	As at 31st March 2014		As at 31st March 2013	
	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM
For Income Tax		2,553,374.00		2,553,374
		<u>2,553,374.00</u>		<u>2,553,374</u>

NOTES 10 : LOANS AND ADVANCES (Unsecured, considered good, unless otherwise stated)	As at 31st March 2014		As at 31st March 2013	
	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM
Loans				
- Considered good	91,218,300.00		91,218,300	
- Considered doubtful	1,174,820.00		1,174,820	
- Less: Provisions	(1,174,820.00)		(1,174,820)	
	<u>91,218,300.00</u>		<u>91,218,300</u>	
Advances recoverable in cash or in kind or for value to be received.				
For Capital Contracts	35,600,000.00		35,600,000	
For Others				
- Considered good	82,500,000.00		90,000,000	
- Considered doubtful	90,000.00		90,000	
- Less: Provisions	(90,000.00)		(90,000)	
	<u>118,100,000.00</u>		<u>125,600,000</u>	
Security and other deposits	268,071.00		272,349	
	<u>209,586,371.00</u>		<u>217,090,649</u>	

NOTES 11: INVENTORIES	as at 31-03-2014	as at 31-03-2013
(As per inventories taken, valued and certified by the management)		
Shares & Securities (As per Annexure 11(1))	112,671,505.00	95,611,176
	<u>112,671,505.00</u>	<u>95,611,176</u>

NOTES 12 : CASH AND CASH EQUIVALENT	as at 31-03-2014	as at 31-03-2013
Cash Balance in hand:		
- As per books and certified	656,308.28	711,786
Balances with Scheduled Banks:		
In Current Accounts	276,529.42	2,600,630
In Fixed Deposit Accounts	1,040,943.00	947,370
	<u>1,973,780.70</u>	<u>4,259,886</u>

NOTES 13 : OTHER CURRENT ASSETS	as at 31-03-2014	as at 31-03-2013
Income Tax payments & Tax Refundable	19,093,151.00	13,887,270
	<u>19,093,151.00</u>	<u>13,887,270</u>

NOTES 14 : REVENUE FROM OPERATIONS	Year ended 31.03.2014	Year ended 31.03.2013
Interest (Gross)(TDS Rs 1200/-) (Rs 30,11,549/-)	120,602.00	20,283,039
Dividend	30,204.50	3,631,125



Profit on Sales of Investments	3,680,767.21	
Sales of Quoted Shares		253,684
Sale of Unquoted Shares		30,555
	<u>3,749,523.71</u>	<u>34,148,372</u>

NOTES 15 : OTHER INCOME	Year ended	Year ended
	31.03.2014	31.03.2013

Hent	1,790,000.00	1,725,000
Surrender Value of Keyman Insurance Policy		11,580,000
Profit(Loss) from Partnerships		
- M/s Rashi Developers	(3,785.50)	(7,424)
- M/s Amrapali Grand	3,120.00	6,655
	<u>1,789,334.50</u>	<u>13,404,231.25</u>

NOTES 16 : PURCHASE OF STOCK IN TRADE	Year ended	Year ended
	31.03.2014	31.03.2013

Quoted Shares		
Unquoted Shares	13,811,300.00	8,250
	<u>13,811,300.00</u>	<u>8,250</u>

NOTES 17 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE	Year ended	Year ended
	31.03.2014	31.03.2013

STOCKS AT COMMENCEMENT OF THE YEAR		
Shares & Securities	99,611,176.00	106,039,956
STOCKS AT CLOSE OF THE YEAR		
Shares & Securities	112,671,509.00	99,611,176
INCREASE / (DECREASE) IN STOCKS	<u>13,060,329.00</u>	<u>(6,428,780)</u>

NOTES 18 : EMPLOYEE BENEFIT EXPENSES	Year ended	Year ended
	31.03.2014	31.03.2013

Salary Wages Bonus & Allowances	604,165.00	402,000
Staff and Labour Welfare	11,003.00	11,976
	<u>615,168.00</u>	<u>413,976</u>

NOTES 19 : FINANCE COST	Year ended	Year ended
	31.03.2014	31.03.2013

Interest Paid		
To Financial Institutions	269,469.00	1,329,349
To Others	6,898,995.00	37,258,480
	<u>7,168,464.00</u>	<u>38,587,829</u>

NOTES 20 : OTHER EXPENSES	Year ended	Year ended
	31.03.2014	31.03.2013

Advertisement & Publicity	46,132.00	46,740
Commission Paid	65,000.00	
Rates & Taxes		22,924
Listing Fees	5,618.00	5,618
Traveling, Conveyance & Vehicles Expenses	96,801.00	61,091
Miscellaneous Expenses	910,130.93	251,598
Postage, Telegram & Telephone	9,494.00	12,913
Legal & Professional charges	859,078.00	187,500
Loss on sales of Shares	3,418.00	
Repairs & Maintenance : Building	120,083.00	194,009
Auditors' Remuneration:		
As Audit Fee	20,000.00	20,000
Director's Meeting Fee	5,400.00	7,800
	<u>1,741,152.93</u>	<u>808,288</u>



1. ACCOUNTING POLICIES

- (a) **Basis of Accounting**
The accounts of the company are prepared under the historical cost convention. The company follows mercantile system of accounting i.e. all expenses and income are accounted for on accrual basis except interest income on customers overdue payments due to uncertainty of its realisation.
- (b) **Fixed Assets**
Fixed Assets are stated at cost less depreciation.
- (c) **Investments**
Investments are stated at purchase price. Provision has been made for diminution in market value of long terms investments being permanent in nature. Investment in partnership firm has been stated at Book Value as appearing in the Balance Sheet of Firm. Loss/Profit of the firm are recognised on accrual basis.
- (d) **Valuation of Inventories**
Shares and Securities & Finished goods
- (e) **Shares issue expenses**
Share issue expenses are amortised over a period of ten years.
- (f) **Depreciation**
The Company has charged depreciation on written down value method at the rates and basis prescribed in Schedule XIV to the Companies Act, 1956 to write off assets up to 95% of original cost.
- (g) **Dividend**
Dividend declared within the close of the accounting year only are accounted for.
- (h) **Foreign Currency Translation**
Transactions in foreign currencies are recorded at the exchange rate prevailing at the time of transaction. Foreign Currency transactions settled during the year are adjusted with actual payments/realisation under respective head of accounts transaction remaining unsettled at the end of year are translated at the year end exchange rates. Exchange difference arising there from as compared to actual payments/receipts in next year are debited/credited to Profit and Loss Account.
- (i) **Contingent Liabilities**
Disputed liabilities and claims against the company including claims by taxation authorities are treated as contingent liabilities and are shown by way of notes.
- (j) **Taxes on Income**
Tax expenses for the relevant period comprises of current tax and deferred tax. Deferred tax asset is recognized, subject to consideration of prudence, on all timing difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. The accumulated deferred tax liability is adjusted by applying the tax rates and tax laws applicable at the year end.
2. During the Financial year 2005-06 the company had entered into a Partnership Deed cum Joint Venture Agreement with M/s.Ultra Home Construction Ltd. for construction of Residential Housing Project in the name and style of "Amrapali Grand" at Greater Noida at Plot No.GH -09, Sector Zeta -I Greater Noida. The land measuring 11.3 Acres, approx. originally allotted in the name of Biharji Ispat Udyog Ltd. To facilitate the transaction bank accounts was opened in the name of Biharji Ispat Udyog Ltd. with Allahabad Bank, Anand Vihar, Delhi where deposits were received from advance booking etc. and utilised for payment of Land Dues and other project expenses. Since, all such transactions were done for the Joint Venture hence, not accounted for in the books of the Company as the same are accounted in the books of the aforesaid Joint Venture.
3. Contingent Liabilities not provided for in respect of:
- Corporate guarantees issued in favour of JV partner M/s Amrapali Grand for Rs. Rs.260,00,00,000 (Rs. 269,60,00,000)
 - Corporate guarantees issued in favour of Loan obtained by Group Companies Rs.284,00,000 (Rs.284,00,000)
4. A. The Income tax department has carried out a search and seizer operation on 09th september 2010, U/S 132 of the Income Tax Act, 1956"(Act)", the Income Tax Department have reassessed the Income from Assessment year 2005-06, to 2010-11 u/s 143(3) r.w.s, 153A of the Act, and raised the following demands against which appeals have ben preferred before the Commissioner of Income Tax Appeals.



Handwritten signatures and initials at the bottom right of the page.

Assessment Year	Tax on Additional Income assessed disputed in Appeals	Interest on Additional Income assessed disputed in Appeals	Amount of Demand net of prepaid taxes
2005-06	104,312	NIL	NIL
2007-08	37,373,455	26,801,712	64,026,355
2008-09	1,264,853	614,520	1,638,794
2009-10	792,429	NIL	NIL
2010-11	927,000	NIL	NIL
2011-12	927,000	37,224	192,341

- B. For Assessment year 2007-08, the Income Tax Department had raised demand for Rs. 64026355 (For tax 37373455 and for additional tax 26701712). On an appeal the Commissioner of Income Tax Appeals, has allowed a substantial relief by deleting the addition of Rs. 11,01,43,500.
- C. No Provision has been made in books of accounts for the such demand as the company is hopeful for getting the relief from the higher authorities.
- D. The Income tax department has carried out a search and seizer operation on 7th of August 2013, U/S 132 of the Income Tax Act, 1956"(Act)", the Income Tax Department have siezed a bunch of documents. However, no discrepancies have been reported by the department till date.

5. The Contingent Provision against Standard Assets @ 0.25% as per Circular No-DNBS PD.CC.No.207 / 03.02.002 / 2010-11 issued by RBI, made in earlier year is sufficient to meet the requirement as per the notification, hence no more provision is made during the year.

6(i) The Reserve bank of India vide its notification dated /2010 has made it mandatory that the Non Banking Financial Companies shall not invest into capital of any partnership firm. Since the partnership firms where company is partner are into real estate project which involves various other legislative approvals, however the company has decided not to participate in any new ventures in the existing Partnership Firm.

6(ii) The Loan and Investment made by the company has exceeded the exposure norms prescribed by the Reserve Bank of India, which has been a clerical oversight. The same has been corrected in due course till the signing of the balance sheet.

7. The market value of following quoted investments have been declined substantially. However, in the opinion of the management no provision for diminution in value is required since these investments are of strategic importance to the company. The decline in market value of investments is considered to be temporary:

Name of the Company	No. of shares	Decrease in market value
Oswal Agro Furen, Ltd.	1100	3,528
Onida Finance Limited	300	13,770
		17,298

8. In the opinion of the management, current assets, loans and advances will have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. The balances of sundry debtors, sundry creditors and loans and advances are however, subject to confirmations and adjustments, if any.

9. Estimated amount of capital contracts remaining to be executed Rs4,89,52,500/- (Rs.4,89,52,500) against which advances given Rs. 3,56,00,000(Rs. 3,56,00,000)

10. Deferred Tax Assets has been created on:-

PARTICULAR	As On 01.04.2013	For the year	As On 31.03.2014
Depreciation	(19,465)	2,405	(17,060)
Provision for Doubtful Debts & Loans	390,829	-	390,829
Unabsorbed long Term Capital Loss	2,183,324	-	2,183,324
Unabsorbed Business Loss	605,713	2,443,933	3,049,646
Not deferred tax asset	3,160,401	2,446,338	5,606,739



11 RELATED PARTY DISCLOSURE (AS IDENTIFIED BY THE MANAGEMENT), AS REQUIRED BY ACCOUNTING STANDARD 'AS-18' ARE GIVEN BELOW:

i) LIST OF RELATED PARTY

(a) Where control exists:-

- (i) Jotindra Steel & Tubes Limited
 (ii) Quality Synthetic Industries Ltd
 (iii) Mauna Udyog Limited
 (iv) Sri Narayan Rajkumar Maerchants Ltd.
 (v) J.S.T. Engineering Services Ltd.
 (vi) Saroj Metal Works Private Ltd
 (vii) Chakra Exports (P) Ltd
 (viii) Ram Forgings Pvt. Ltd.
 (ix) Subhlaxmi Properties (P) Ltd.
 (x) VL Estates Pvt. Ltd.
 (xi) Aakshi Exports (P) Ltd.
 (xii) Sureka Tube Industries Pvt. Ltd.
 (xiii) Sri Narayan Steel Industries Pvt. Ltd.
 (xiv) Vaishnodevi Properties Pvt. Ltd.

- (xv) V.K. Flats Pvt. Ltd.
 (xvi) Dwarkadish Construction Pvt. Ltd.
 (xvii) Biharji Fancy Fibers & Fabrics Ltd.
 (xviii) Bhama Properties (P) Ltd.
 (xix) P.D. Metal Industries (P) Ltd.
 (xx) Udayanchal Leasing Exports (P) Ltd.
 (xxi) Puranmal Foods India (P) Ltd.
 (xxii) VEE EM Infocenter (P) Ltd.
 (xxiii) Biharji Cylinders Pvt. Ltd.
 (xxiv) SKD Estates Pvt. Ltd.
 (xxv) Deepak Hotels (P) Ltd.
 (xxvi) Achal Estates Pvt. Ltd.
 (xxvii) VBM Estates Pvt. Ltd.

(b) Key Management Personnel

Mr. N.K. Sureka

(c) Relative of Key Management Personnel whom transaction have taken place during the year).

(with Nil

(d) Other related parties

Nil

ii) TRANSACTION WITH RELATED PARTIES

TYPE OF RELATED PARTY	DESCRIPTION OF THE TRANSACTION	VOLUME OF THE TRANSACTIONS		AMOUNT OUTSTANDING RECEIVABLE / (PAYABLE)	
		Current Year	Previous Year	Current Year	Previous Year
Where Control exists	Investment made (Partnership)	-	-	-	-
	Loans & Advances given	165,000	196,319,171	-	-
	Loans & Advances received back	165,000	200,416,757	-	-
	Loan taken	6,808,705	297,406,829	(5,579,736)	-
	Loan repaid	86,500,000	239,754,598	-	-
	Interest received	-	378,415	-	-
	Interest paid	3,985,101	4,103,680	-	-
	Rent received	1,725,000	1,725,000	-	-
	Purchases of goods / Shares	13,809,300	-	(8,445,100)	-
	Sale of Goods / Shares	11,657	-	-	-
Key Management Personnel	Directors' Fee	1,600	3,000	-	-
	Loan taken	2,193,444	-	-	-
	Loan repaid	2,193,444	-	-	-
Other Related Party					

- NOTE: 1. In respect of above parties, there is no provision for doubtful debts as on 31st March, 2014 and no amount has been written off or written back during the year in respect of debts due from them.
 2. Out of above certain transaction requires approval from members and Central Government, which are yet to be taken.

12 SEGMENT REPORTING

There has been no separately reportable Segment

13 Earning Per Share:

Particulars	Current year	Previous year
Profit after tax as per Profit and Loss Account	3,307,881	346,711
Average number of Equity Shares (Face value) of Rs.10/- each.	6,000,000	6,000,000
Basic and Diluted EPS (in rupees)	0.55	0.06

14 Figures for the previous year have been regrouped and recast wherever necessary and figures in brackets represent previous year figures.



Handwritten signatures and initials.

15. Additional information:

(a) Capacities and Productions:

Name of Goods	UNITS	LICENSED CAPACITY	INSTALLED CAPACITY	INSTALLED CAPACITY
Steel Tube & Pipe	M.T.	Not Applicable	See Note Below	Nil (Nil)

Note: The company has installed machinery for repairing of defective Steel Tubes but during the year no such steel tubes have been repaired and it is not practicable on the part of management to quantify installed capacity.

(b) Quantitative Details:

Name of item	UNITS	OPENING STOCKS		PURCHASES		SALES		CLOSING STOCKS	
		QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.
Shares & Securities	Nos.	1,102,486	99,611,176	585,634	13,811,300	-	-	1,688,130	112,671,505
		(1,097,407)	(106,039,956)	(7,759)	(8,250)	(2,670)	(284,239)	(1,102,486)	(99,611,176)

(c) C.I.F. Value of Import & F.O.B. Value of Export

Nil (Nil)

(d) Earnings, Expenditure and remittance on account of dividend in foreign currency

Nil (Nil)

As per our report attached
For **SALARPURIA & PARTNERS**
CHARTERED ACCOUNTANTS

Kamal Kumar Gupta
(KAMAL KUMAR GUPTA)
PARTNER
M.NO.89190

[Signature]
MANAGING DIRECTOR
[Signature]
COMPANY SECRETARY

[Signature]
DIRECTOR

Place: New Delhi

Date: 29th May, 2014

