

CONTENTS

	Page No.
Ashika Credit Capital Limited	
Directors' Report	2
Auditors' Report	18
Balance Sheet	23
Profit & Loss A/c.	24
Schedules	25
Cash flow Statement	47
Ashika Capital Limited	
Directors' Report	50
Auditors' Report	53
Balance Sheet	58
Profit & Loss A/c	59
Schedules	60
Cash flow Statement	76
Ashika Insurance Broking & Risk Management Pvt. Ltd.	
Directors' Report	80
Auditors' Report	82
Balance Sheet	86
Profit & Loss A/c.	87
Schedules	88
Cash flow Statement	99
Consolidated Financial Statements of Ashika Credit Capital Limited	
Auditors' Report	101
Balance Sheet	102
Profit & Loss A/c.	103
Schedules	105
Cash flow Statement	121

ASHIKA CREDIT CAPITAL LIMITED



Growing & Sharing with You

**SIXTEENTH ANNUAL REPORT
2008-2009**

BOARD OF DIRECTORS

SRI PAWAN JAIN – *Chairman*
SRI DAULAT JAIN – *Director*
SRI KASHI PRASAD KHANDELWAL – *Director*
SRI ASHOK KUMAR AGARWAL – *Director*
SRI SAGAR JAIN – *Director*
SRI R.S. AGARWAL – *Director*
SRI K.K. SARAF – *Director*

CEO & MANAGER

SRI BABULAL BAFNA - *Manager & CEO*

COMPLIANCE OFFICER

MS. ANJU LOHIYA - *Company Secretary & CFO*

AUDITORS

P. K. SAH & ASSOCIATES
CHARTERED ACCOUNTANTS
58/D, NETAJI SUBHASH ROAD
3RD FLOOR, ROOM NO. 316
KOLKATA – 700 001

BANKERS

HDFC BANK LTD.
TAMILNAD MERCANTILE BANK LTD.

REGISTERED OFFICE

'TRINITY'
226/1 A. J. C. Bose Road,
7th Floor, Kolkata-700 020

REGISTRARS & SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
6, Mango Lane, 2nd Floor
Kolkata 700 001



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Sixteenth Annual Report of the Company together with the audited Statement of Accounts for the year ended 31st March 2009.

Financial Performance:

(Amount in Rupees Lacs)

Financial Results For The Year Ended	31st March 2009	31st March 2008
Total Income	190.53	2600.87
Profit before tax	21.14	58.64
Provision for taxation	6.75	20.27
Profit after taxation	14.39	38.36
Add: Balance brought forward from previous year	134.89	100.98
Add: Earlier year's excess Provision for I. Tax written back	2.12	3.22
Less: Impact of Revised AS 15 (Net of Deffered tax)	0.82	-
Profit available for appropriation	150.58	142.56
Appropriations:		
Transfer to statutory reserve	2.87	7.67
Balance Transferred to Balance Sheet	147.70	134.89

DIVIDEND:

As the market is still very volatile and the NBFC sector in general, and your Company in particular, are still facing lots of challenges and uncertainties. As compared to its last year your company has earned lesser profit. Further to meet all these upcoming challenges a strong net worth is required. Therefore, with a view to conserve resources, the Directors proposes not to recommend any dividend for the year ended on 31st March 2009, further the profit of the company for the year 2009 will be deployed for the aforesaid purpose.

REVIEW OF OPERATIONS:

The Financial year 2008-09 has shown a deep correction in the financial market .The market stood to be very volatile and was a challenging year for the Company in the context of global economic slow down. In the changing environment and throat cut competition scenario of the economy, your company has still tired to cope up with this unpredicted situation. This year was as not as good as compared to last year, but still your company was able to earn Profit (before taxation) upto 21.14 Lacs approx. During the year a lump sum amount was invested in purchasing Asset for the company. New client engagements are being aggressively initiated with a view to be in a position to service anticipated growth in business.



AUDITORS' REPORT:

The notes given in the Auditors' Report are self-explanatory and needs no further clarification.

BUSINESS STRATEGY:

The financial services sector is one of the key growth area of the economy. Moreover, a strong growth potential of Indian Economy and a healthy Capital Market Environment provides more opportunities to existing players of the financial services sector. Your Company intends to actively pursue growth opportunities in the fast growing financial services sector in the economy through expanding its existing clientele base and a judicious investment approach to tap the benefit offered by the robust Indian Capital Markets. New innovative ideas have been implementing in the organization to move a step ahead in this competitive edge. Further to implement the ideas and plans, your company is to provide best quality services in Investment Banking, including inter corporate deposits, corporate consultancy etc.

SUBSIDIARY COMPANIES:

Your Company has sold out its wholly owned subsidiary named M/s Ashika Capital Ltd w.e.f. 4th November 2008.

STATUTORY AND OTHER INFORMATION:

There are no employees falling within the purview of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

There was no expenditure or income in foreign currency during the year under review.

Since your Company does not own any manufacturing unit, the disclosure of information on the matter required to be disclosed in terms of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988, is not applicable and hence not given.

CORPORATE GOVERNANCE :

Pursuant to clause 49 of the listing agreement with the Calcutta Stock Exchange Association Limited, a Management Discussion and Analysis, Corporate Governance Report and Auditor's Certificate regarding compliance of conditions of corporate governance constitute integral part of the Annual Report.

DIRECTORS:

Pursuant to the provision of section 255 of the Companies Act, 1956 and Article 126 of the Articles of Association of the Company, Mr. Kashi Prasad Khandelwal and Mr. K. K. Saraf, Directors of the Company is liable to retire by rotation in the forthcoming Annual General Meeting of the Company and being eligible, offers themselves for re-appointment.

MANAGER :

Mr. Babulal Bafna is acting as a Manager & CEO of the company with effect from 1st April 2007 for a period of 3 years. His expertise knowledge and experience has contributed to the success and the growth of the business.



AUDITORS:

The Statutory Auditor of your company has changed its firm name to M/s. P.K. Sah & Associates, Chartered Accountants and retires at the ensuing Annual General Meeting of the Company; and being eligible, offer themselves for re-appointment. The Company has received a Certificate from the Auditors that if reappointed, they are qualified under section 224(1B) of the Companies Act, 1956 to act as the Auditors of the Company.

DIRECTORS RESPONSIBILITY STATEMENT :

As per the relevant provisions of section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that :

- i) In the preparation of the Annual accounts, the applicable accounting standards have been followed and there is no material departure from the above.
- ii) The directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit of the Company for that period.
- iii) 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 to the best of their knowledge and ability.
- iv) The directors have prepared the annual account on a going concern basis.

ACKNOWLEDGEMENTS:

Lastly your directors appreciate to the management team and executive staff who are instrumental to the growth of the company. They also place on record their deep admiration and acknowledge with gratitude for the support and co-operation extended by the clients, bankers, investors, shareholders, and the media for their unwavering support through the years. Your Directors also wish to thank the employees at all levels, who through their sheer commitment, sense of involvement, utmost dedication and continued perseverance enabled the Company to achieve the overall development, growth and prosperity of the Company.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 6th June, 2009

(Pawan Jain)
Chairman Cum Director



REPORT ON CORPORATE GOVERNANCE

(Forming Part of The Directors' Report for the year ended 31st March 2009)

a) Company's Philosophy on corporate governance

ACCL philosophy on Corporate Governance enshrines the goal of achieving the highest level of transparency, accountability, empowerment, trusteeship and equity in all spheres of its operations and its dealing with stakeholders, employees, lenders, Government and other parties. Corporate Governance comprises a unique combination of factor like regulations, compliances, values, political and economical environments, voluntary practices and disclosures. It is considered as an important tool for shareholder's protection and maximization of their long term values.

Ashika Credit Capital Limited continue to focus its strength , strategies and resources to achieve its vision of becoming a truly global financial service provider.

Given below are the company's corporate governance policies and practices for 2008-2009. As will be seen, ACCL corporate governance practices and disclosures go beyond complying with the statutory and regulatory requirements.

b) Board of Directors

In order to maintain independence of the board, the company has a balanced combination of Executive, Non Executive and Independent Directors on its board which is most essential to separate the two main Board functions viz. governance and management.

Composition

The Article Number 124 of Article of Association provide for a minimum of 3 and a maximum of 12 directors.

As on 31st March 2009, the board of Ashika Credit Capital Limited consisted of 7 (seven) directors among which one (1) is **Executive Director** and Six (6) are **Non Executive Director**. The composition of the board of directors is as under: -

Name	Designation	Catetory	Shareholding in company (no. of share)	No. of directorship held in other companies*	No. of Membership/ Chairmanship in various Board Committees**
Pawan Jain	Chairman-cum-Director	Promoter, Non-Executive	17,19,320 in capacity as karta of Pawan Jain (HUF)	14	-
Daulat Jain	Executive Director	Promoter, Executive	7,69,375 in capacity as Karta of Daulat Jain (HUF)	14	6 (Chairman of three committee



ASHIKA CREDIT CAPITAL LIMITED

Name	Designation	Catetory	Shareholding in company (no. of share)	No. of directorship held in other companies*	No. of Membership/ Chairmanship in various Board Committees**
Mr. Kashi Prasad Khandelwal	Director	Non-Executive Independent Director	-	3	2
Mr. Ashok Agarwal	Director	Non-Executive independent Director	-	6	2 (Chairman of one committee)
Mr. Sagar Jan	Director	Non-Executive Independent Director	-	6	2 (Chairman of one committee)
Mr. R. S. Agarwal	Director	Non-Executive Independent Director	-	1	1
Mr. Keshav Kumar Saraf	Director	Non-Executive Independent Director	-	3	1

* Including Ashika Credit Capital Limited .

** Includes only Audit Committee, Remuneration Committee and Shareholder Grievance Committee.

Board Meeting and Attendance:

During the year 2008-2009, the board of directors met five times on the following dates: 22nd April, 2008, 18th June 2008, 28th July 2008, 23rd October 2008, 14th January 2009. The gaps between any two meetings has been less than or equal to three months. The dates of the meeting were decided well in advance.

Composition of the board and attendance record of directors for 2008-2009.

Name of Director	Meeting attended	Whether attended last AGM on 29 th September 2008
Mr. Pawan Jain	5	Yes
Mr. Daulat Jain	3	Yes
Mr. Kashi Prasad Khandelwal	5	No
Mr. Ashok Agarwal	2	No
Mr. Sagar Jain	4	No
Mr. R.S.Agarwal	4	No
Mr. Keshav Kumar Saraf	5	No

Board Agenda and minutes

The company holds at least four Board meetings in a year, one in each quarter with the time gap between the two Board meetings do not exceed four calendar months to review the financial results and other item of the agenda and. Apart from the four scheduled Board



meetings, additional Board meetings are also convened to address specific requirements of the company. Every Director on the Board is free to suggest any item for inclusion in the agenda for the Board's consideration. All the Department in the company communicates to the Company Secretary well in advance about matters requiring approval of the Board/ Committees meeting(s).

Agenda papers are generally circulated to the Board members well in advance before the meeting of the Board. The Company Secretary while preparing the agenda and minutes of the Board meeting required to ensure adherence to the applicable provisions of the law including the Companies Act, 1956. The draft minutes of the proceedings of each Board meeting duly initialed by the Board in its next meeting. The Board also takes note of the minutes of the committee meeting duly approved by their respective Chairman.

Review of Legal compliance report

The Board quarterly review the compliance report prepared and placed by Practicing Company Secretary and In- House Company Secretary in respect of the laws applicable to the company.

c) Code of conduct for Directors and Senior Management

The company has already adopted a Code of Conduct, which was made applicable to all its directors, and all Senior Management Personnel of the company. Board members and senior management personnel have affirmed compliance with the company's code of conduct during the period. A statement to this effect that all directors and senior management personnel have complied with the company's code of conduct during the period and the same duly certified by CEO of the company is annexed herein below.

Declaration as under clause 49(I)(D) of the Listing Agreement.

This is to certify that in pursuance of provision of above clause of Listing Agreement, a Code of Conduct for the Directors and Senior Management Personnel of the company has been approved by the board at its meeting held on 25th January, 2006. The said Code of Conduct was placed before Board of Director in their meeting held on 23rd April 2009 and the same has been circulated to all the members of the Board and other senior management personnel. The Board took note of the said code of conduct with or without any changes.

All Directors and senior management personnel of the company have affirmed having complied with the said Code of Conduct for the period 31st March 2009.

**BABULAL BAFNA
(CHIEF EXECUTIVE OFFICER)**

d) Audit Committee

The Audit Committee of the Company was reconstituted at the Board Meeting held on 23rd day of October, 2008. It inter alia includes the overview of the company's financial reporting processes, review of the quarterly, half yearly and Annual financial statements, the adequacy of internal control systems, performance of statutory Auditor, Internal audit functions, the financial and risk management policies etc.



ASHIKA CREDIT CAPITAL LIMITED

Following information is mandatory reviewed by the Committee: -

- Ø Management discussion and analysis of financial condition and results of operation
- Ø Statement of significant related party transactions (as defined by the audit committee), submitted by management.
- Ø Management letters/ letters of internal control weaknesses issued by the statutory auditors
- Ø Internal audit report relating to internal control weaknesses; and
- Ø The appointment, removal and terms of remuneration of the Chief internal auditors shall be subject to review by the Audit Committee.

Composition, Meetings and Attendance thereat

The Audit Committee of the Board comprises of three Directors. The Committee met five times during the year and attendance of the members at these meetings was as follow: -

Name of Director	Status	Meeting attended (Y / N)				
		21.04.08	17.06.08	25.07.08	23.10.08	14.01.09
Mr. Sagar Jain	Chairman, Non-Executive and Independent	Y	Y	Y	Y	Y
Mr. Kashi Prasad Khandelwal	Non-Executive and Independent	Y	Y	Y	Y	Y
Mr. Daulat Jain	Executive	Y	Y	Y	Y	Y
Mr. K.K. Saraf*	Non-Executive & Independent	N	N	N	N	Y
Mr. R.S. Agarwal*	Non-Executive & Independent	N	N	N	N	Y

* appointed w.e.f 23rd October 2008 and stood as invitee in the meeting held on 23.10.2008.

Terms of Reference

The terms of Reference of the Audit Committee are in accordance with those specified in clause 49 of the Listing Agreement.

e) Share Transfer-cum-shareholder/ Investor Grievance Committee

The company has formed a Investor'/Shareholders' Grievance Committee under the chairmanship of Mr. Ashok Agarwal, an independent director. Mr. Daulat Jain and Mr. Kashi Prasad Khandelwal are the other members of the committee. The meeting of the committee are held to review and resolve all the cases which comes out in the normal course of business. The committee met as and when required during the year. The monthly review of activities of share transfer agent is undertaken regularly by the company secretary.

Compliance Officer

Ms Anju Lohiya – Company Secretary is Compliance Officer of the company.



Role & Objectives

The role & objectives of the committee are as under:

- Oversee share transfer and other shareholder related issue like non-receipt of declared dividends, annual reports etc.
- Resolve case related to investors' grievances.

The shareholder complaints received and resolved during the year April 1, 2008 to March 31, 2009 are as under:

Sr.	Type of complaint	Pending as on 31.03.08	Total Complaint Received	Compliant Redressal	Redressal under process	Pending as on 31.03.09
1.	Letter received from SEBI	Nil	Nil	Nil	Nil	Nil
2.	Letter received from Stock Exchange	Nil	Nil	Nil	Nil	Nil
3.	Letter received from Shareholder	Nil	Nil	Nil	Nil	Nil
4.	Registrar & Transfer Agent	Nil	Nil	Nil	Nil	Nil

f) Remuneration Committee:

The Remuneration Committee of the Board comprises of three Directors.

Sr. No.	Name of the Director	Status
1.	Mr. Sagar Jain	Chairman, Non Executive and Independent Director
2.	Mr. Daulat Jain	Executive Director
3.	Mr. Ashok Agarwal	Non Executive and Independent Director

The Remuneration committee meets as and when need arises. The remuneration policy of the company is directed towards rewarding performance, based on review of achievements on a periodical basis.

Company has a policy of remunerating Managing Director / Manager by way of monthly salary which are duly been approved by the Remuneration Committee. No remuneration except sitting fees for attending the Board Meeting is paid to other directors.

Sitting Fees paid to the Non Executive Directors for the year ended 31.03.09.

<u>Name of Director</u>	<u>Sitting Fees</u>
Mr. Pawan Jain	20,000
Mr. Sagar Jain	16,000
Mr. K.P.Khandelwal	20,000
Mr. Ashok Agarwal	8,000
Mr. R.S. Agarwal	16,000
Mr. K.K. Saraf	20,000

**g) Subsidiary Company :**

Your company had one wholly owned unlisted subsidiary – “ **ASHIKA CAPITAL LIMITED (alias ACL)**” carrying out Merchant Banking and Underwriting activities. Its Board Stands as follows:

- | | | | |
|----|---------------------|---|-----------------------|
| 1) | Mr Pawan Jain | - | Chairman cum Director |
| 2) | Mr Daulat Jain | - | Director |
| 3) | Mr K. P. Khandelwal | - | Director |
| 4) | Mr Ashok Kr Agrawal | - | Director |
| 5) | Mr Sagar Jain | - | Director |

Your company diluted its investment of 10,50,000 equity shares of ACL and the said was accorded in the meeting held on 23rd October 2008, after receipt of the necessary approval from SEBI on 5th September 2008.

h) General Body Meetings

The last three Annual General Meetings of the company were held as per details given below:

Year	Date	Venue	Time	No. of Special Resolutions passed
2007-2008	29 th September, 2008	“ TRINITY ”, 226/1 A.J.C. Bose Road, 7 th Floor Kolkata-700020	4.00 PM	Nil
2006-2007	28 th September, 2007	“ TRINITY ”, 226/1 A.J.C. Bose Road, 7 th Floor Kolkata-700020	11.00 AM	Nil
2005-2006	31 st August, 2006	“ TRINITY “, 226/1, A.J.C. Bose Road, 7 th Floor, Kolkata – 700020	11.00 AM	Nil

Note: The Company shall comply with the requirements of using postal ballot as and when required.

i) Disclosures:

- Disclosures on materially significant related party transaction. i.e. transaction of material nature, with its promoter, directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.
Ø There are no materially significant transactions made by the company with its promoters, directors or the management, or relatives etc. which have potential conflict with the interest of the company at large.
- Details of non-compliance by the company, penalties and strictures imposed on the company by stock exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
Ø None
- Whistle Blower Policy
Ø The company do not have any Whistle Blower Policy. However, any employee would not be denied access to the Audit and Finance Committee.



j) Means of Communication

Annual Report in respect of each financial year are sent to the shareholders and each report contains the Annual Accounts of the company in respect of the financial year with the Director's and Auditor's Reports. Also included in each Annual Report is the Notice convening the Annual General Meeting, the financial year's Corporate Governance Report and Cash Flow Statement together with the corresponding Reports of the Auditors.

The Financial Results are being published in The Business Standards one of the leading national (English) newspaper and in Arthik Lipi, Vernacular newspaper (Bengali).

The Financial Results of the company were officially released or would be released in accordance with the following schedule:

Sr. No.	Nature of Communication	Media used for Publication	Dates of Publication	Forwarded/to be forwarded to Stock Exchange on
1.	Quarterly Unaudited Financial Statements (First Quarter 08-09)	Newspaper	29-07-2008	29-07-2008
2.	Quarterly Unaudited Financial Statements (Second Quarter 08-09)	Newspaper	24-10-2009	24-10-2008
3.	Quarterly Unaudited Financial Statements (Third Quarter 08-09)	Newspaper	15-01-2009	15-01-2009
4.	Publication of Annual Audited Results for The year ended 31 st March 2009. In accordance with Clause 41 of the Listing Agreement with the Stock Exchanges	Newspaper	08-06-2009	08-06-2009

The Management Discussion and Analysis in respect of the Financial Year is a part of the Director's Report.

k) Mandatory Requirement

The company has complied with the mandatory requirements as stipulated in clause 49 of the listing agreements with the exchanges.

l) Compliance with Non Mandatory Requirements of Clause 49

Adoption of non-mandatory requirements is under active consideration of the company.

m) Compliance Certificate of the Auditor

The Company has obtained a certificate from the Statutory Auditor regarding compliance of conditions of Corporate Governance as stipulated in clause in Clause 49 of the Listing Agreement. The Certificate is annexed.

**n) Going Concern**

The directors are satisfied that the company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the going concern basis in preparing financial statements.

O) Additional Shareholder Information:

1. **Registered & Corporate Office** : "Trinity", 226/1, A.J.C. Bose Road
Kolkata – 700 020.
2. **Date of Incorporation** : March 8, 1994
3. **Registration No./ CIN** : L671220WB1994PLC062159
4. **Date, Time and venue of 16th AGM** : 15th Day of September 2009 at "Trinity",
226/1, A.J.C. Bose Road, Kolkata- 700 020
at 4.00 P.M. The notice of the AGM is being
sent to the members along with its annual
report.
5. **Date of Book Closure** : 8th Day of September 2009 to 15th day of
September 2009 (both days inclusive)
6. **Dividend Payout** : Nil.
7. **Financial Year** : April 01, 2008 – March 31, 2009
8. **Listing Payment** : The Annual Listing fees have been paid and
there is no outstanding payment towards
the stock exchanges, as on date.
9. **Listing on Stock Exchanges** : The Company's equity shares are listed
on The Calcutta stock Exchange
Association Limited
7, Lyons Range, Kolkata - 700001
10. **Stock Code** : ASHIKACR
11. **Registrar & Share Transfer Agent** : Maheshwari Datamatics Private Ltd.
(Share Transfer & Communication regarding
share certificates, dividends and change of
Address)
6, Mango Lane, 2nd Floor,
Kolkata – 700001
Tel no: 91-33-2243 5029/5809
Fax no: 91-33-2248 4787
12. **Stock Market Data** : There has been no stock trading during the year.
13. **Dematerialisation of
Shares & Liquidity** : The company's shares are available for
trading in the depository systems of both
NSDL & CDSL.
14. **Outstanding GDR/Warrants** : None



15. Distribution of Shareholding as at 31.03.09

Slab of shareholding	No. of Shareholders	%	Number of Shares	%
1-500	46	23.0000	8398	0.1681
501-1000	33	16.5000	31105	0.6227
1001-2000	44	22.0000	77178	1.5452
2001-3000	15	7.5000	40500	0.8108
3001-4000	9	4.5000	33800	0.6767
4001-5000	7	3.5000	34116	0.6830
5001-10000	9	4.5000	78100	1.5637
10001 & above	37	18.5000	4691629	93.9298
Total	200	100	4994826	100

16. Shareholding Pattern as on 31.03.2009

Shareholding Pattern	Number of Shares	% of Shareholding
Indian Promoters & their Associates	2691695	53.8897
Mutual Funds & UTI	-	-
Banks, Financial Institutions, Insurance Companies (Central & State Govt. Institutions/ Non-Govt. Institutions)	-	-
Other Corporate Bodies	1841644	36.871
Resident Individuals (Public)	461487	9.2393
Grand Total	4994826	100

17. Addresses for Investor correspondence

Company Address:	Registrar and Transfer Agent:
Secretarial Department Ms. Anju Lohiya (Company Secretary) "Trinity", 226/1, A.J.C. Bose Road Kolkata – 700 020 Tel No. (033) 2283-9952 Fax No. (033) 2289-1555	Maheshwari Datamatics Pvt. Ltd. (Share Transfer & Communication regarding share certificates, dividends and change of Address) 6, Mango Lane, 2 nd Floor, Kolkata – 700001 Tel no: 91-33-2243 5029/5809 Fax no: 91-33-2248 4787

For, Ashika Credit Capital Limited

Place: Kolkata
 Date: 6th June, 2009

Pawan Jain
 Chairman Cum Director



CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION:

We, Babulal Bafna, Chief Executive Officer, (Manager) and Anju Lohiya, Chief Financial Officer, (Company Secretary) to the best of our knowledge and belief certify that:

1. We have reviewed the Balance sheet as at 31st March, 2009 and Profit & Loss Account for the year ended 31st March 2009, and all its schedules and notes on accounts as well as the Cash Flow statements and the Director's report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of material fact or omits to state a material fact or does not contain any statement that might be misleading;
3. Based on our knowledge and information the financial statements and other financial information included in this report present in all material respects a true and fair view of the company affairs, the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report, and are in compliance with the existing Accounting Standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief no transactions entered into by the company during the aforesaid period are fraudulent, illegal or violative of the company's' code of conduct;
5. We are responsible for establishing and maintaining disclosure, controls and procedures and internal controls over financial reporting for the company and we have;
 - i. Evaluated the effectiveness of the company's disclosure, controls and procedures over financial reporting and
 - ii. Disclose in this report any change in the company's internal control over financial reporting that occurred during the company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting;
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's Auditor and the Audit Committee of the company's Board of Director's;
 - i. All Deficiencies in the design or operation of internal controls, which could adversely affect the company's ability to record, process, summarise and report financial data and have identified for the company's Auditors, any material weakness in internal control over financial reporting including any corrective actions with regard to deficiencies;
 - ii. Significant Changes in internal controls during the period covered by this report, if any;
 - iii. All significant changes in Accounting Policies during the year, if any, and the same have been disclosed in the notes to the financial statements;
 - iv. Instances of significant fraud of which we are aware that involves management or other employees who have a significant role in the company's internal control system;
7. We affirm that we have not denied any personnel, access to the audit committee of the company (in respect of matters involving alleged misconduct)

Date: 6th June, 2009

BABULAL BAFNA
Chief Executive Officer
& Manager

ANJU LOHIYA
Chief Financial Officer
Company Secretary



AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of the conditions of corporate governance by Ashika Credit Capital Limited, of 226/1, A. J. C. Bose Road, 7th Floor, Kolkata - 700 020 for the year ended on 31st March, 2009, as stipulated in clause 49 of the Listing Agreement entered into by the company with the stock exchange.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of 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 clause 49 of the above-mentioned Listing Agreement.

We 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 P. K. SAH & ASSOCIATES
Chartered Accountants

Place: Kolkata
Date: 6th June, 2009

(P. K. SAH, FCA)
Partner
Mem. No. 56216



ANNEXURE TO THE DIRECTORS' REPORT MANAGEMENT DISCUSSION & ANALYSIS REPORT :

OVERVIEW:

The NBFC sector in India is represented by mix of few large companies with nationwide presence and large number of small and medium sized companies with regional focus. The Operations of NBFCs are being regulated and supervised by regulations of Reserve Bank of India. The regulatory and supervisory framework for NBFCs have been continuously strengthened in order to ensure strong and healthy functioning of the financial services sector. This sector in India has become very matured with reduced dependence on acceptance of public deposits as part of its overall funding. The NBFC sector plays a vital role in funding various projects and fulfill the working capital requirement of the corporate sector for long term as well as short-term basis. NBFCs provide tailor made services with least hassles.

INDUSTRY STRUCTURE AND DEVELOPMENT:

Several factors have contributed to the rapid growth of NBFCs in India. The activities of NBFCs in India over a period have undergone a qualitative change through functional specialization in diverse lending activities viz. equipment lease finance, hire purchase finance, loan, investment, chit fund, housing finance, stock broking, merchant banking, primary dealership, micro finance, etc. Comprehensive regulation of the banking system on the one hand and relatively lower degree of regulation over NBFCs on the other have significantly contributed to their rapid growth. In addition, the Reserve Bank has been strengthening the supervisory framework for NBFCs to ensure sound and healthy functioning.

OPPORTUNITIES AND THREATS:

As the market is slowly and gradually growing with optimistic foreign investors, various opportunities are coming on the way which has contributed vastly for the rapid growth of NBFCs. As there are various limitation on issuance of License by Regulatory Authority, so many Foreign companies are looking to enter the Financial Market in India through their strategic alliance with NBFCs. In India NBFCs have a favorable prospect. They generally create assets for the business and are successful in generation of funds at a lower rate and make their profitable deployment. Their can also be increase in demands of funds by the corporate sectors due to the economic indicators such as low core interest rates, good export performance and balance of payment position, low core inflation and proper forex reserves. Your company is confident to utilize the growth opportunities available in each of its existing business areas and will also be expanding the focus of activities to new areas, arising from the strong growth momentum in the economy. The NBFC sector faces competitive pressure from the banking sector and financial institution with comparatively low cost of funds at their disposal. The spreads in the lending business have also narrowed considerably due to increased competition in this sector. A dedicated customer base and adoption of prudential business strategies would help the Company to perform consistently despite such stiff competition and difficult conditions.

HUMAN RESOURCES:

The company recognizes the Intellectual capital as its most valuable asset and constantly strives to strategically align personal goals and organizational growth. It encourages open channels of communication, blending the individuals vision with that of the organization and building a shared understanding of how each team member can contribute to the Company's success. It aims to build a strong corporate culture on core values such as safety, integrity,



innovation and teamwork, thus creating a vision-guided, values-driven organization that focuses on employee fulfillment and leadership development Employee relations continued to be cordial during the year.

No employee of the company was in receipt of remuneration above the limit specified under the section 217(2A) of the Companies Act, 1956.

OUTLOOK

The financial services sector is one of the key growth area of the economy. Moreover, a strong growth potential of Indian Economy and a healthy Capital Market Environment provides more opportunities to existing players of the financial services sector. The Company intends to actively pursue growth opportunities in the fast growing financial services sector in the economy through expanding its existing clientele base and a judicious investment approach to tap the benefit offered by the robust Indian Capital Markets such as marketing of financial instrument, short term financing, and loan syndication activities etc. New innovative ideas have been implementing in the organization to move a step ahead in this competitive edge.

RISK & CONCERNS:

In spite of a fast integrating global economy, there are different risks associated with different markets. For example, while in some markets there is higher political risk; in others the risk of an economic downturn is higher. ACCL being an NBFC is exposed to credit risk, liquidity risk and interest rate risk. The company has in place suitable mechanism to effectively reduce such risk. Risk Management framework entails regular review of risk status and risk exposure in the areas of business, operations, and the various initiatives taken by the company to mitigate material risks through effective information system. The company recognizes the importance of risk management on account of increasing competition and market volatility in the financial service business.

INTERNAL CONTROL SYSTEM AND ADEQUACY:

The company has adequate internal control system commensurate with its size and nature of business and suitable internal control procedures, optimum resource utilization and compliance with the various statutes is ensured. Your Company has installed an adequate system of internal controls in all spheres of its activity The Management periodically reviews the internal controls and takes appropriate steps to implement the suggestions and observations needed to bring about better financial efficiency and effectiveness. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Audit Committee reviews the adequacy of internal control system on regular basis and follow up actions are then immediately implemented.

OPERATIONAL PERFORMANCE

The company is presently concentrating on its core business as an NBFC company. The strengthening of the management team and the improved operations through setting up of well established systems and procedure during the year have yielded significant results which has helped the company to achieve a faster growth.

For and on behalf of the Board of Directors

Place : Kolkata
Date : 6th June, 2009

(Pawan Jain)
Chairman



AUDITORS' REPORT

To The Members of
ASHIKA CREDIT CAPITAL LIMITED

1. We have audited the attached Balance Sheet of **Ashika Credit Capital Limited** (the 'Company') as at 31st March, 2009 and the relative Profit and Loss Account and also the Cash Flow Statement 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 have conducted our audit in accordance with auditing standard 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 amount 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, issued by the Central Government of India in accordance to section 227(4A) of the Companies Act 1956, and on the basis of our checks as we considered appropriate and according to information and explanations given to us during the course of our audit, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of the 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report 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 representations received from the directors as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of sub section 1(g) 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 accounts read together with the schedules and notes thereon and attached thereto give the information required by the Companies Act, 1956 in

ASHIKA CREDIT CAPITAL LIMITED



conformity with the accounting principles generally accepted in India and give a true and fair view:-

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- ii) In the case of Profit and Loss Account of the profit for the year ended on 31st March, 2009; and
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on 31st March, 2009.

For P. K. SAH & ASSOCIATES
Chartered Accountants

Place : Kolkata
Dated : 6th June, 2009

(P. K. SAH, FCA)
Partner
Mem. No. 56216



**ANNEXURE TO THE AUDITORS' REPORT -
ASHIKA CREDIT CAPITAL LIMITED**

[Referred to in paragraph (3) of our report of even date]

- (i) (a) The Company, we have been informed, has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As per information and explanations given to us, the management at reasonable intervals under a phased programme has physically verified the fixed assets. We have been informed, no material discrepancies have been found on such physical verifications.
- (c) During the year, the Company has not disposed off any part of its fixed assets that would affect the going concern.
- (ii) (a) As explained to us, stock in trade of shares & securities was 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 procedure of physical verification of stock in trade followed by the management were reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of stock in trade and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has granted unsecured loans to four companies covered in the Register maintained u/s.301 of the Companies Act, 1956. The maximum amount involved are Rs.1,418.42 lacs and the year end balance is Rs.63.34 lacs being the amount of interest accrued;
- (b) The rate of interest and other terms and conditions of such unsecured loans given by the company, are prima-facie not pre-judicial to the interest of the Company;
- (c) The receipt of the principal amount and interest are as per stipulation;
- (d) There are no overdue amount in respect of such loans granted by the Company;
- (e) The Company has taken unsecured loans from two companies covered in the Register maintained u/s.301 of the Companies Act, 1956. The maximum amount involved during the year of Rs.224.16 lacs and the year end balance; is Rs.10.56 lacs being the amount of interest accrued;
- (f) In our opinion, the rate of interest and other terms and conditions of such unsecured loans taken by the company as aforesaid, are prima-facie, not prejudicial to the interest of the Company;
- (g) The payment of the principal amount and interest are regular.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and shares and securities



held as stock in trade and for sale of shares etc. and services. We have not observed any continuing failure to correct major weaknesses in such internal controls.

- (v) (a) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so recorded in the register.
- (b) In our opinion and according to the information and explanations given to us, where each of such transactions is in excess of Rs.5 Lacs in respect of any party, the transactions have been made at prices which are, prima-facie, reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of the section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposit accepted from the public.
- (vii) We have informed, the company does not have formal internal audit system and the internal control is exercised departmentally;
- (viii) Since the Company is not engaged in any manufacturing activities, the clause relating to maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act is not applicable to the Company.
- (ix) (a) According to the records of the Company and explanations given to us the company is generally regular in depositing undisputed dues payable in respect of Provident Fund, Investors Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess or any other material statutory dues, whatever applicable, with appropriate authority. *There have instances of delayed payment of professional tax (deducted from employees on payment of salary) and amount of Rs. 2,300/- is in arrear as at the end of financial year.*
- There is no undisputed amount payable in respect of such statutory dues which have remained outstanding as at the Balance Sheet date for a period more than six months from the date become payable *except Rs. 280/- in respect of professional tax (deducted from employees on payment of salary).*
- (b) As per information provided there are no cases of disputed dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty or cess.
- (x) The Company does not have any accumulated losses at the end of the financial year and the Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) The Company has not borrowed from financial institutions or banks or by issue of debentures; as such clause (xi) of the said Order is not applicable.



ASHIKA CREDIT CAPITAL LIMITED

- (xii) According to the information and explanation given to us, the Company, during the year, has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a chit fund Company or nidhi / mutual benefit fund / society.
- (xiv) The Company has maintained proper records of transactions and contracts in respect of dealing and trading in shares, securities etc. and timely entries have been made therein. The company in its own name has held the aforesaid securities, except to the extent of the exemption granted under Section 49 of the Companies Act'1956.
- (xv) The Company has given guarantee (jointly with two other guarantors) to a bank for obtaining Bank Guarantee by a company listed in the Register maintained under section 301 having outstanding balance of Rs 7.50 crores (as on 31st March, 2009) which as per explanations given by the management is prima facie not prejudicial to the Interest of the Company.
- (xvi) According to the information and explanations given to us, in our opinion, the Company have neither obtained nor applied any term loans during the year.
- (xvii) On the basis of our review of utilization of funds, we are of the opinion that the funds raised on short-term basis have, prima facie, not been used for long-term purposes or vice - versa.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures. Accordingly clause (xix) of the said Order is not applicable.
- (xx) The Company has not raised any money by public issues during the year under review.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For P. K. SAH & ASSOCIATES
Chartered Accountants

Place : Kolkata
Dated : 6th June, 2009

(P. K. SAH, FCA)
Partner
Mem. No. 56216

ASHIKA CREDIT CAPITAL LIMITED



BALANCE SHEET AS AT 31ST MARCH, 2009

	SCHEDULES	As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
<u>SOURCES OF FUNDS</u>			
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	1	49,964,955.00	49,964,955.00
Reserves and Surplus	2	48,907,702.96	47,338,396.88
		98,872,657.96	97,303,351.88
<u>LOAN FUNDS</u>			
Unsecured Loans	3	17,202,710.00	5,192,080.00
DEFERRED TAX LIABILITIES		105,467.00	78,060.63
Total		116,180,834.96	102,573,492.51
<u>APPLICATIONS OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross Block	4	5,637,932.00	1,259,793.00
Less : Depreciation		761,519.64	655,574.64
Net Block		4,876,412.36	604,218.36
INVESTMENTS	5	66,168,000.00	58,151,000.00
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
Stock in Trade	6	135,250.00	539,007.25
Sundry Debtors	7	-	5,086,973.71
Cash & Bank Balances	8	2,690,126.18	18,363,720.72
Loans & Advances	9	44,113,391.82	75,372,212.87
		46,938,768.00	99,361,914.55
<u>LESS :- CURRENT LIABILITIES AND PROVISIONS</u>			
Current Liabilities	10	1,024,382.40	53,518,212.40
Provisions	11	777,963.00	2,025,428.00
		1,802,345.40	55,543,640.40
NET CURRENT ASSETS		45,136,422.60	43,818,274.15
Total		116,180,834.96	102,573,492.51
ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS	18		

SCHEDULES '1' TO '11' AND '18' REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE BALANCE SHEET

This is the Balance Sheet referred to in our report of even date

Place : Kolkata Dated : 6th June, 2009	P. K. SAH, FCA, <i>Partner</i> Mem. No. 56216 For and on behalf of P. K. SAH & Associates <i>Chartered Accountants</i>	<i>For and on behalf of the Board</i> Pawan Jain Director Daulat Jain Executive Director Babulal Bafna Chief Executive Officer Anju Lohiya Company Secretary
---	---	--

**ASHIKA CREDIT CAPITAL LIMITED****PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

	SCHEDULES	Year ended 31st March, 2009	Year ended 31st March, 2008
		Rs.	Rs.
INCOME			
Sale of Shares etc.		10,040,137.90	226,632,568.07
Profit from Derivatives / Intra day Trading in Shares		-	20,604,000.80
Interest Income	12	8,834,036.00	12,722,821.75
Profit on Sale of Investments in Shares / Units of Mutual Funds		-	55,120.80
Other Income	13	178,953.80	72,739.46
		<u>19,053,127.70</u>	<u>260,087,250.88</u>
EXPENDITURE			
Purchase of Shares etc.		10,983,470.45	249,440,985.75
(Increase)/Decrease in Stock of Shares etc.	14	403,757.25	(539,007.25)
Other Direct Expenses	15	33,057.15	1,056,047.29
Administrative & Other Expenses	16	2,526,526.35	1,749,827.84
Loss from Derivatives / Intra day Trading in Shares		30,470.00	-
		<u>13,977,281.20</u>	<u>251,707,853.63</u>
PROFIT BEFORE INTEREST, DEPRECIATION & TAXATION		5,075,846.50	8,379,397.25
LESS : Interest Expenses	17	2,855,319.00	2,505,021.00
PROFIT BEFORE DEPRECIATION AND TAXATION		2,220,527.50	5,874,376.25
LESS : Depreciation		105,945.00	10,204.00
PROFIT BEFORE TAXATION		2,114,582.50	5,864,172.25
LESS : Provision for Taxation			
- Current Tax		586,979.00	2,010,113.00
- Deferred Tax Liabilities		64,015.76	2,178.16
- Fringe Benefit Tax		24,135.00	15,315.00
		<u>675,129.76</u>	<u>15,315.00</u>
PROFIT AFTER TAXATION		1,439,452.74	3,836,566.09
Add/(Less) : Balance Brought Forward from Previous Year		13,489,166.48	10,098,269.39
Add/(Less) : Earlier Year's excess provision of Income			
Tax Written Back (net)		211,720.95	321,641.00
Add/(Less) : Impact of Revised AS 15 as on 1st April, 2008			
(Net of Deferred Tax Assets)		(81,867.61)	-
[Refer note no. B (11) in Schedule 18]			
Profit Available for Appropriation		<u>15,058,472.56</u>	<u>14,256,476.48</u>
APPROPRIATIONS			
Transfer to Statutory Reserves U/s 45IC of the RBI Act, 1934		287,890.00	767,310.00
Balance Carried Over to Balance Sheet		<u>14,770,582.56</u>	<u>13,489,166.48</u>
		<u>15,058,472.56</u>	<u>14,256,476.48</u>
Earnings per Share (in Rs.)			
[Refer note no. B (5) in Schedule 18]		0.29	0.77
ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS	18		
SCHEDULES '12' TO '18' REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE PROFIT & LOSS ACCOUNT			

This is the Profit & Loss Account referred to in our report of even date

P. K. SAH, FCA,
Partner

Mem. No. 56216

For and on behalf of

P. K. SAH & Associates
Chartered Accountants

For and on behalf of the Board

Pawan Jain Director

Daulat Jain Executive Director

Babulal Bafna Chief Executive Officer

Anju Lohiya Company Secretary

Place : Kolkata

Dated : 6th June, 2009



**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE - 1		
SHARE CAPITAL		
Authorised		
52,50,000 Equity Shares of Rs.10/- each	52,500,000.00	52,500,000.00
Issued & Subscribed		
50,01,000 Equity Shares of Rs.10/- each	50,010,000.00	50,010,000.00
Paid Up		
Fully Called and paid up in cash		
49,94,826 Equity Shares of Rs.10/- each	49,948,260.00	49,948,260.00
Add : Forfeited shares	16,695.00	16,695.00
	49,964,955.00	49,964,955.00
SCHEDULE - 2		
RESERVES & SURPLUS		
Share Premium Account		
Balance as per Last Account	(A) 29,187,000.00	29,187,000.00
Statutory Reserves		
U/s 45IC of the RBI Act, 1934		
Balance as per Last Account	4,662,230.40	3,894,920.40
Add : Transferred during the year	287,890.00	767,310.00
	(B) 4,950,120.40	4,662,230.40
Profit & Loss Account		
Surplus Balance	(C) 14,770,582.56	13,489,166.48
	(A+B+C) 48,907,702.96	47,338,396.88
SCHEDULE - 3		
UNSECURED LOANS		
From Bodies Corporates		
<i>(including Interest Accrued and due</i>		
<i>Rs. 22,02,710/- , P.Y. Rs. 17,60,236/-)</i>		
	17,202,710.00	5,192,080.00



SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

**SCHEDULE - 4
FIXED ASSETS**

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK	
	As at 1st April, 2008 (Rs.)	Additions/ Adjustments (Rs.)	Withdrawals/ Adjustments (Rs.)	As at 31st Mar 2009 (Rs.)	As at 1st April 2008 (Rs.)	For the period (Rs.)	Deductions/ Adjustments (Rs.)	As at 31st Mar 2009 (Rs.)	As at 31st Mar 2008 (Rs.)
BUILDINGS	626,110.00	3304919#	-	3,931,029.00	53,575.79	31,084.00	-	84,659.79	572,534.21
PLANT & MACHINERY	-	1,073,220.00	-	1,073,220.00	-	74,861.00	-	74,861.00	1,073,220.00
Motor Car	-	-	-	-	-	-	-	-	-
Computers & Printers	633,683.00	-	-	633,683.00	601,998.85	-	-	601,998.85	31,684.15
TOTAL	1,259,793.00	4,378,139.00	-	5,637,932.00	655,574.64	105,945.00	-	761,519.64	1,677,438.36
TOTAL OF PREVIOUS YEAR	1,259,793.00	-	-	1,259,793.00	645,370.64	10,204.00	-	655,574.64	614,422.36

Assets acquired during the year, pending registration.

Note: Depreciation has been provided on Straight Line Method at the rates specified in schedule -XIV to the Companies Act, 1956 on pro-rata basis.

ASHIKA CREDIT CAPITAL LIMITED

SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE - 5		
INVESTMENTS (At Cost)		
Long Term - Non- Trade		
(a) Government Securities (Unquoted)		
12.3% Government of India Stocks	(A) 468,000.00	468,000.00
(b) Units of Mutual Funds (Unquoted, Fully paid up units of Rs.10/- each)		
4293565.377 (P.Y. Nil) units in IDFC - Money Manager Fund #	60,000,000.00	-
63542.494 (P.Y. Nil) units in IDFC - Cash Fund #	<u>1,000,000.00</u>	-
	(B) 61,000,000.00	-
(c) Equity Shares - (Unquoted, Fully paid up of Rs.10/- each)		
<u>In Subsidiary Company</u>		
Nil (P.Y. 1050000) Sh. Ashika Capital Ltd.*	-	52,983,000.00
<u>In Others</u>		
47000 (P.Y. 47000) Sh. Ashika Properties Pvt. Ltd.	4,700,000.00	4,700,000.00
	(C) 4,700,000.00	57,683,000.00
	(A+B+C) <u>66,168,000.00</u>	<u>58,151,000.00</u>
<i>Aggregate Net Assets Value (NAV) of the Investment in Units</i>	61,248,301.59	-
SCHEDULE - 6		
STOCK IN TRADE		
<i>(Valued at lower of cost or market value) (As Certified by the Management)</i>		
Shares - Quoted	135,250.00	539,007.25
[Refer Note No. B (10) (b) in Schedule - 18]	<u>135,250.00</u>	<u>539,007.25</u>
SCHEDULE - 7		
SUNDRY DEBTORS		
<i>(Unsecured, considered good)</i>		
Debts outstanding for a period exceeding six months	-	-
Other Debts	-	5,086,973.71
	-	<u>5,086,973.71</u>
# Invested during the year		
* Disposed off during the year		

**ASHIKA CREDIT CAPITAL LIMITED****SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE - 8		
<u>CASH AND BANK BALANCES</u>		
Cash in Hand <i>(As certified by Management)</i>	947,764.93	399,837.93
Cheques in Hand	136,678.94	15,000,000.00
Balances with Scheduled Banks <i>In Current Accounts</i>	1,605,682.31	2,963,882.79
	<u>2,690,126.18</u>	<u>18,363,720.72</u>
SCHEDULE - 9		
<u>LOANS AND ADVANCES</u>		
Loans and Other Credit Facilities <i>(Considered Good, unless otherwise stated)</i>		
Secured	-	11,131,400.00
Unsecured	6,333,739.00	38,247,492.00
	<u>6,333,739.00</u>	<u>49,378,892.00</u>
Advances recoverable in cash or in kind or for value to be received		
Interest Accrued :		
On Govt. Securities	12,300.00	12,300.00
On Margin Money Deposits	62,710.00	910,963.00
	<u>75,010.00</u>	<u>923,263.00</u>
Share Application Money <i>(Pending Allotment)</i>	35,000,000.00	18,000,000.00
Security Deposits	99,568.00	94,163.00
Other Advances	633,946.00	4,159,961.00
Tax Payments :		
Prepaid Income Tax	1,971,128.82	2,815,933.87
	<u>44,113,391.82</u>	<u>75,372,212.87</u>
SCHEDULE - 10		
<u>CURRENT LIABILITIES</u>		
Sundry Creditors :		
- For Expenses	103,488.00	141,167.00
- For Others	738,491.00	209,532.00
Advances Against Sale of Shares	-	52,983,000.00
Unclaimed Dividend	182,403.40	184,513.40
	<u>1,024,382.40</u>	<u>53,518,212.40</u>



**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE - 11		
<u>PROVISIONS</u>		
For Income Tax :		
Asst. Year 2009 -10	586,979.00	-
Earlier Years	-	2,010,113.00
Fringe Benefit Tax :		
Asst. Year 2009 -10	24,135.00	-
Earlier Years	-	15,315.00
For Gratuity	166,849.00	-
	<u>777,963.00</u>	<u>2,025,428.00</u>
SCHEDULE - 12		
<u>INTEREST INCOME</u>		
Interest on Loans & Other Credit Facilities (including TDS Rs. 17,81,762/- P.Y. Rs.21,32,949/-)	8,713,155.00	12,583,960.75
Interest on Investment in Govt. Securities	49,200.00	49,200.00
Interest on Income Tax Refunds	71,681.00	89,661.00
	<u>8,834,036.00</u>	<u>12,722,821.75</u>
SCHEDULE - 13		
<u>OTHER INCOME</u>		
Rent	120,000.00	-
Dividend on Shares - held as Stock - in - Trade	7,700.00	34,621.55
Dividend - on Investment in Units of Mutual Funds	-	38,117.91
Miscellaneous Income	51,253.80	-
	<u>178,953.80</u>	<u>72,739.46</u>
SCHEDULE - 14		
<u>(INCREASE) / DECREASE IN STOCK OF SHARES ETC.</u>		
Opening Stock	539,007.25	-
Less : Closing Stock	135,250.00	539,007.25
	<u>403,757.25</u>	<u>(539,007.25)</u>
SCHEDULE - 15		
<u>OTHER DIRECT EXPENSES</u>		
Service Tax	2,834.85	153,420.01
Stamp Charges	2,102.45	92,571.56
Transaction Charges	735.85	69,121.88
Demat Charges	1,104.00	3,651.70
Auction Charges	-	4,503.29
Securities Transaction Tax	26,280.00	732,778.85
	<u>33,057.15</u>	<u>1,056,047.29</u>

**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE - 16		
<u>ADMINISTRATIVE & OTHER EXPENSES</u>		
Salary, Bonus and Other Allowances	1,313,145.00	1,081,604.00
Gratuity	48,372.00	-
Staff Welfare Expenses	22,603.00	19,395.00
Employer's Contribution to Provident Fund	34,216.00	34,050.00
Travelling and Conveyance	22,486.00	78,250.00
Printing and Stationary	42,351.00	41,088.00
Postage and Courier	15,077.00	27,285.00
Telephone / Mobile Expenses	76,019.17	115,828.39
Motor Car Expenses	14,920.00	-
Miscellaneous Expenditure	72,282.00	50,184.40
Professional Fees	89,878.00	47,625.00
Insurance Charges	26,316.00	-
Fees & Subscription	41,931.00	41,958.00
Advertisement	14,518.00	9,207.00
Bank Charges & Commission	5,441.18	4,160.41
Sundry Balances Written Off	-	11,281.64
Irrecoverable Advances Written Off	518,419.00	-
Auditor's Remuneration	68,552.00	71,911.00
Payment to Directors:		
Directors' Meeting Fees	100,000.00	116,000.00
	<u>2,526,526.35</u>	<u>1,749,827.84</u>
SCHEDULE - 17		
<u>INTEREST PAID</u>		
Interest on Unsecured Loans	2,848,087.00	2,494,636.00
Other Interest	7,232.00	10,385.00
	<u>2,855,319.00</u>	<u>2,505,021.00</u>



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 18 : ACCOUNTING POLICIES & NOTES OF ACCOUNTS

A) ACCOUNTING POLICIES

1. Basis of Accounting

The Financial statements are prepared under the historical cost convention on accrual basis of accounting. These are presented in accordance with the Generally Accepted Accounting Principles as acceptable in India, provisions of the Companies Act, 1956, Accounting Standards notified by the Central Government under the Companies (Accounting Standards) Rules, 2006 and the guidelines issued by the Reserve Bank of India, wherever applicable.

2. Use of Estimates

The Preparation of the financial statements in conformity with the accounting standards generally accepted in India requires, the management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenues and expenses for the year. Management believes that the estimates used in the preparation of the financial statement are prudent and reasonable. Actual results could differ from these estimates.

3. Revenue Recognition

- a) Transactions in respect of dealing in securities are recognized on trade dates.
- b) Interest Income from financing activities and others is recognized on an accrual basis except in the case of non-performing assets where it is recognized, upon realization, as per Prudential Norms of Reserve Bank of India.
- c) Dividend Income is recognized on receipt basis.

4. Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation thereon. Cost comprises of purchase price, duties, taxes and incidental expenses related to the acquisition of the assets.

5. Depreciation on Fixed Assets

Depreciation on tangible fixed assets is provided on Straight Line Method at the rates specified in the Schedule XIV of the Companies Act, 1956. Depreciation on addition to the fixed assets is provided on pro-rata basis from the date the asset is available for use. Depreciation on sale / deduction from fixed asset is provided for, to the date of sale / deduction, as the case may be.

6. Impairment of Fixed Assets

An asset is treated as impaired when carrying cost of asset exceeds its recoverable amount. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period, if any, is reversed if there has been a change in the estimate of the recoverable amount.



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –18 : ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS (Contd.)

7. Shares, Commodities Futures / Equity Index

Initial margin and margin paid over and above initial margin, for entering into a contract for stock futures / equity index which are released on final settlement / squaring up of the underlying contract, are disclosed under Loans & Advances.

Stock futures / equity index are marked-to-market on a daily basis. Debit or Credit Balance, representing the net amount paid or received on the basis of movement in the price of stock futures / equity index till the balance sheet date, are disclosed under Receivables or Current Liabilities, respectively.

Profit / Loss on open position in stock futures / equity index as on the balance sheet date is accounted for as follows:

Credit balance in the Mark-to-Market margin, being the anticipated profit is ignored and no credit for the same is taken in the Profit and Loss Account.

Debit balance in the Mark-to-Market, being the anticipated loss is adjusted in the Profit and Loss Account.

8. Investments

Long Term Investments are stated at cost. Provision for diminution in value, if any, is made considering the nature and extent of permanent diminution.

9. Stock-in-Trade

Closing Stock of shares is valued script wise at lower of cost or market value.

10. Earning Per Share

Basic Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted Earning per share, is calculated by adjustment of all the effects of dilutive potential equity shares from the net profit or loss for the period attributed to equity shareholders and the weighted average numbers of shares outstanding during the period.

11. Taxation

Tax expenses comprises of current, deferred and fringe benefit tax. Current tax is determined as the amount of tax payable in respect of taxable income for the period under the provisions of the Income Tax Act 1961.

Fringe Benefit Tax is determined in accordance with the provisions of the Income Tax Act 1961.

Deferred tax is recognized, 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 reversible in one or more subsequent periods. Deferred tax assets are recognized and carried forward only to the extent there is reasonable



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –18 : ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS (Contd.)

certainty that sufficient future taxable income will be available against which such deferred tax asset item will be realized. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realized.

12. Retirement Benefits:

a) Defined Contribution Plans

Company's contribution towards Provident Fund, which is a defined contribution scheme, are charged to the Profit and Loss Account of the year when the contributions are due. There are no other obligations other than the contribution payable to the respective fund.

b) Defined Benefit Plans

Gratuity liabilities are provided for based on actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gains and losses are recognized immediately in the statement of Profit & Loss Account as income or expenses. Compensated leave is encashed during the year.

13. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and reliable estimate can be made for the amount of the obligation. Contingent liabilities are not recognized but disclose by way of notes to the accounts. Contingent assets are neither recognized nor disclosed in the financial statements

B) NOTES TO THE ACCOUNTS

1. The Company has given guarantee (jointly with two other guarantors) to a bank in favour of M/s Ashika Stock Broking Limited, a Company in which two of the directors are interested. Amount outstanding as on 31st March, 2009 is Rs. 7.50 Crores,
2. Loans and Other Credit Facilities (Schedule – 9) includes –
 - a) Rs.142,172/- (P.Y. Rs. 36,59,733/-) to M/s Ashika Forex Services Pvt Ltd , a Company in which two of the directors are interested. Maximum amount outstanding at a point of time is Rs.34,59,733/- (P.Y. Rs. 50,00,000/-)
 - b) Rs.57,85,323/- (P.Y. Rs.1,79,69,202/-) to M/s Ashika Global Securities Ltd, a Company in which two of the directors are interested. Maximum amount outstanding at a point of time is Rs.13, 81,69,202/- (P.Y Rs. 5,01,00,000/-).
 - c) Rs.406,243/- (P.Y. Nil) to M/s Ashika Insurance Broking & Risk Management Pvt. Ltd, a Company in which two of the directors are interested. Maximum amount outstanding at a point of time Rs.11, 50,000/- (P.Y Nil)

**SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009****SCHEDULES –18 : ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS (Contd.)**

3. Based on the information given by the Company, no creditor is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provisions / payments have been made by the company to such creditors, if any and no disclosures thereof are made in these accounts.

4. Earning per Share (EPS)

Basic and Diluted Earnings Per Share:

Particulars	Amount (Rs.)	
	2008 - 2009	2007 - 2008
Profit considered for calculating EPS (Net Profit after Tax)	14,39,452.74	38,36,566.09
Weighted average number of Equity Shares (Nos.)	4,994,826	4,994,826
Nominal value of Equity Shares	10.00	10.00
Basic and Diluted Earnings per Share (Rs.)	0.29	0.77

5. Managerial Remuneration

Remuneration to Manager:

Particulars	Amount (Rs.)	
	2008 - 2009	2007 - 2008
Salary	4,65,600/-	4,66,929.00
Performance Incentive	80,000/-	-
Contribution to Provident Fund	14,400/-	14,439.00
Total	5,60,000/-	4,81,368.00

Note: (i) Remuneration paid to Manager is within the limit specified U/s Part II to Schedule XIII to the Companies Act, 1956.

(ii) As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Manager is not ascertainable and, thereof, not included above.

6. The components of Net Deferred Tax Assets/ (Liabilities) are:

Particulars	Amount (Rs.)	
	2008-09	2007-08
Provision for Gratuity	# 51,556.00	
Difference between book depreciation and tax Depreciation on Fixed Assets	(1,57,023.00)	- (78,060.63)
	(1,05,467.00)	(78,060.63)

Includes Rs. 36,609.39 being Impact of deferred tax assets as on 1st April, 2008 as per revised As- 15.

Note: - Deferred Tax Assets on carried forward capital loss is not recognised in view of uncertainty of it's recovery.



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –18 : NOTES TO ACCOUNTS (Contd.)

7. The Company is mainly engaged in only one Business Segment i.e. the business of Investing and Financing related Activities and its operation is confined to only one Geographical Segment i.e. India. All other activities of the Company revolve around the main business. As such, no further disclosure under Accounting Standard 17 – Segment Reporting issued by the Institute of Chartered Accountants of India is required.

8. Auditor's Remuneration includes:

Particulars	2008-2009 (Rs.)	2007-2008 (Rs.)
For Statutory Audit	41,000.00	41,000.00
For Tax Audit	11,000.00	11,000.00
For Certification	10,000.00	12,000.00
Service Tax etc.	6,552.00	7,911.00
Total	68,552.00	71,911.00

9. Additional Information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956 (to the extent applicable to the company):

(a) Particulars in respect of Opening Stock, Purchases and Closing Stock of Shares and Units etc:

	Face Value	As at 31st March, 2009		As at 31st March, 2008	
		Qty.	Amounts	Qty.	Amounts
Opening Stock :					
Equity Shares (Quoted)	10/-	Nil	Nil	Nil	Nil
Equity Shares (Quoted)	5/-	Nil	Nil	Nil	Nil
Equity Shares (Quoted)	2/-	7465	5,39,007.25	Nil	Nil
Equity Shares (Quoted)	1/-	Nil	Nil	Nil	Nil
Units Of Mutual Fund	10/-	Nil	Nil	Nil	Nil
Purchases :					
Equity Shares (Quoted)	10/-	50000	1,09,83,470.45	543526	213,846,649.45
Equity Shares (Quoted)	5/-	Nil	Nil	2000	3,058,198.20
Equity Shares (Quoted)	2/-	Nil	Nil	107485	23,105,479.71
Equity Shares (Quoted)	1/-	Nil	Nil	70750	61,91,570.39
Units of Mutual Fund	10/-	Nil	Nil	800	3,239,088.00



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –18 : NOTES TO ACCOUNTS (Contd.)

	Face Value	As at 31st March, 2009		As at 31st March, 2008	
		Qty.	Amounts	Qty.	Amounts
Sales :					
Equity Shares (Quoted)	10/-	50000	99,90,000.00	543526	195,067,474.87
Equity Shares (Quoted)	5/-	Nil	Nil	2000	2,947,458.40
Equity Shares (Quoted)	2/-	2465	50,137.90	100020	20,128,898.30
Equity Shares (Quoted)	1/-	Nil	Nil	70750	5,807,008.50
Units of Mutual Fund	10/-	Nil	Nil	800	2,681,728.00
Closing Stock :					
Equity Shares (Quoted)	10/-	Nil	Nil	Nil	Nil
Equity Shares (Quoted)	5/-	Nil	Nil	Nil	Nil
Equity Shares (Quoted)	2/-	5000	1,35,250.00	7465	539,007.25
Equity Shares (Quoted)	1/-	Nil	Nil	Nil	Nil
Units of Mutual Fund	10/-	Nil	Nil	Nil	Nil

(b) Particulars of Stock in Trade shown under Current Assets:

NAME OF THE SCRIPT	Face Value	CLOSING STOCK AS ON 31/03/2009		CLOSING STOCK AS ON 31/03/2008	
		Qty (Nos.)	Amount (Rs.)	Qty. (Nos.)	Amount (Rs.)
Shares - Ordinary (Fully Paid)					
Quoted :					
DCW Ltd.	2/-	-	-	2465	43,507.25
Gulf Oil Corp. Ltd.	2/-	5000	1,35,250.00	5000	4,95,500.00
TOTAL		5000	1,35,250.00	7465	5,39,007.25

10. Employee Benefits

In the current year the Company has adapted accounting Standard 15 (revised) employee benefit which is mandatory from accounting period commencing on or after Dec., 2006, Accordingly, the company has provided for gratuity liability based on actuarial valuation done as per the projected unit credit method. This change does not have any material impact on the profit for the year. Further, in accordance with the translation provision allowed in AS – 15, a sum of Rs. 81,867.61/- (net of Deferred tax assets Rs. 36,609.39) being the impact of such change on the respective liabilities upto 31st March, 2008 has been adjusted against the opening credit balance of Profit & Loss Account. The scheme is unfunded.

The following tables summarize the components of net benefit expenses recognized in the Profit & Loss Account and funded status and amounts recognized in the balance sheet for Gratuity.



**SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR
THE YEAR ENDED ON 31ST MARCH, 2009**

SCHEDULES –18 : NOTES TO ACCOUNTS (Contd.)

	(Amount in Rs.)
	For the year ended 31 st March, 2009
(i) Net Employee Expense /(benefit)	
Current service cost	48,684
Interest cost on benefit obligation	11,413
Expected return on plan assets	-
Net Actuarial (gain) /loss recognized in the year	(11,725)
Total employer expense recognized in Profit and Loss Account	48,372
(ii) Benefit Asset/(Liability)	
Defined Benefit Obligation	1,66,849
Fair value of Plan Assets	-
Benefit Asset/(Liability)	(1,66,849)
(iii) Movement in benefit liability	
Opening defined benefit obligation	1,18,477
Interest cost	11,413
Current service cost	48684
Benefits paid	-
Actuarial (gains)/losses on obligation	(11,725)
Closing benefit obligation	1,66,849
(iv) The principal actuarial assumptions are as follows	
Discount rate	8.00%
Salary increase	5.00%
Withdrawal rates	Varying between 2% and 1% per annum depending upon the duration and age of the employees
(v) Amount incurred as expense for defined contribution plans	
Contribution to Provident / Pension fund	34,216
(vi)	The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market.
(vii)	The Company as on the balance sheet date does not have any employee who has completed five years of service. Therefore, although the provision for gratuity has been made as at year end, the Company has not contributed any amount to the gratuity fund. The Company expects to contribute Rs 48,372/- to Gratuity fund in 2009-2010.



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –18 : NOTES TO ACCOUNTS (Contd.)

(Amount in Rs.)

	For the year ended 31 st March, 2009
(viii) Amounts for the current period are as follows:	
Gratuity	
Defined Benefit Obligation	1,66,849
Plan Assets	-
Surplus / (Deficit)	(1,66,849)
Experience adjustments on plan liabilities	Not Available*
*The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities are not readily available and hence not disclosed.	

Note : The current year being the first year of adoption of As – 15 (revised) by the Company, the previous year's comparative information have not been furnished.

11. Related Parties Disclosures

Related parties disclosures, as stipulated by Accounting Standard – 18- Related Party Disclosures, issued by ICAI, are given below:

a) List of Related Parties:

- i) **Subsidiary Company upto 3rd November, 2008:**
Ashika Capital Limited. (upto 3rd November, 2008)
Ashika Insurance Broking & Risk Management Pvt. Ltd.
(fellow subsidiary upto 3rd November, 2008)
- ii) **Key Management Personnel:**
Mr. Pawan Jain
Mr. Daulat Jain.
- iii) **Enterprises owned by Key Management Personnel or their Relatives:**
Ashika Stock Broking Ltd.
Ashika Global Finance Pvt. Ltd.
Ashika Venture Capital Pvt. Ltd.
Ashika Forex Services Ltd.
Ashika Global Securities Ltd.
Ashika Properties Pvt. Ltd.
Ashika Technologies Pvt. Ltd.
Ashika Commodities & Derivatives Pvt. Ltd.



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –18 : NOTES TO ACCOUNTS (Contd.)

b) Transactions with Related Parties

Aggregate Related Party Transactions as at and for the year ended 31st March, 2009 (Transactions have been taken place on arm's length basis.)

	Subsidiaries		Enterprises owned by Key Management Personnel or their Relatives		Key Management Personnel		Total	
	Transaction value	Balance Outstanding as on 31st Mar 2009	Transaction value	Balance Outstanding as on 31st Mar 2009	Transaction value	Balance Outstanding as on 31st Mar 2009	Transaction value	Balance Outstanding as on 31st Mar 2009
Loans Taken								
Ashika Global Finance Pvt Ltd	- (-)	- (-)	7,327,183 (5,800,000)	98,363 (258,852)	- (-)	- (-)	7,327,183 (5,800,000)	98,363 (258,852)
Ashika Venture Capital Pvt Ltd	- (-)	- (-)	20,238,576 (6,400,000)	957,915 (4,915,922)	- (-)	- (-)	20,238,576 (6,400,000)	957,915 (4,915,922)
Repayment of Loans Taken								
Ashika Global Finance Pvt Ltd	- (-)	- (-)	7,487,672 (16,998,614)	- (-)	- (-)	- (-)	7,487,672 (16,998,614)	- (-)
Ashika Global Securities Ltd	- (-)	- (-)	- (111,526,888)	- (-)	- (-)	- (-)	- (111,526,888)	- (-)
Ashika Venture Capital Pvt Ltd	- (-)	- (-)	24,196,583 (245,770)	- (-)	- (-)	- (-)	24,196,583 (245,770)	- (-)
Loans Given								
Ashika Forex Services Pvt Ltd	- (-)	- (-)	333,828 (6,480,000)	142,173 (3,459,733)	- (-)	- (-)	333,828 (6,480,000)	142,173 (3,459,733)
Ashika Global Securities Ltd.	- (-)	- (-)	159,480,376 (84,700,000)	5,785,323 (18,169,202)	- (-)	- (-)	159,480,376 (84,700,000)	5,785,323 (18,169,202)
Ashika Insurance Broking & Risk Management Pvt Ltd	1,722,117 (-)	406,243 (-)	- (-)	- (-)	- (-)	- (-)	1,722,117 (-)	406,243 (-)
Ashika Properties Pvt Ltd	- (-)	- (-)	- (224,000)	- (213,335)	- (-)	- (-)	- (224,000)	- (213,335)
Ashika Venture Capital Pvt Ltd	- (-)	- (-)	- (51,000,000)	- (-)	- (-)	- (-)	- (51,000,000)	- (-)
Ashika Technology Pvt Ltd	- (-)	- (-)	1,000,000 (-)	- (-)	- (-)	- (-)	1,000,000 (-)	- (-)
Refund of Loans Given								
Ashika Forex Services Pvt Ltd	- (-)	- (-)	3,651,388 (6,250,000)	- (-)	- (-)	- (-)	3,651,388 (6,250,000)	- (-)
Ashika Global Securities Ltd.	- (-)	- (-)	171,864,255 (68,100,000)	- (-)	- (-)	- (-)	171,864,255 (68,100,000)	- (-)
Ashika Insurance Broking & Risk Management Pvt Ltd	1,315,874 (1,419,597)	- (-)	- (-)	- (-)	- (-)	- (-)	1,315,874 (1,419,597)	- (-)
Ashika Properties Pvt Ltd	- (-)	- (-)	21,335 (24,000)	- (-)	- (-)	- (-)	21,335 (24,000)	- (-)
Ashika Venture Capital Pvt Ltd	- (-)	- (-)	- (51,000,000)	- (-)	- (-)	- (-)	- (51,000,000)	- (-)
Ashika Technology Pvt Ltd	- (-)	- (-)	1,000,000 (-)	- (-)	- (-)	- (-)	1,000,000 (-)	- (-)



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –18 : NOTES TO ACCOUNTS (Contd.)

	Subsidiaries		Enterprises owned by Key Management Personnel or their Relatives		Key Management Personnel		Total	
	Transaction value	Balance Outstanding as on 31st Mar 2009	Transaction value	Balance Outstanding as on 31st Mar 2009	Transaction value	Balance Outstanding as on 31st Mar 2009	Transaction value	Balance Outstanding as on 31st Mar 2009
Margin Money Granted								
Ashika Commodities & Derivatives Pvt Ltd	- (-)	- (-)	5,000,000 (4,500,000)	- (-)	- (-)	- (-)	5,000,000 (4,500,000)	- (-)
Ashika Stock Broking Ltd	- (-)	- (-)	203,062,710 (374,900,000)	62,710 (910,963)	- (-)	- (-)	203,062,710 (374,900,000)	62,710 (910,963)
Refund of Margin Money Granted								
Ashika Commodities & Derivatives Pvt Ltd	- (-)	- (-)	5,000,000 (16,000,000)	- (-)	- (-)	- (-)	5,000,000 (16,000,000)	- (-)
Ashika Stock Broking Ltd	- (-)	- (-)	203,910,963 (386,400,000)	- (-)	- (-)	- (-)	203,910,963 (386,400,000)	- (-)
Share Application Money Paid								
Ashika Technology Pv Ltd	- (-)	- (-)	17,000,000 (-)	35,000,000 (18,000,000)	- (-)	- (-)	17,000,000 (-)	35,000,000 (18,000,000)
Advance received towards Sale of Investments								
Ashika Capital Ltd.	- (4,700,000)	- (-)	- (-)	- (-)	- (-)	- (-)	- (4,700,000)	- (-)
Ashika Global Securities Ltd	- (-)	- (-)	52,983,000 (52,983,000)	- (52,983,000)	- (-)	- (-)	52,983,000 (52,983,000)	- (52,983,000)
Ashika Stock Broking Ltd.	- (-)	- (-)	- (52,983,000)	- (-)	- (-)	- (-)	- (52,983,000)	- (-)
Advance to Directors								
Daulat Jain	- (-)	- (-)	- (-)	- (-)	12,000 (-)	- (-)	12,000 (-)	- (-)
Re-imbusement of Telephone Expenses								
Ashika Stock Broking Ltd	- (-)	- (-)	165,398 (-)	- (-)	- (-)	- (-)	165,398 (-)	- (-)
Sale of Investments								
Ashika Global Securities Ltd	- (-)	- (-)	52,983,000 (-)	- (-)	- (-)	- (-)	52,983,000 (-)	- (-)
Stock Market Transactions								
Purchase & Sale of Shares								
Ashika Stock Broking Ltd								
- Purchase of Shares	- (-)	- (-)	10,983,470 (207,300,985)	- (-)	- (-)	- (-)	10,983,470 (207,300,985)	- (-)



**SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR
THE YEAR ENDED ON 31ST MARCH, 2009**

SCHEDULES –18 : NOTES TO ACCOUNTS (Contd.)

	Subsidiaries		Enterprises owned by Key Management Personnel or their Relatives		Key Management Personnel		Total	
	Transaction value	Balance Outstanding as on 31st Mar 2009	Transaction value	Balance Outstanding as on 31st Mar 2009	Transaction value	Balance Outstanding as on 31st Mar 2009	Transaction value	Balance Outstanding as on 31st Mar 2009
- Sale of Shares	-	-	10,040,138 (226,632,588)	-	-	-	10,040,138 (226,632,588)	-
- Profit from Derivatives / Intra day Trading in Shares	-	-	(20,604,001)	-	-	-	(20,604,001)	-
- Loss from Derivatives / Intra day Trading in Shares	-	-	-	-	-	-	-	-
Interest on Loans Given								
Ashika Forex Services Pvt Ltd	-	-	183,828 (400,482)	-	-	-	183,828 (400,482)	-
Ashika Global Securities Ltd.	-	-	7,480,376 (2,287,564)	-	-	-	7,480,376 (2,287,564)	-
Ashika Properties Pvt. Ltd.	-	-	(17,243)	-	-	-	(17,243)	-
Ashika Venture Capital Pvt Ltd.	-	-	(1,918,901)	-	-	-	(1,918,901)	-
Ashika Insurance Broking & Risk Management Pvt Ltd	92,117	-	-	-	-	-	92,117	-
Interest received on Margin Money Granted								
Ashika Stock Broking Ltd.	-	-	78,981 (1,177,868)	-	-	-	78,981 (1,177,868)	-
Ashika Commodities & Derivatives Pvt Ltd	-	-	(192,740)	-	-	-	(192,740)	-
Rent Received								
Ashika Stock Broking Ltd.	-	-	120,000	-	-	-	120,000	-
Demat Charges Paid								
Ashika Stock Broking Ltd	-	-	250 (2,652)	-	-	-	250 (2,652)	-
Director's Meeting Fees Paid								
Pawan Jain	-	-	-	-	20,000 (20,000)	-	20,000 (20,000)	-
Interest Paid on Loan Taken								
Ashika Global Finance Pvt Ltd	-	-	127,183 (334,694)	-	-	-	127,183 (334,694)	-
Ashika Venture Capital Pvt Ltd	-	-	1,238,576	-	-	-	1,238,576	-



**SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR
THE YEAR ENDED ON 31ST MARCH, 2009**

SCHEDULES –18 : NOTES TO ACCOUNTS (Contd.)

12. None of the Fixed Assets of the Company are considered impaired as on the Balance Sheet date.
13. Transactions in Foreign Currency – Nil (Previous year Nil).
14. Schedule in terms of Paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed hereto separately.
15. Previous year's figures have been rearranged or regrouped wherever deemed necessary to conform to current year presentation.
16. Current Year Business Profile and Balance Sheet Abstract are annexed hereto.

SIGNATURE TO SCHEDULES 1 TO 18

Place : Kolkata
Dated : 6th June, 2009

P. K. SAH, FCA,
Partner
Mem. No. 56216
For and on behalf of
P. K. SAH & Associates
Chartered Accountants

For and on behalf of the Board

Pawan Jain *Director*
Daulat Jain *Executive Director*
Babulal Bafna *Chief Executive Officer*
Anju Lohiya *Company Secretary*


ASHIKA CREDIT CAPITAL LIMITED

(Rs. In Lakhs)

Particulars				
(4)	Break-up of Investments		Amount outstanding	
	Current Investments			
	1.	Quoted :		
		(i) Shares : (a) Equity	1.35	
		(b) Preference	-	
		(ii) Debentures and Bonds	-	
		(iii) Units of Mutual Funds	-	
		(iv) Government Securities	-	
		(v) Others (please specify)	-	
	2.	Unquoted :		
		(i) Shares : (a) Equity	-	
		(b) Preference	-	
		(ii) Debentures and Bonds	-	
		(iii) Units of Mutual Funds	-	
		(iv) Government Securities	-	
		(v) Others (please specify)	-	
	Long Term Investments :			
	1.	Quoted :		
		(i) Shares : (a) Equity	-	
		(b) Preference	-	
		(ii) Debentures and Bonds	-	
		(iii) Units of Mutual Funds	-	
		(iv) Government Securities	-	
		(v) Others (please specify)	-	
	2.	Unquoted :		
		(i) Shares : (a) Equity	47.00	
		(b) Preference	-	
		(ii) Debentures and Bonds	-	
		(iii) Units of Mutual Funds	610.00	
		(iv) Government Securities	4.68	
		(v) Others (immovable property)	-	
(5)	Borrower group-wise classification of assets Financed as in (2) and (3) above			
	Category	Amount Net of Provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	63.34	63.34
	(c) Other related parties	-	-	-
	2. Other than related parties	-	-	-
	Total :		63.34	63.34



(Rs. In Lakhs)

Particulars				
(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			
	Category		Market Value / Break up or fair Value or NAV	Book Value (Net of Provisions)
	1.	Related Parties		
		(a) Subsidiaries	-	-
		(b) Companies in the same group	*47.00	47.00
	(c) Other related parties	-	-	
2.	Other than related parties	618.51	616.03	
	Total :	665.51	663.03	
* represents the investments in unquoted equity shares which are taken at their respective book value in absence of availability of break-up value of the investee company.				
(7)	Other Information Particulars		Amount	
	(i)	Gross Non-Performing Assets		
		(a) Related Parties	-	
		(b) Other than related parties	-	
	(ii)	Net Non-Performing Assets		
		(a) Related Parties	-	
		(b) Other than related parties	-	
(iii)	Assets acquired in satisfaction of debt		-	

Place : Kolkata
Dated : 6th June, 2009

P. K. SAH, FCA,
Partner
Mem. No. 56216
For and on behalf of
P. K. SAH & Associates
Chartered Accountants

For and on behalf of the Board
Pawan Jain Director
Daulat Jain Executive Director
Babulal Bafna Chief Executive Officer
Anju Lohiya Company Secretary



ASHIKA CREDIT CAPITAL LIMITED

COMPANY'S GENERAL BUSINESS PROFILE AND BALANCE SHEET ABSTRACT (As required under Part IV, Schedule VI to the Companies Act, 1956)

I. Registration Details :

Registration No. : State Code :

Balance Sheet Date :
Date Month Year

II. Capital Raised During the Year : (Amt. in Rs. '000)

Public Issue	Right Issue
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Bonus Issue	Private Placement
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

III. Position of Mobilisation and Deployment of Funds : (Amt. in Rs. '000)

Total Liabilities	Total Assets
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="3"/>	
Sources of Funds	
Paid up Capital	Reserves & Surplus
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="8"/>
Secured Loans	Unsecured Loans
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="3"/>
Application of Funds	
Net Fixed Assets	Investments
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="6"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="6"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="8"/>
Net Current Assets	Misc. Expenditure
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="7"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Accumulated Losses	Deferred Tax Assets/(Liabilittise)
<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="(-)"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="5"/>
IV. Performance of the Company : (Amt. in Rs. '000)	
Turnover	Total Expenditure
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="3"/> <input type="text" value="9"/>
Profit/Loss before Tax	Profit after Tax
<input type="text" value="+"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="2"/> <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="4"/>	<input type="text" value="+"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="9"/>
(Please Tick Appropriate Box + for Profit – for Loss)	
Earning Per Share	Dividend Rate%
<input type="text" value="+"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="0"/> <input type="text" value="2"/> <input type="text" value="9"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

V. Generic Names of three Principal Services of Company (as per monetary terms)

Item Code No. (ITC Code A)

Product Description

Place : Kolkata
Dated : 6th June, 2009

For and on behalf of the Board
Pawan Jain Director
Daulat Jain Executive Director
Babulal Bafna Chief Executive Officer
Anju Lohiya Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	Year ended 31st March, 09 Rs.	Year ended 31st March, 08 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	2,114,582.50	5,864,172.25
<i>Adjustments for :</i>		
Depreciation on Fixed Assets	105,945.00	10,204.00
(Profit) / Loss on Sale of Investments	-	(55,120.80)
Irrecoverable Advances Written Off	518,419.00	-
Provision for Gratuity	48,372.00	-
Interest / Dividend Income on Investments	(49,200.00)	(87,317.91)
Interest Expenses	2,848,087.00	2,494,636.00
Operating Profit Before Working Capital Changes	5,586,205.50	8,226,573.54
<i>Adjustments for :</i>		
(Increase) / Decrease in Stock in Trade	403,757.25	(539,007.25)
(Increase) / Decrease in Trade Receivables	5,086,973.71	(4,955,873.71)
(Increase) / Decrease in Loans and Advances	46,895,597.00	104,467,895.68
Increase / (Decrease) in Trade Payables	(52,493,830.00)	52,901,452.00
Cash Generated From Operations	5,478,703.46	160,101,040.26
<i>Adjustments for :</i>		
Direct Tax Refunds / (Paid)	(968,902.00)	(1,224,500.00)
Net Cash From Operating Activities	4,509,801.46	158,876,540.26
B. CASH FLOW FROM INVESTING ACTIVITIES:		
<i>Add / (Less) :</i>		
Purchase of Fixed Assets	(4,378,139.00)	-
Purchase of Investments	(61,000,000.00)	(32,038,117.91)
Sale of Investments	52,983,000.00	32,093,238.71
Interest / Dividend Income on Investments	49,200.00	87,317.91
Share Application Money Paid	(17,000,000.00)	(15,500,000.00)
Net Cash from Investing Activities	(29,345,939.00)	(15,357,561.29)



ASHIKA CREDIT CAPITAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	Year ended 31st March, 09 Rs.	Year ended 31st March, 08 Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES:		
<i>Add / (Less) :</i>		
Short Term Borrowings / (Repaid)	12,010,630.00	(123,779,192.00)
Interest paid	(2,848,087.00)	(2,494,636.00)
Net Cash Used In Financing Activities	9,162,543.00	(126,273,828.00)
Net Increase In Cash And Cash Equivalents (A+B+C)	(15,673,594.54)	17,245,150.97
Cash And Cash Equivalents As At The Beginning Of The Year (Note 1)	18,363,720.72	1,118,569.75
Cash And Cash Equivalents As At The Close Of The Year (Note 1)	2,690,126.18	18,363,720.72

Note :

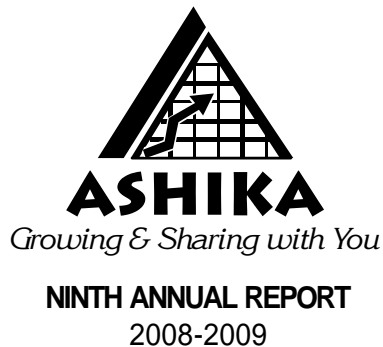
1. Represent Cash and Bank Balances as indicated in Schedule - 8
2. Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.

THIS IS THE CASH FLOW STATEMENT REFERRED TO IN OUR REPORT OF EVEN DATE.

	P. K. SAH, FCA, <i>Partner</i> Mem. No. 56216 For and on behalf of P. K. SAH & Associates <i>Chartered Accountants</i>	<i>For and on behalf of the Board</i> Pawan Jain <i>Director</i> Daulat Jain <i>Executive Director</i> Babulal Bafna <i>Chief Executive Officer</i> Anju Lohiya <i>Company Secretary</i>
--	---	--

Place : Kolkata
Dated : 6th June, 2009

**ASHIKA CAPITAL
LIMITED**



BOARD OF DIRECTORS

SRI PAWAN JAIN - *Chairman*

SRI DAULAT JAIN - *Director*

SRI KASHI PRASAD KHANDELWAL - *Director*

SRI ASHOK KUMAR AGARWAL - *Director*

SRI SAGAR JAIN - *Director*

COMPANY SECRETARY

MS. ANSHIKA HALDIA - *Company Secretary*

AUDITORS

P. K. SAH & ASSOCIATES

CHARTERED ACCOUNTANTS

58/D, NETAJI SUBHASH ROAD

3RD FLOOR, ROOM NO. 316

KOLKATA-700 001

BANKERS

TAMILNAD MERCANTILE BANK LTD.

HDFC BANK LTD.

REGISTERED OFFICE

'TRINITY'

226/1, A.J.C. Bose Road

Kolkata-700 020



DIRECTORS' REPORT

Dear Shareholders,

Your Directors feel great pleasure in presenting the Ninth Annual Report of the Company along with the Audited Statement of Accounts for the year ended 31st March, 2009.

FINANCIAL PERFORMANCE

Financial Performance of the Company for the year ended 31st March, 2009 is as follows:

(Amount in Rupees)

Financial Results For The Year Ended	31st March 2009	31st March 2008
Total Income	1,47,794,535.47	30,399,923.76
Profit/(Loss) before depreciation and tax	10,65,336.41	6,462,498.97
Less: Depreciation	7,00,221	5,98,190.00
Profit/(Loss) before Tax	3,65,115.41	5,864,308.97
Less: Provision for Taxation	2,23,014	2,004,243.78
Profit / (Loss) after Tax	1,42,101.41	3,860,065.19
Balance brought forward from previous year	6,259,787.86	2,520,055.67
Tax Relating to earlier year	-	(47,730.00)
Transitional effect of Provision for Gratuity (Net)	-	(72,603.00)
Surplus Carried Forward	6,401,889.27	6,259,787.86

REVIEW OF OPERATIONS

The year 2008-2009 has been an unprecedented year with extremely difficult economic condition across the globe. The economic downturn has shown its impact on the inflow of capital to emerging nations, including India, which started drying up and resulting in net outflow of capital. Despite of all the adverse effect your company had tried to perform reasonably well and have earned a profit after tax of Rs. 142,101.41/- during the year. The total income earned by the company for the year was Rs. 147,794,535.47/- which includes income from Investment Banking, Corporate Finance and Syndication of various corporate services. Now the Company is focused more in its core activities like issue management, amalgamation and take over, placement of shares and debentures, syndication of loan and other corporate advisory services. As the governments and the regulators across the globe are trying to arrest the slowdown and to steer the economies back on growth path. So the company expects that the reforms and continuous strengthening of the regulatory environment will greatly improve the efficiency and transparency in capital market.



MAJOR HIGHLIGHTS DURING THE YEAR :

After taking the approval from SEBI, the Company changed its shareholding pattern on 4th November'2008 by transferring its 1050000 equity shares to M/s. Ashika Global Securities Limited which were previously held by M/s. Ashika Credit Capital Ltd. After executing the aforesaid transfer your Company is now wholly owned subsidiary of M/s. Ashika Global Securities Limited.

As per revised policy of SEBI the Companies having Merchant Banking Certificate can perform Underwriting activities with the same certificate without obtaining the separate Certificate. Accordingly your company has surrendered its underwriting certificate on 3rd April'2009.

DIVIDEND

As the company is exploring into new and innovative ideas for expansion supplemented with strengthening of financial position, the Board recommended to deploy back the profits for the year 2009 into the business of the company. So the directors express their inability to recommend any dividend for the year ended 31st March'2009.

DIRECTORS

Pursuant to the provisions of sections 255 and 256 of the Companies Act, 1956, Mr. Daulat Jain and Mr. Sagar Jain, Directors of the Company are liable to retire by rotation in the forthcoming Annual General Meeting of the Company and being eligible, offers themselves for reappointment.

AUDITORS' REPORT

The auditors have given their report on the Annual Accounts of the Company and there is no reservation or qualification made by them .The notes given in the Auditors' Report are self-explanatory and needs no further clarification.

AUDITORS

The Statutory Auditor of your company has changed its firm name to M/s. P.K. Sah & Associates, Chartered Accountants and retire at the ensuing Annual General Meeting of the Company; and being eligible, offer themselves for re-appointment. The Company has received a Certificate from the Auditors that if reappointed, they are qualified under section 224(1B) of the Companies Act, 1956 to act as the Auditors of the Company. Your directors recommend the aforesaid re-appointment.

COMPLIANCE CERTIFICATE

Pursuant to the provisions of section 383A of the Companies Act, 1956 read with Companies (Issue of Compliance Certificate) Rules, 2001, your Company has received a Compliance Certificate from Acharya S.K.& Associates., Practicing Company Secretary of 7/1A,Grant Lane,1st Floor, Kolkata 700012. A copy of the same is enclosed herewith and forms part of this report.

MATERIAL CHANGES AND COMMITMENTS :

There have been no material changes and commitments affecting the financial position of the company, which have occurred since March 31 2009, being the end of the Financial Year of the Company.



STATUTORY AND OTHER INFORMATION

There are no employees falling within the purview of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and as such the required particulars under the same has not been furnished.

Since the Company does not own any manufacturing unit, the disclosure of information on the matter required to be disclosed in terms of section 217(1)(e) of the companies act 1956 read with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules 1988, is not applicable and hence not given.

DIRECTORS RESPONSIBILITY STATEMENT:

As per the relevant provisions of section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- I. In the preparation of the Annual accounts, the applicable accounting standards have been followed and there is no material departure from the same.
- II. The directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year.
- III. 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 to the best of their knowledge and ability.
- IV. The directors have prepared the annual account on a going concern basis.

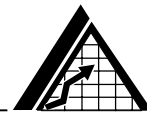
ACKNOWLEDGEMENTS:

Your Directors are grateful for the co operation and unstinted support from Bankers, SEBI, Other Regulatory authorities, State Government and Central Government, clients etc. We look forward to receiving their continued support and encouragement.

The Board of directors wishes to express its gratitude and record its sincere appreciation towards the dedicated efforts and commitment of all the employees. The Directors are thankful to the esteemed shareholders for their support and the confidence reposed in the company.

Place: Kolkata
Date: 6th June, 2009

For and on behalf of the Board of Directors
(Pawan Jain)
Chairman-cum-director



AUDITORS' REPORT

**To The Members of
ASHIKA CAPITAL LIMITED**

1. We have audited the attached Balance Sheet of Ashika Capital Limited (the 'Company') as at 31st March, 2009 and the relative Profit & Loss Account and also the Cash Flow Statement 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 have conducted our audit in accordance with auditing standard 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 amount 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, issued by the Central Government of India in accordance to section 227(4A) of the Companies Act 1956, and on the basis of our checks as we considered appropriate and according to information and explanations given to us during the course of our audit, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of the 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, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report 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 representations received from the directors as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of sub section 1(g) 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 accounts read together with the schedules and notes thereon and attached thereto give the information required by the Companies Act, 1956 in



ASHIKA CAPITAL LIMITED

conformity with the accounting principles generally accepted in India and give a true and fair view: -

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- ii) In the case of Profit & Loss Account of the profit for the year ended on 31st March, 2009; and
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on 31st March 2009.

For P. K. SAH & ASSOCIATES
Chartered Accountants

(P. K. SAH, FCA)
Partner

Mem. No. 56216

Place : Kolkata
Dated : 6th June, 2009



ANNEXURE TO THE AUDITORS' REPORT

[Referred to in paragraph (3) of our report of even date]

- (i) (a) The Company, we have been informed, has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As per information and explanations given to us, the management at reasonable intervals under a phased programme has physically verified the fixed assets. We have been informed, no material discrepancies have been found on such physical verifications.
- (c) During the year, the Company has not disposed off any part of its fixed assets that would affect the going concern.
- (ii) (a) As explained to us, stock in trade of shares & securities was 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 procedure of physical verification of stock in trade followed by the management were reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of stock in trade and no material discrepancies were noticed on physical verification.
- (iii) The Company has neither granted nor taken any loans, secured and unsecured to or from companies, firms or other parties covered in the register maintained u/s.301 of the Companies Act, 1956. Accordingly sub clauses (a) to (g) to clause (iii) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of shares etc. held as stock in trade and fixed assets and for sale shares etc. and rendering of services. We have not observed any continuing failure to correct major weaknesses in such internal controls.
- (v) (a) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so recorded in the register.
- (b) In our opinion and according to the information and explanations given to us, where each of such transactions is in excess of Rs.5 Lacs in respect of any party, the transactions have been made at prices which are, prima-facie, reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of the section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and



the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposit accepted from the public.

- (vii) We have informed, the company does not have formal internal audit system and the internal control is exercised departmentally.
- (viii) Since the Company is not engaged in any manufacturing activities, the clause relating to cost records under clause (d) of sub-section (1) of Section 209 of the Act is not applicable to the Company.
- (ix) (a) According to the records of the Company and explanations given to us, the Company is generally regular in depositing undisputed statutory dues payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues, whatever applicable, with appropriate authority. There have been instances of delayed payment of professional tax (deducted from employees on payment of salary) and an amount of Rs. 6,525/- is in arrear as at the end of the financial year.

There is no undisputed amount payable in respect of such statutory dues which have remained outstanding as at the Balance Sheet date for a period of exceeding six months from the date became payable except Rs. 1,200/- (including employer's contribution) in respect of provident fund.

- (b) As per information provided there are no cases of disputed dues payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess.
- (x) The Company does not have any accumulated losses at the end of the financial year and the Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) The Company has not borrowed from the financial institutions or banks or by issue of debentures; the clause (xi) of the said Order is not applicable.
- (xii) According to the information and explanations given to us, the Company has not granted loan and advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a chit fund Company or nidhi / mutual benefit fund / society.
- (xiv) The Company has maintained proper records of transactions and contracts in respect of dealing and trading in shares, securities etc. and timely entries have been made therein. The shares, securities and other investments have been held by the company, in its own name except those, which are held by company's broker as margin.
- (xv) The Company has given guarantee (jointly with three other guarantors) to a bank for obtaining Bank Guarantee by a company listed in the Registered maintained under

ASHIKA CAPITAL LIMITED



section 301 having outstanding balance of Rs 25 crores (as on 31st March, 2009) which as per explanations given by the management is prima facie not prejudicial to the Interest of the Company.

- (xvi) According to the information and explanations given to us, in our opinion, the Company have neither obtained nor applied any term loans during the year.
- (xvii) According to the information and explanations given to us and overall examination of the Balance Sheet of the Company no short-term fund has been used for long-term investments and vice - versa.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures. Accordingly clause (xix) of the said Order is not applicable.
- (xx) The Company has not raised any money by public issues during the year under review.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For P. K. SAH & ASSOCIATES
Chartered Accountants

Place : Kolkata
Dated : 6th June, 2009

(P. K. SAH, FCA)
Partner
Mem. No. 56216

**BALANCE SHEET AS AT 31ST MARCH, 2009**

	<u>SCHEDULES</u>	<u>As at</u> <u>31st March, 2009</u> Rs.	<u>As at</u> <u>31st March, 2008</u> Rs.
<u>SOURCES OF FUNDS</u>			
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	1	10,500,000.00	10,500,000.00
Reserves & Surplus	2	48,373,889.27	48,231,787.86
DEFERRED TAX LIABILITIES		281,591.00	294,421.00
	Total	59,155,480.27	59,026,208.86
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross Block	3	9,009,634.50	8,409,634.50
Less : Depreciation		2,101,142.31	1,400,921.31
Net Block		6,908,492.19	7,008,713.19
INVESTMENTS	4	24,655,227.00	10,200,000.00
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
Stock In Trade	5	1,520,511.45	2,077,500.00
Sundry Debtors	6	5,164,843.53	1,640,660.25
Cash & Bank Balances	7	7,460,650.56	11,842,062.43
Loans & Advances	8	15,530,435.88	42,156,602.83
		29,676,441.42	57,716,825.51
<u>LESS : CURRENT LIABILITIES & PROVISIONS</u>			
Current Liabilities	9	1,292,006.34	13,582,785.84
Provisions	10	792,674.00	2,316,544.00
		2,084,680.34	15,899,329.84
Net Current Assets		27,591,761.08	41,817,495.67
	Total	59,155,480.27	59,026,208.86
ACCOUNTING POLICIES & NOTES TO THE ACCCOUNTS	15		

SCHEDULES '1' TO '10' AND '15' REFERRED TO ABOVE FORMAN INTEGRAL PART OF THE BALANCE SHEET

This is the Balance Sheet referred to in our report of even date

	P. K. SAH, FCA <i>Partner</i> Mem. No. 56216 For and on behalf of P. K. SAH & ASSOCIATES Chartered Accountants	For and on behalf of the Board Pawan Jain (Director) Daulat Jain (Director) Anshika Haldia (Company Secretary)
Place : Kolkata Dated : 6th June, 2009		


PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	<u>SCHEDULES</u>	Year ended 31st March, 2009	Year ended 31st March, 2008
		Rs.	Rs.
INCOME			
Sale of Shares		120,057,001.67	3,825,312.25
Merchant Banking Operations (subject to TDS Rs.24,41,511 P.Y. Rs.25,65,232/-)		23,079,949.00	23,874,032.00
Brokerage Income (subject to TDS Rs.423/- P.Y. Rs.1,580)		557,471.00	1,582,032.00
Profit from Sale of Investment in Shares & Units of Mutual Funds		-	435,633.55
Profit from Derivatives / Intraday Trading in Shares		4,075,921.80	-
Other Income	11	24,192.00	682,913.96
		<u>147,794,535.47</u>	<u>30,399,923.76</u>
EXPENDITURE			
Purchase of Shares		131,049,132.50	6,042,119.50
(Increase) / Decrease in Stock of Shares	12	556,988.55	(2,077,500.00)
Other Direct Expenses	13	2,367.32	4,599.94
Administrative & Other Expenses	14	15,120,710.69	19,968,205.35
		<u>146,729,199.06</u>	<u>23,937,424.79</u>
PROFIT BEFORE DEPRECIATION AND TAXATION		1,065,336.41	6,462,498.97
LESS : Depreciation		700,221.00	598,190.00
PROFIT BEFORE TAXATION		365,115.41	5,864,308.97
LESS : Provision for Taxation :			
- Current Tax		122,176.00	1,754,120.00
- Deferred Tax (Assets) / Liabilities		(12,830.00)	(2,885.22)
- Fringe Benefit Tax		113,668.00	253,009.00
		<u>223,014.00</u>	<u>253,009.00</u>
PROFIT AFTER TAXATION		142,101.41	3,860,065.19
ADD / (Less) : Balance brought forward from previous year		6,259,787.86	2,520,055.67
ADD / (Less) : Tax relating to earlier years		-	(47,730.00)
ADD / (Less) : Transitional Effect of Provision for Grauity (Net)		-	(72,603.00)
Balance Carried Over to Balance Sheet		<u>6,401,889.27</u>	<u>6,259,787.86</u>
Earnings per Share (in Rs.)		0.14	3.68

[Refer note no. B (8) in Schedule 15]

ACCOUNTING POLICIES &

NOTES TO THE ACCOUNTS

15

SCHEDULES '11' TO '14' AND '15' REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE PROFIT & LOSS ACCOUNT

This is the Profit & Loss Account referred to in our report of even date

P. K. SAH, FCA
Partner

For and on behalf of the Board

Mem. No. 56216

For and on behalf of
P. K. SAH & ASSOCIATES
Chartered Accountants

Pawan Jain (Director)

Daulat Jain (Director)

Anshika Haldia (Company Secretary)

Place : Kolkata

Dated : 6th June, 2009



SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

	As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE - 1		
SHARE CAPITAL		
Authorised		
1,100,000 Equity Shares of Rs.10/- each	11,000,000.00	11,000,000.00
Issued, Subscribed & Paid-up		
1,050,000 Equity Shares of Rs.10/- each Fully Called and Paid Up in Cash [Out of above 10,49,400 equity shares of Rs. 10/- each are held by Holding Company Ashika Global Securities Limited. and 600 Shares are held by the Holding Company jointly with its nominees (Previous Year 10,49,400 equity shares of Rs. 10/- each are held by then Holding Company Ashika Credit Capital Limited. and 600 Shares are held by it jointly with its nominees)]	10,500,000.00	10,500,000.00
SCHEDULE - 2		
RESERVES & SURPLUS		
Share Premium Account		
Balance as per last account	41,972,000.00	41,972,000.00
Profit & Loss Account		
Surplus Balance	6,401,889.27	6,259,787.86
	48,373,889.27	48,231,787.86
SCHEDULE - 4		
INVESTMENTS (At Cost)		
Long Term - Non - Trade		
(a) Units of Mutual Fund (Unquoted), Fully paid up of Rs. 10/- each		
95313.741 (P.Y. NIL) Units in IDFC - Cash Fund # (A)	1,500,000.00	-
(b) Shares In Indian Companies		
Equity Shares - (Quoted)		
Fully Paid Up of Rs.2/- each		
300100 (P. Y. Nil) Sh. South Indian Bank Limited# (B)	17,955,227.00	-
Equity Shares - (Unquoted)		
Fully Paid Up of Rs.10/- each		
In Subsidiary Company		
520000 Shares in Ashika Insurance Broking & Risk Mgt. Pvt. Ltd. (C)	5,200,000.00	5,200,000.00
In others		
Nil (P. Y. 1,00,000) Shares in Ashika Venture Capital Pvt. Ltd.* (D)	-	5,000,000.00
Aggregate Book Value of Investments (A+B+C+D)	24,655,227.00	10,200,000.00
Aggregate Net Assets Value (NAV) of the Investments in Units of Mutual Funds		
	1,504,708.50	-
Aggregate Market Value of Quoted investments		
	15,395,130.00	-
# Invested during the year * Disposed off during the year		



SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

**SCHEDULE - 3
FIXED ASSETS**

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 1st April, 2008 (Rs.)	Additions/ Adjustments (Rs.)	Withdrawals/ Adjustments (Rs.)	As at 31st Mar 2009 (Rs.)	As at 1st April 2008 (Rs.)	For the Year (Rs.)	Deductions/ Adjustments (Rs.)	As at 31st Mar 2009 (Rs.)	As at 31st Mar 2009 (Rs.)	As at 31st Mar 2008 (Rs.)
Tangible Assets										
Air Conditioners	504,940.00	-	-	504,940.00	50,380.50	23,985.00	-	74,365.50	430,574.50	454,559.50
Fax Machine	16,860.00	-	-	16,860.00	1,814.00	801.00	-	2,615.00	14,245.00	15,046.00
CCTV	256,050.00	-	-	256,050.00	24,324.00	12,162.00	-	36,486.00	219,564.00	231,726.00
Television	31,000.00	-	-	31,000.00	2,827.00	1,473.00	-	4,300.00	26,700.00	28,173.00
Telephone	7,671.00	-	-	7,671.00	1,820.74	364.00	-	2,184.74	5,486.26	5,850.26
Xerox Machine	142,880.00	-	-	142,880.00	18,149.00	6,787.00	-	24,936.00	117,944.00	124,731.00
Computer & Printers	1,247,220.00	-	-	1,247,220.00	462,507.77	201,444.00	-	663,951.77	583,268.23	784,712.23
Motor Car	365,000.00	-	-	365,000.00	191,615.00	34,675.00	-	226,290.00	138,710.00	173,385.00
Furniture & Fixture	5,460,481.50	-	-	5,460,481.50	599,387.30	345,647.00	-	945,034.30	4,515,447.20	4,861,094.20
EPABX	377,532.00	-	-	377,532.00	48,096.00	23,897.00	-	71,993.00	305,539.00	329,436.00
Sub Total (A)	8,409,634.50	-	-	8,409,634.50	1,400,921.31	651,235.00	-	2,052,156.31	6,357,478.19	7,008,713.19
Intangible Assets										
Specialized Software	-	600,000.00	-	600,000.00	-	48,986.00	-	48,986.00	551,014.00	-
Sub Total (B)	-	600,000.00	-	600,000.00	-	48,986.00	-	48,986.00	551,014.00	-
Total (A+B)	8,409,634.50	600,000.00	-	9,009,634.50	1,400,921.31	700,221.00	-	2,101,142.31	6,908,492.19	7,008,713.19
TOTAL OF PREVIOUS YEAR	7,523,400.50	971,926.00	85,692.00	8,409,634.50	802,731.31	603,614.00	5,424.00	1,400,921.31	7,008,713.19	10,267,126.19

**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE - 5		
STOCK-IN-TRADE		
<i>(Valued at lower of cost or market value)</i>		
<i>(As certified by the Management)</i>		
Shares in Indian Companies - Quoted	1,520,511.45	2,077,500.00
<i>(Ref Note No.B (10) (b) in Schedule 15)</i>	<u>1,520,511.45</u>	<u>2,077,500.00</u>
SCHEDULE - 6		
SUNDRY DEBTORS		
<i>(Unsecured, considered good)</i>		
Debt outstanding for a period exceeding six months	57,310.00	427,537.25
Other Debts	5,107,533.53	1,213,123.00
	<u>5,164,843.53</u>	<u>1,640,660.25</u>
SCHEDULE - 7		
CASH & BANK BALANCES		
Cash in Hand	786,666.55	369,171.55
<i>(As certified by Management)</i>		
Cheques in Hand	-	438,061.40
Balances with Scheduled Banks <i>In Current Accounts</i>	6,673,984.01	11,034,829.48
	<u>7,460,650.56</u>	<u>11,842,062.43</u>
SCHEDULE - 8		
LOANS & ADVANCES		
Advances recoverable in cash or in kind or for value to be received		
Margin Money Deposits	-	35,000,000.00
Advances on Client Account	1,020,000.00	1,020,000.00
Advances Against Purchase of Fixed Assets	-	600,000.00
Advances Against Expenses	1,500,000.00	92,531.00
Share Application Money <i>(Pending Allotment)</i>	7,500,000.00	-
Security Deposits	1,260,000.00	1,947,500.00
Other Advances	742,292.08	389,939.01
Prepaid Taxes :		
Income Tax Payments	3,441,299.80	2,893,459.80
MODVAT Credit Receivable on Service Tax	66,844.00	213,173.02
	<u>15,530,435.88</u>	<u>42,156,602.83</u>



**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	As at 31st March, 2009	As at 31st March, 2008
	Rs.	Rs.
SCHEDULE - 9		
CURRENT LIABILITIES		
Sundry Creditors :		
- For Securities Market Transactions	-	3,375,000.00
- For Expenses	724,131.14	6,419,195.05
- For Other Finances	237,870.00	1,337,690.25
Advances from Clients	330,005.20	1,380,602.20
Other Liabilities	-	1,070,298.34
	<u>1,292,006.34</u>	<u>13,582,785.84</u>
SCHEDULE - 10		
PROVISIONS		
For Income Tax:		
Asst. Year 2009-10	122,176.00	-
Earlier Years	3,570.00	1,757,690.00
For Fringe Benefit Tax:		
Asst. Year 2009 - 10	113,668.00	-
Earlier Years	-	253,009.00
For Gratuity	553,260.00	305,845.00
	<u>792,674.00</u>	<u>2,316,544.00</u>
SCHEDULE - 11		
OTHER INCOME		
Interest Income		
[Subjest to TDS NIL (P.Y Rs. 1,98,323.30)]	-	682,913.96
Dividend on Shares	11,250.00	-
Interest on Income Tax Refunds	12,942.00	-
	<u>24,192.00</u>	<u>682,913.96</u>
SCHEDULE - 12		
(INCREASE)/ DECREASE IN STOCK OF SHARES		
Opening Stock	2,077,500.00	-
Less : Closing Stock	1,520,511.45	2,077,500.00
	<u>556,988.55</u>	<u>(2,077,500.00)</u>

**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	As at <u>31st March, 2009</u>	As at <u>31st March, 2008</u>
	Rs.	Rs.
SCHEDULE - 13		
<u>OTHER DIRECT EXPENSES</u>		
Demat Charges	2,367.32	786.52
Service Tax/Stamp Charges/Transaction Charges etc.	-	1,447.42
Securities Transaction Tax	-	2,366.00
	<u>2,367.32</u>	<u>4,599.94</u>

SCHEDULE - 14**ADMINISTRATIVE & OTHER EXPENSES**

Salary, Bonus and Other Allowances	6,742,241.00	4,788,672.00
Gratuity	247,415.00	200,776.00
Staff Welfare Expenses	127,097.00	140,991.00
Employer's Cont. to Provident Fund	93,749.00	47,334.00
Travelling and Conveyance	242,109.71	1,571,045.89
Printing and Stationary	159,054.17	436,774.50
Postage & Courier	40,457.77	153,130.55
Telephone / Mobile Expenses	482,618.14	515,651.06
Motor Car Expenses	50,070.93	52,569.42
Rent	2,081,932.00	541,900.00
Electricity Charges	598,206.00	683,665.00
Computer Maintenance	265,170.00	294,232.00
Business Promotion Expenses	710,509.51	1,416,402.00
Repairs & Maintenance	9,123.15	150,571.00
Office Maintenance	571,238.10	725,555.00
Miscellaneous Expenditure	112,791.71	777,170.03
Professional Fees	1,557,852.00	7,047,551.00
Insurance Charges	6,616.50	4,912.00
Fees & Subscriptions	284,679.00	172,532.00
Bank Charges & Commission	1,172.00	1,247.30
Bad Debts	164,337.00	-
Irrecoverable Debts / Advances Written Off	301,527.00	-
Interest Paid (Misc.)	195,744.00	165,400.00
Auditor's Remuneration	56,000.00	52,123.60
Payment to Directors :		
Director Meeting Fees	19,000.00	28,000.00
	<u>15,120,710.69</u>	<u>19,968,205.35</u>



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 15

ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

A) ACCOUNTING POLICIES :

1. Basis of Accounting

The Financial statements are prepared under the historical cost convention on accrual basis of accounting. These are presented in accordance with the Generally Accepted Accounting Principles as acceptable in India, provisions of the Companies Act, 1956 and Accounting Standards notified by the Central Government under the Companies (Accounting Standards) Rules, 2006.

2. Use of Estimates

The Preparation of the financial statements in conformity with the accounting standards generally accepted in India requires, the management to make estimates that affect the reported amount of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenues and expenses for the year. Management believes that the estimates used in the preparation of the financial statement are prudent and reasonable. Actual results could differ from these estimates

3. Revenue Recognition

- a) Revenue from merchant banking services is recognized as revenue as invoiced to clients on performance / parts performance of assignment based on the agreement of the assignment.
- b) Transactions in respect of Dealing in Securities are recognized on trade dates.
- c) Interest Income from financing activities and others is recognized on accrual basis.
- d) Dividend Income on shares is recognized as and when the right to receive is established.

4. Fixed Assets

a) Tangible Assets :

Fixed Assets are stated at cost, less accumulated depreciation thereon. Cost comprises of purchase price, duties, taxes and incidental expenses related to such acquisition and installation.

b) Intangible Assets :

Intangible Assets are stated at cost, less accumulated amortization thereon. Cost comprises of purchase price, duties, taxes and incidental expenses.

5. Depreciation

- a) Depreciation on tangible assets is provided on Straight Line Method at the rates specified in the Schedule XIV of the Companies Act, 1956. Depreciation on addition to fixed asset is provided on pro-rata basis from the date the asset is put to use. Depreciation on sale / deduction from fixed asset is provided for to the date of sale / deduction, as the case may be.
- b) Intangible assets consisting of specialized software, which are not integral part of related hardware, are amortized on a straight-line basis over a period of five years from the date when the assets are available for use.



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –15 : NOTES ON ACCOUNTS (Contd.)

6. Impairment of Fixed Assets

An asset is treated as impaired when carrying cost of asset exceeds its recoverable amount. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period, if any, is reversed if there has been a change in the estimate of the recoverable amount.

7. Investments

Long Term Investments are stated at cost. Provision for diminution in value, other than temporary is considered whenever necessary.

8. Stock-in-Trade

Closing Stock of quoted shares is valued script wise at lower of cost or fair value.

9. Earning Per Share

Basic Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted Earning per share, is calculated by adjustment of all the effects of dilutive potential equity shares from the net profit or loss for the period attributed to equity shareholders and the weighted average numbers of shares outstanding during the period.

10. Taxation

Tax expenses comprises of current, deferred and fringe benefit tax. Current tax is determined as the amount of tax payable in respect of taxable income for the period under the provisions of the Income Tax Act 1961.

Fringe Benefit Tax is determined in accordance with the provisions of the Income Tax Act 1961.

Deferred tax is recognized, 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 reversible in one or more subsequent periods. Deferred tax assets are recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset item will be realized. If the company has brought forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realized.

11. Retirement Benefits:

a) Defined Contribution Plans

Company's contribution towards Provident Fund, which is a defined contribution scheme, is charged to the Profit and Loss Account of the year when the contributions are due. There are no other obligations other than the contribution payable to the respective fund.

b) Defined Benefit Plans

Gratuity liabilities are provided for based on actuarial valuation made at the end of each



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –15 : NOTES ON ACCOUNTS (Contd.)

financial year using the projected unit credit method. Actuarial gains and losses are recognized immediately in the statement of Profit & Loss Account as income or expenses. Compensated leave is encashed during the year.

12. Provisions, Contingent Liabilities & Contingent Assets

A provision is recognized when the company has present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and reliable estimate can be made for the amount of the obligation. Contingent liabilities are not recognized but disclose by way of notes to the accounts. Contingent assets are neither recognized nor disclosed in the financial statements

B) NOTES ON ACCOUNTS :

1. The Company has given Bank Guarantee (jointly with three other guarantors) to a bank in favour of M/s Ashika Stock Broking Limited, a Company in which two of the directors are interested. Guarantee amount outstanding as on 31st March, 2009 is Rs. 25 Crores.
2. Other Advances in (Schedule – 8) includes-
 - a) Rs. 39,616.25 (Previous Year Rs. 1,87,975.51) receivable from Mr. Pawan Jain, a director of the Company. The amount represents audit reversal.
 - b) Rs. 3,168.52 (Previous Year Nil) receivable from Mr. Daulat Jain, a director of the Company. The amount represents audit reversal.
3. Advances Against Expenses in (Schedule – 8) includes to Rs. 15,00,000/- given as Advance against Lease Rent to M/s Ashika Properties Pvt. Ltd., a Company in which two of the directors are interested.
4. Sundry Debtors (Schedule – 6) includes Rs. 41,500/- Receivable from M/s. Ashika Stock Broking Ltd., a Company in which two of the directors are interested.
5. Based on the information given by the Company, no creditor is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provisions / payments have been made by the company to such creditors, if any and no disclosures thereof are made in these accounts.
6. Transactions in Foreign Currency – Rs. Nil (Previous Year Rs. 1,50,343.20).
7. The components of Net Deferred Tax Assets / (Liabilities) are:

	Amount (Rs.)		
	Deferred Tax Assets / (Liabilities) as at 01/04/2008	Current Year Charge/(Credit)	Deferred Tax Assets / (Liabilities) as at 31/03/2009
Difference between book depreciation and tax Depreciation on Fixed Assets	(3,88,927.00)	(63,621.00)	(4,52,548.00)
Provisions for Gratuity	94,506.00	76,451.00	1,70,957.00
Total (Net)	(2,94,421.00)	12,830.00	(2,81,591.00)



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –15 : NOTES ON ACCOUNTS (Contd.)

8. Earning Per Share (EPS)

Basic and Diluted Earning Per Share:

(Amount in Rs.)

Particulars	2008 - 2009	2007 - 2008
Profit considered for calculating EPS		
(Net Profit / (Loss) after Tax)	1,42,101.41	38,60,065.19
Weighted average number of Equity Shares (Nos.)	1050000	1050000
Nominal value of Equity Shares	10.00	10.00
Basic and Diluted Earnings per Share (Rs.)	0.14	3.68

9. Auditor's Remuneration (excluding Service Tax) includes: (Amount in Rs.)

Particulars	2008-2009	2007-2008
For Statutory Audit	41,000.00	41,000.00
For Tax Audit	10,000.00	10,000.00
For Certification	5,000.00	1,000.00
Total	56,000.00	52,000.00

10. Additional Information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956 (to the extent applicable to the company):

(a) Particulars in respect of Opening Stock, Purchases and Closing Stock of Shares:

(Amount in Rs.)

	Face Value	As at 31st March, 2009		As at 31st March, 2008	
		Qty.	Amount	Qty.	Amount
<i>Opening Stock :</i>					
Ordinary Shares (Quoted)	10/-	5000	20,77,500	NIL	NIL
Ordinary Shares (Quoted)	5/-	NIL	NIL	NIL	NIL
Ordinary Shares (Quoted)	2/-	NIL	NIL	NIL	NIL
Ordinary Shares (Quoted)	1/-	NIL	NIL	NIL	NIL
<i>Purchases :</i>					
Ordinary Shares (Quoted)	10/-	2657446	10,41,36,991	15000	60,42,119
Ordinary Shares (Quoted)	5/-	50000	47,40,860	NIL	NIL
Ordinary Shares (Quoted)	2/-	126800	71,05,756	NIL	NIL
Ordinary Shares (Quoted)	1/-	315275	1,50,65,525	NIL	NIL



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –15 : NOTES ON ACCOUNTS (Contd.)

	Face Value	As at 31st March, 2009		As at 31st March, 2008	
		Qty.	Amount	Qty.	Amount
<u>Sales :</u>					
Ordinary Shares (Quoted)	10/-	2628797	9,55,61,880	10000	38,25,312
Ordinary Shares (Quoted)	5/-	47078	42,42,540	NIL	NIL
Ordinary Shares (Quoted)	2/-	126800	73,37,334	NIL	NIL
Ordinary Shares (Quoted)	1/-	315275	1,29,15,248	NIL	NIL
<u>Closing Stock :</u>					
Ordinary Shares (Quoted)	10/-	33649	13,21,231	5000	20,77,500
Ordinary Shares (Quoted)	5/-	2922	1,99,280	NIL	NIL
Ordinary Shares (Quoted)	2/-	NIL	NIL	NIL	NIL
Ordinary Shares (Quoted)	1/-	NIL	NIL	NIL	NIL

Note: Amount under this clause is rounded off nearest Rupee for presentation purposes.

(b) Particulars of Stock in Trade shown under Current Assets:

Share in Indian Companies Equity Shares - Fully paid up Shares - Ordinary (Fully Paid)	Face Value	CLOSING STOCK AS ON 31/03/2009		CLOSING STOCK AS ON 31/03/2008	
		Qty (Nos.)	Amount (Rs.)	Qty. (Nos.)	Amount (Rs.)
Quoted :					
Subhkam Capital Ltd.	10/-	NIL	NIL	5,000	20,77,500.00
Maytas Infra Ltd.	10/-	25,000	8,67,591.00	NIL	NIL
Mount Everest Mineral	10/-	8,649	4,53,640.05	NIL	NIL
Network 18	5/-	2,922	1,99,280.40	NIL	NIL
TOTAL		36,571	15,20,511.45	5,000	20,77,500.00

11. Segment Reporting :

Segment information for the year ended 31st March, 2009. Primary Segment information (by business segment)

Sl. No.	Particulars	Merchant Banking Services	Others	Total
1)	Segment Revenue	2,36,33,449.00	12,41,48,144.47	14,77,81,593.47
2)	Segment Results	96,61,483.38	(89,94,066.30)	6,67,417.08
	Less: Unallocated Expenses			(1,19,500.00)
	Operating Profit			5,47,917.08
	Less: Interest Expenses			(1,82,802.00)

**SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009****SCHEDULES –15 : NOTES ON ACCOUNTS (Contd.)**

<i>Sl. No.</i>	<i>Particulars</i>	<i>Merchant Banking Services</i>	<i>Others</i>	<i>Total</i>
	Profit before Tax			3,65,115.08
	Less: Provision for Taxes			2,23,014.00
	Profit after Tax			1,42,101.41
3)	Segment Assets	99,57,048.58	4,02,99,027.46	5,02,56,076.04
	Unallocated Corporate Assets			1,09,84,084.57
	Total Assets			6,12,40,160.61
4)	Segment Liabilities	17,35,672.50	56,110.84	17,91,783.34
	Unallocated Corporate Liabilities			5,94,48,377.27
	Total Liabilities			6,12,40,160.61
5)	Capital Expenditure			6,00,000.00
6)	Depreciation			7,00,221.00
7)	Non Cash Expenditure other than Depreciation			7,13,279.00

Note:

- The Company operates in only one geographic segment i.e. 'within India' and hence no separate information for geographic segment vide disclosure is required.
- Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.
- The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in (A) above.

12. Employee Benefits

The Company has provided for gratuity liability based on actuarial valuation done as per the projected unit method. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is unfunded.

The following tables summarize the components of net benefit expenses recognized in the Profit & Loss Account and amounts recognized in the balance sheet for the respective plan.



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –15 : NOTES ON ACCOUNTS (Contd.)

(Amount in Rs.)

	2008 - 09	2007 - 08
(i) Net Employee Expense / (benefit)		
Current service cost	2,23,686	1,85,276
Interest cost on benefit obligation	34,364	16,437
Expected return on plan assets	-	-
Net Actuarial (gain) /loss recognized in the year.	(10,635)	(937)
Total employer expense recognized in Profit and Loss Account	2,47,415	2,00,776
(ii) Benefit Asset/(Liability)		
Defined benefit obligation	5,53,260	3,05,845
Fair value of Plan Assets	-	-
Benefit Asset/(Liability)	(5,53,260)	(3,05,845)
(iii) Movement in benefit liability		
Opening defined benefit obligation	3,05,845	1,05,069
Interest cost	34,364	16,437
Current service cost	2,23,686	1,85,276
Benefits paid	-	-
Actuarial (gains)/losses on obligation	(10,635)	(937)
Closing benefit obligation	5,53,260	3,05,845
(iv) The principal actuarial assumptions are as follows		
Discount rate	8.00%	7.50%
Salary increase	5.00%	5.00%
Withdrawal rates	Varying between 2% and 1% per annum depending upon the duration and age of the employees	
(v) Amount incurred as expense for defined contribution plans		
Contribution to Provident / Pension fund	93,749	47,334
(vi) The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market.		
(viii) Amounts for the current period are as follows:		
Gratuity		
Defined Benefit Obligation	5,53,260	3,05,845
Plan Assets	-	-
Surplus / (Deficit)	(5,53,260)	(3,05,845)
Experience adjustments on plan liabilities		Not Available*
*The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities are not readily available and hence not disclosed.		



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –15 : NOTES ON ACCOUNTS (Contd.)

13. Related Parties Disclosures:

Related parties disclosures, as stipulated by Accounting Standard -18- Related Party Disclosures, issued by ICAI, are given below:

a) List of related parties:

i) Holding Company :

Ashika Credit Capital Ltd. (upto 3rd November, 2008)

Ashika Global Securities Ltd. (w.e.f 4th November, 2008)

ii) Key Management Personnel:

Mr. Pawan Jain

Mr. Daulat Jain

iii) Enterprises owned and controlled by Key Management Personnel or their relatives.

Ashika Commodities & Derivatives Pvt. Ltd.

Ashika Stock Broking Ltd.

Ashika Properties Private Ltd.

Ashika Technology Private Ltd.

b) Transactions with Related Parties

Aggregate Related Party Transactions as at and for the year ended 31st March, 2009 (Transactions have been taken place on arm's length basis.)

Particulars	Holding Company		Key Management Personnel		Enterprises in which the Key Management Personnel their relatives have control and significance influence		Total	
	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09
Advance Received Against Sale of Shares								
Pawan Jain	-	-	-	-	-	-	-	-
	(-)	(-)	(2,600,000)	(-)	(-)	(-)	(2,600,000)	(-)
Daulat Jain	-	-	-	-	-	-	-	-
	(-)	(-)	(2,600,000)	(-)	(-)	(-)	(2,600,000)	(-)
Ashika Global Securities Ltd.	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(4,000,000)	(-)	(4,000,000)	(-)



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –15 : NOTES ON ACCOUNTS (Contd.)

Particulars	Holding Company		Key Management Personnel		Enterprises in which the Key Management Personnel their relatives have control and significance influence		Total	
	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09
Advance Paid for Purchase of Shares Ashika Credit Capital Ltd.	- (4,700,000)	- (-)	- (-)	- (-)	- (-)	- (-)	- (4,700,000)	- (-)
Margin Money Paid Ashika Stock Broking Ltd.	- (-)	- (-)	- (-)	- (-)	58,100,000 (11,400,000)	- (-)	58,100,000 (11,400,000)	- (-)
Ashika Commodities & Derivatives Pvt. Ltd.	- (-)	- (-)	- (-)	- (-)	- (2,000,000)	- (-)	- (2,000,000)	- (-)
Share Application Money Paid Ashika Technology Pvt. Ltd.	- (-)	- (-)	- (-)	- (-)	75,00,000 (-)	75,00,000 (-)	75,00,000 (-)	75,00,000 (-)
Advance paid Against Lease Rent Ashika Properties Pvt. Ltd.	- (-)	- (-)	- (-)	- (-)	15,00,000 (-)	15,00,000 (-)	15,00,000 (-)	15,00,000 (-)
Advances to Directors Pawan Jain	- (-)	- (-)	39,616 (187,975)	39,616 (187,975)	- (-)	- (-)	39,616 (187,975)	39,616 (187,975)
Daulat Jain	- (-)	- (-)	3,169 (-)	3,169 (-)	- (-)	- (-)	3,169 (-)	3,169 (-)
Stock Market Transactions <u>Purchase and Sale of Shares</u> Ashika Stock Broking Ltd.								
Purchase	- (-)	- (-)	- (-)	- (-)	131,049,133 (2,667,120)	- (-)	131,049,133 (2,667,120)	- (-)
Sales	- (-)	- (-)	- (-)	- (-)	120,057,002 (5,716,791)	41,500/- (-)	120,057,002 (5,716,791)	41,500/- (-)
Speculation Profit	- (-)	- (-)	- (-)	- (-)	9,223 (-)	- (-)	9,223 (-)	- (-)
Speculation Loss	- (-)	- (-)	- (-)	- (-)	940,672 (-)	- (-)	940,672 (-)	- (-)



SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES –15 : NOTES ON ACCOUNTS (Contd.)

Particulars	Holding Company		Key Management Personnel		Enterprises in which the Key Management Personnel their relatives have control and significance influence		Total	
	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09
Sales of Shares								
Ashika Global Securities Pvt. Ltd.	- (4,000,000)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Pawan Jain	- (-)	- (-)	- (20,000,000)	- (-)	- (-)	- (-)	- (-)	- (-)
Lease Rent Paid								
Ashika Properties Pvt. Ltd	- (-)	- (-)	- (-)	- (-)	3,00,000 (120,000)	- (-)	3,00,000 (120,000)	- (-)
Commission & Brokerage Paid								
Ashika Stock Broking Ltd.	- (-)	- (-)	- (-)	- (-)	3,98,844 (-)	- (-)	3,98,844 (-)	- (-)
Demat Charges Paid								
Ashika Stock Broking Ltd.	- (-)	- (-)	- (-)	- (-)	1,612 (787)	- (-)	1,612 (787)	- (-)
Director's Meeting Fees								
Pawan Jain	- (-)	- (-)	5,000 (7,000)	- (-)	- (-)	- (-)	5,000 (7,000)	- (-)
Daulat Jain	- (-)	- (-)	3,000 (7,000)	- (-)	- (-)	- (-)	3,000 (7,000)	- (-)

Note : Figures in Brackets are relating to Previous Year. Figures are rounded off to the nearest rupees for presentation purpose

14. None of the fixed assets of the Company are considered impaired as on the Balance Sheet date.
15. Previous year's figures have been re-arranged or re-grouped wherever necessary to conform to current year's presentation.
16. Current Years' Business Profile and Balance Sheet Abstract are annexed hereto.

Signature to Schedule 1 to 15

	<p>P. K. SAH, FCA Partner Mem. No. 56216 For and on behalf of P. K. SAH & ASSOCIATES Chartered Accountants</p>	<p>For and on behalf of the Board Pawan Jain (Director) Daulat Jain (Director) Anshika Haldia (Company Secretary)</p>
Place : Kolkata Dated : 6th June, 2009		



COMPANY'S GENERAL BUSINESS PROFILE AND BALANCE SHEET ABSTRACT

(As required under Part IV, Schedule VI to the Companies Act, 1956)

I. Registration Details :

Registration No. :
 State Code :
 Balance Sheet Date :
 Date Month Year

II. Capital Raised During the Year :
 (Amount in Rs. '000)

Public Issue	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Right Issue	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Bonus Issue	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Private Placement	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

III. Position of Mobilisation and Deployment of Funds :
 (Amount in Rs. '000)

Sources of Funds	Total Liabilities	Total Assets
	<input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="0"/>	<input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="0"/>
	Paid up Capital	Reserves & Surplus
	<input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="0"/>	<input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="4"/>
	Secured Loans	Unsecured Loans
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
	Deferred Tax (Assets) / Liabilities	
	<input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="1"/>	
Application of Funds	Net Fixed Assets	Investments
	<input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="0"/> <input type="text" value="8"/>	<input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="5"/> <input type="text" value="5"/>
	Net Current Assets*	Misc. Expenditure
	<input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="5"/> <input type="text" value="9"/> <input type="text" value="2"/>	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
	Accumulated Losses	Deferred Tax Assets/(Liabilittise)
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	

IV. Performance of Company :
 (Amount in Rs. '000)

Turnover	<input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="9"/> <input type="text" value="4"/>	Total Expenditure	<input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="9"/>
+ - Profit/Loss before Tax	<input checked="" type="checkbox"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="3"/> <input type="text" value="6"/> <input type="text" value="5"/>	+ - Profit after Tax	<input checked="" type="checkbox"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="2"/>
(Please Tick Appropriate Box + for Profit – for Loss)			
Earning Per Share	<input type="text" value="-"/> <input type="text" value="0"/> <input type="text" value="1"/> <input type="text" value="4"/>	Dividend Rate%	<input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

V. Generic Names of three Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC Code A)
 Product Description **MERCHANT BANKING, FINANCIAL SERVICES**

For and on behalf of the Board

Pawan Jain Director
Daulat Jain Director
Anshika Haldia Company Secretary

Place : Kolkata
 Dated : 6th June, 2009

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009**

	Year ended 31st March 2009 Rs.	Year ended 31st March 2008 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	365,115.41	5,864,308.97
<i>Adjustments for :</i>		
Depreciation on Fixed Assets	700,221.00	598,190.00
(Profit) / Loss on Sale of Investments	-	(435,633.55)
Bad Debts	164,337.00	
Irrecoverable Advances Written Off	301,527.00	-
Interest on Fixed Deposit with Bank	-	(682,913.96)
Provision for Gratuity	247,415.00	200,776.00
Operating Profit Before Working Capital Changes	1,778,615.41	5,544,727.46
<i>Adjustments for :</i>		
(Increase) / Decrease in Stock in Trade	556,988.55	(2,077,500.00)
(Increase) / Decrease in Trade Receivables	(3,688,520.28)	(1,446,010.25)
(Increase) / Decrease in Loans and Advances	34,372,479.95	(39,026,417.51)
Increase / (Decrease) in Trade Payables	(12,290,779.50)	11,838,302.84
Cash Generated From Operations	20,728,784.13	(25,166,897.46)
<i>Adjustments for :</i>		
Direct Tax Refunds / (Paid)	(2,554,969.00)	(3,191,630.32)
Net Cash From Operating Activities	18,173,815.13	(28,358,527.78)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
<i>Add / (Less) :</i>		
Purchase of Fixed Assets	(600,000.00)	(96,926.00)
Purchase of Investments	(19,455,227.00)	(40,000,000.00)
Sale of Investments	5,000,000.00	65,964,168.35
Interest on Fixed Deposit with Bank	-	682,913.96
Share Application Money Paid	(7,500,000.00)	-
Net Cash from Investing Activities	(22,555,227.00)	26,550,156.31


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009
(Contd.)**

	Year ended 31st March 2009 <u>Rs.</u>	Year ended 31st March 2008 <u>Rs.</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:	-	-
Net Increase In Cash And Cash Equivalents (A+B+C)	(4,381,411.87)	(1,808,371.47)
Cash And Cash Equivalents As At The Beginning Of The Year (Note 1)	11,842,062.43	13,650,433.90
Cash And Cash Equivalents As At The Close Of The Year (Note 1)	7,460,650.56	11,842,062.43

Note :

1. Represent Cash and Bank Balances as indicated in Schedule - 7
2. Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.

THIS IS THE CASH FLOW STATEMENT REFERRED TO IN OUR REPORT OF EVEN DATE.

Place : Kolkata
Dated : 6th June, 2009

P. K. SAH, FCA
Partner
Mem. No. 56216
For and on behalf of
P. K. SAH & ASSOCIATES
Chartered Accountants

For and on behalf of the Board

Pawan Jain (*Director*)
Daulat Jain (*Director*)
Anshika Haldia (*Company Secretary*)

**ASHIKA
INSURANCE
BROKING & RISK
MANAGEMENT
PRIVATE LIMITED**



Growing & Sharing with You

**SIXTH ANNUAL REPORT
2008-2009**

BOARD OF DIRECTORS

SRI PAWAN JAIN – *Chairman*
SRI DAULAT JAIN – *Director*

AUDITORS

P. K. SAH & ASSOCIATES
CHARTERED ACCOUNTANTS
58/D, NETAJI SUBHASH ROAD
3RD FLOOR, ROOM NO.316
KOLKATA – 700 001

BANKERS

TAMILNAD MERCANTILE BANK LTD.
HDFC BANK LTD.

REGISTERED OFFICE

'TRINITY'
226/1 A. J. C. Bose Road,
Kolkata – 700 020



DIRECTORS' REPORT

Dear Shareholders,

Your Directors present the Sixth Annual Report of the Company together with the audited Statement of Accounts for the year ended 31st March 2009.

FINANCIAL PERFORMANCE :

A brief details of the financial performance of the Company for the year ended 31st March, 2009 is as follows:

Financial Results For The Year Ended

	31st March 2009	31 st March 2008
Total Income	1,278,387.90	912,620.33
Profit/(Loss) before depreciation and tax	(700,637.51)	(2,158,075.38)
Less: Depreciation	31,232	17,536.00
Profit/(Loss) before Tax	(731,869.51)	(2,175,611.38)
Less: Provision for Taxation	9,66,103	(6,31,068.84)
Profit / (Loss) after Tax	(1,697,972.51)	(1,544,542.54)
Balance brought forward from previous year	(2,165,566.82)	(593,796.28)
Transitional effect for Provision for Gratuity (Net)	-	27,228.00
Short Provision for Fringe Benefit Tax in earlier year	2,504.00	-
Surplus/ (Loss) Carried Forward	(3,866,043.33)	(2,165,566.82)

MAJOR HIGHLIGHTS DURING THE YEAR :

The Company is no longer the fellow subsidiary of M/s. Ashika Credit Capital Limited w.e.f. 4th November, 2008.

DIVIDEND

Since the Company has suffered loss in this year, your directors regretfully convey their inability to recommend any dividend for the year under review.

DIRECTORS

As decided in the First Annual General meeting of the Company, the Directors are not liable to retire by rotation.

AUDITORS' REPORT

The auditors have not raised any qualification or reservation in their report on the Annual Accounts of the Company. The notes given in the Auditors' Report are self-explanatory and needs no further clarification.

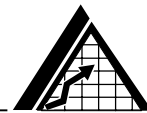
COMPLIANCE CERTIFICATE

Pursuant to the provisions of section 383A of the Companies Act, 1956 read with Companies (issue of Compliance Certificate) Rules 2001, your Company has received a Compliance Certificate from Acharya S.K.& Associates, Company Secretaries of 7/1A, Grant Lane, 1st Floor, Kolkata 700012. The same forms part of this report.

AUDITORS:

The Statutory Auditor of your company has changed its firm name to M/s. P.K. Sah & Associates,

ASHIKA INSURANCE BROKING & RISK MANAGEMENT PRIVATE LIMITED



Chartered Accountants and retires at the ensuing Annual General Meeting of the Company; and being eligible, offer themselves for re-appointment. The Company has received a Certificate from the Auditors that if reappointed, they are qualified under section 224(1B) of the Companies Act, 1956 to act as the Auditors of the Company. Your directors recommend the aforesaid re-appointment.

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments affecting the financial position of the company, which have occurred since March 31 2009, being the end of the Financial Year of the Company.

STATUTORY AND OTHER INFORMATION:

No employee is falling under the disclosure requirement of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975. Hence the same is not furnished.

There was no foreign exchange earnings or outgoes during the period under review

As the Company does not own any manufacturing unit, the disclosure of information on the matter required to be disclosed in terms of section 217(1)(e) of the companies act 1956 read with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules 1988, is not applicable and hence not given.

DIRECTORS RESPONSIBILITY STATEMENT:

As per the relevant provisions of section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- I. In the preparation of the Annual Accounts, the applicable accounting standards have been followed and there is no material departure from the same.
- II. The directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- III. 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 to the best of their knowledge and ability.
- IV. The directors have prepared the annual account on a going concern basis.

ACKNOWLEDGEMENTS:

Your Directors are grateful for the co operation and unstinted support from IRDA, bankers, Other regulatory authorities, State Government and Central Government, clients. We look forward to receiving their continued support and encouragement.

The Board of directors wishes to express its gratitude and record its sincere appreciation for the dedicated efforts and commitment of all the employees. The Directors are thankful to the esteemed shareholders for their support and the confidence reposed in the company.

Place: Kolkata
Date: 6th June, 2009

For and on behalf of the Board of Directors
(Pawan Jain)
Chairman-cum-director



AUDITORS' REPORT

To The Members of

ASHIKA INSURANCE BROKING & RISK MANAGEMENT PRIVATE LIMITED

1. We have audited the attached Balance Sheet of **Ashika Insurance Broking and Risk Management Private Limited** (the 'Company') as at 31st March, 2009 and relative Profit and Loss Account and also the Cash Flow Statement 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 have conducted our audit in accordance with auditing standard 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 amount and disclosures in the financial statements. And 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, issued by the Central Government of India in accordance to section 227(4A) of the Companies Act 1956, and on the basis of our checks as we considered appropriate and according to information and explanations given to us during the course of our audit, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit;
 - (b) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books,
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section 3(C) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of written representation received from the directors, as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a directors in terms of sub section 1 (g) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and the Profit and Loss Account read together with

**ASHIKA INSURANCE BROKING &
RISK MANAGEMENT PRIVATE LIMITED**



the schedules and notes thereon, and attached thereto give the information required by the Companies Act, 1956 in conformity with the accounting principles generally accepted in India and give a true and fair view:-

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- ii) In the case of Profit and Loss Account of the *Loss* for the year ended on 31st March, 2009; and In the case of Cash Flow Statement, of the cash flows for the year ended on 31st March, 2009

For P. K. SAH & ASSOCIATES
Chartered Accountants

(P. K. SAH, FCA)
Partner
Mem. No. 56216

Place : Kolkata
Date: 6th June, 2009



ANNEXURE TO THE AUDITORS' REPORT

[Referred to in paragraph (3) of our report of even date]

- (i) (a) The Company, we have been informed, has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As per information and explanations given to us, the management at reasonable intervals under a phased programme has physically verified the fixed assets. We have been informed, no material discrepancies have been found on such physical verifications.
- (c) During the year, the Company has not disposed off any part of its fixed assets.
- (ii) Since the Company does not have any inventories, clause (ii) of the said Order is not applicable.
- (iii) (a) The Company has not granted any loans, secured and unsecured to companies, firms or other parties covered in the Register maintained u/s.301 of the Companies Act, 1956 and accordingly sub clauses (a) to (d) to clause (iii) of the said Order are not applicable to the Company.
- (b) The company has taken unsecured loan from a company covered in the Register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year is Rs. 11.50 lacs and amount outstanding as at the balance sheet date is Rs. 4.06 lacs (including interest accrued Rs. 0.71 lacs);
- (c) In our opinion, the rate of interest and other terms and condition of such unsecured loan taken by the company as aforesaid, are prima facie, not prejudicial to the interest of the company.
- (d) The payment of the principal amount and interest are regular.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal procedures commensurate with the size of the company and the nature of its business for sale of services. There has no transaction of purchase of inventory and fixed assets. We have not observed any continuing failure to correct major weaknesses in internal control.
- (v) (a) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so recorded in the register.
- (b) According to the information and explanations given to us, where each of such transactions, is in excess of Rs.5 Lakhs in respect of any party, the transactions have been made at prices which are prima facie, reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public within the meaning of the section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- (vii) Since, neither the Company's paid up capital and reserves (net of debit balance of Profit & Loss Account) at the commencement of the financial year, exceed Rs. 50 Lacs, nor it's average annual turnover for a period of three consecutive preceding financial years exceeds Rs. 5 crores, the provision relating to internal audit are not applicable to the company under review.
- (viii) Since the company is not engaged in any manufacturing activities, the clause relating to maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act is not applicable to the Company.



- (ix) (a) According to the records of the Company and explanations given to us the company is generally regular in depositing undisputed dues payable in respect of Provident Fund, Investors Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess or any other material statutory dues, whatever applicable, with appropriate authority. There have instances of non-payment of service tax and delayed payment of professional tax (deducted from employees on payment of salary). At the end of the financial year, an amount of Rs. 1,60,404.60 relating to service tax and Rs. 9,160.00 relating to professional tax (deducted from employees on payment of salary) are in arrear.

There is no undisputed amount payable in respect of such statutory dues which have remained outstanding as at the Balance Sheet date for a period more than six months from the date it become payable except Rs.1,02,805.16 and Rs. 5,110.00 in respect of service tax and professional tax (deducted from employees on payment of salary) respectively.

- (b) As per information provided there are no cases of disputed dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty or cess.
- (x) The Company's accumulated losses at the end of the financial year are not less than fifty percent of it's net worth and it has incurred cash losses during the financial year as well as in the immediately preceding the financial year.
- (xi) The Company has not borrowed from financial institutions or banks or by issue of debentures, as such clause (xi) of the said Order is not applicable.
- (xii) The Company has not granted any loan and/or advances on the basis of securities by way of pledge of shares, debentures or other securities.
- (xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a chit fund Company or nidhi / mutual benefit fund / society.
- (xiv) According to the information and explanations given to us, the Company has not dealt / traded in securities or debentures during the year.
- (xv) The Company has not given any guarantee for loans taken by others from Bank or Financial Institution.
- (xvi) According to the information and explanation given to us, in our opinion, the company has neither obtained nor applied any term loans during the year.
- (xvii) On the basis of our review of utilization of funds, we are of the opinion that the funds raised on short-term basis have, prima facie, not been used for long term or vice versa.
- (xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintain u/s. 301 of the Act, accordingly clause (xviii) of the said Order are not applicable to the Company.
- (xix) The Company has not issued debenture, accordingly clause (xix) of the said Order is not applicable.
- (xx) The Company has not raised any money through public issue during the financial year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For P. K. SAH & ASSOCIATES
Chartered Accountants

(P. K. SAH, FCA)
Partner

Mem. No. 56216

Place : Kolkata
Date: 6th June, 2009



**ASHIKA INSURANCE BROKING &
RISK MANAGEMENT PRIVATE LIMITED**

BALANCE SHEET AS AT 31ST MARCH, 2009

	SCHEDULES	<u>As at 31st March, 2009</u>	<u>As at 31st March, 2008</u>
		Rs.	Rs.
<u>SOURCES OF FUNDS</u>			
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	1	5,222,000.00	5,222,000.00
Reserves and Surplus	2	90,000.00	90,000.00
<u>LOAN FUNDS</u>			
Unsecured Loans	3	406,243.00	-
	TOTAL	5,718,243.00	5,312,000.00
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross Block	4	250,895.00	250,895.00
Less : Depreciation		52,713.00	21,481.00
Net Block		198,182.00	229,414.00
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
Sundry Debtors	5	32,126.25	280,786.17
Cash & Bank Balances	6	1,366,712.99	2,020,469.80
Advances	7	593,693.03	323,325.78
		1,992,532.27	2,624,581.75
LESS :- CURRENT LIABILITIES & PROVISIONS	8	325,333.60	700,125.17
Net Current Assets		1,667,198.67	1,924,456.58
DEFERRED TAX ASSETS / (LIABILITIES)		(13,181.00)	938,967.00
<u>MISCELLANEOUS EXPENDITURE</u>			
<i>(To the extent not written off or adjusted)</i>			
Preliminary Expenses		-	22,620.00
Pre-Operative Expenses		-	30,975.60
PROFIT & LOSS ACCOUNT (DR BALANCE)		3,866,043.33	2,165,566.82
	TOTAL	5,718,243.00	5,312,000.00
ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS	10		

SCHEDULES '1' TO '8' AND '11' REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE BALANCE SHEET

This is the Balance Sheet referred to in our report of even date

Place : Kolkata Dated : 6th June, 2009	P. K. SAH, FCA <i>Partner</i> Mem. No. 56216 For and on behalf of P. K. SAH & Associates <i>Chartered Accountants</i>	For and on behalf of the Board Pawan Jain <i>Director</i> Daulat Jain <i>Director</i>
---	--	--



PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2009

SCHEDULES	Year ended 31st March, 2009	Year ended 31st March, 2008
	Rs.	Rs.
<u>INCOME</u>		
Insurance Brokerage (Subject to TDS Rs. 2,15,832.86, P.Y 1,59,493.69)	1,149,408.79	798,738.80
Actuarial Gain on Gratuity	39,634.00	-
Other Income	9	113,881.53
	<u>1,278,387.90</u>	<u>912,620.33</u>
<u>EXPENDITURE</u>		
Administrative & Other Expenses	10	3,017,100.71
Interest on Loans	92,117.00	-
Preliminary Expenses written off	22,620.00	22,620.00
Pre-Operative Expenses written off	30,975.60	30,975.00
	<u>1,979,025.41</u>	<u>3,070,695.71</u>
<u>LOSS BEFORE DEPRECIATION AND TAXATION</u>		
	<u>(700,637.51)</u>	<u>(2,158,075.38)</u>
Less : Depreciation	31,232.00	17,536.00
<u>LOSS BEFORE TAXATION</u>		
	<u>(731,869.51)</u>	<u>(2,175,611.38)</u>
Less : Provision for Taxation		
- Current Tax	-	-
- Fringe Benefit Tax	13,955.00	4,840.00
- Deferred Tax Liabilities (refer note no.B(4) in Schedule - 11)	952,148.00	(635,908.84)
<u>LOSS AFTER TAXATION</u>		
	<u>(1,697,972.51)</u>	<u>(1,544,542.54)</u>
Add : Balance Profit / (Loss) Brought Forward from Previous Year	(2,165,566.82)	(593,796.28)
Less : Transitional Effect of Provision for Gratuity (Net)	-	27,228.00
Less : Short Provision for Fringe Benefit Tax in earlier year	2,504.00	-
Loss Carried Over to Balance Sheet	<u>(3,866,043.33)</u>	<u>(2,165,566.82)</u>
Earnings per Share (in Rs.)	(3.25)	(2.96)
<i>[Refer note no. B (3) in Schedule 11]</i>		

ACCOUNTING POLICIES &
NOTES TO THE ACCOUNTS

11

SCHEDULES '9' TO '11' REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE PROFIT & LOSS A/C

This is the Profit & Loss Account referred to in our report of even date

Place : Kolkata Dated : 6th June, 2009	P. K. SAH, FCA <i>Partner</i> Mem. No. 56216 For and on behalf of P. K. SAH & Associates <i>Chartered Accountants</i>	For and on behalf of the Board Pawan Jain <i>Director</i> Daulat Jain <i>Director</i>
---	--	--



**ASHIKA INSURANCE BROKING &
RISK MANAGEMENT PRIVATE LIMITED**

**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	<u>As at 31st March 2009</u> Rs.	<u>As at 31st March 2008</u> Rs.
SCHEDULE - 1		
<u>SHARE CAPITAL</u>		
Authorised		
30,00,000 Equity Shares of Rs.10/- each	<u>30,000,000.00</u>	<u>30,000,000.00</u>
Issued, Subscribed & Paid Up		
5,22,200 Equity Shares of Rs.10/- each Called and Fully Paid Up in cash <i>(out of above 5,20,000 Equity Shares of Rs. 10/- each are held by Holding Company Ashika Capital Limited)</i>	<u>5,222,000.00</u>	<u>5,222,000.00</u>
	<u>5,222,000.00</u>	<u>5,222,000.00</u>
SCHEDULE - 2		
<u>RESERVES & SURPLUS</u>		
Share Premium Account		
Balance as per last account	<u>90,000.00</u>	<u>90,000.00</u>
	<u>90,000.00</u>	<u>90,000.00</u>
SCHEDULE - 3		
<u>UNSECURED LOANS</u>		
<i>(Including Accrued Interest)</i>		
From Bodies Corporate	<u>406,243.00</u>	-
<i>(including Interest Accrued Rs. 71,243/-, P. Y. Nil)</i>	<u>406,243.00</u>	-
SCHEDULE - 5		
<u>SUNDRY DEBTORS</u>		
<i>(Unsecured, considered good)</i>		
Debts outstanding for a period exceeding six months	-	-
Other Debts	<u>32,126.25</u>	<u>280,786.17</u>
	<u>32,126.25</u>	<u>280,786.17</u>
SCHEDULE - 6		
<u>CASH AND BANK BALANCES</u>		
Cash in Hand	<u>10,693.50</u>	816,581.50
<i>(As certified by Management)</i>		
Cheques in Hand	<u>78,602.92</u>	-
Balances with Scheduled Banks :		
<i>In Fixed Deposit Account -</i>		
HDFC Bank Limited	<u>1,248,763.62</u>	1,184,378.87
<i>(including Interest Accrued but not due Rs. 1,98,76362, P. Y. Rs. 1,34,378.87)</i>		
<i>In Current Accounts -</i>		
Tamilnad Mercantile Bank Ltd.	<u>13,357.35</u>	14,138.35
HDFC Bank Limited	<u>15,295.60</u>	-
Citi Bank, N.A.	-	5,371.08
	<u>1,366,712.99</u>	<u>2,020,469.80</u>



SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

**SCHEDULE - 4
FIXED ASSETS**

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK	
	As at 1st April, 2008 (Rs.)	Additions/ Adjust- ments (Rs.)	Withdrawals/ Adjustments (Rs.)	As at 31st Mar 2009 (Rs.)	As at 1st April 2008 (Rs.)	For the Period (Rs.)	Deductions/ Adjus- tments (Rs.)	As at 31st Mar 2009 (Rs.)	As at 31st Mar 2008 (Rs.)
Tangible Assets									
Computer	121,051.00	-	-	121,051.00	12,824.00	19,622.00	-	88,605.00	108,227.00
Air Conditioner	45,000.00	-	-	45,000.00	18.00	2,138.00	-	42,844.00	44,982.00
Furniture & Fixtures	54,844.00	-	-	54,844.00	371.00	3,472.00	-	51,001.00	54,473.00
Sub Total	220,895.00	-	-	220,895.00	13,213.00	25,232.00	-	182,450.00	207,682.00
Intangible Assets									
Softwares	30,000.00	-	-	30,000.00	8,268.00	6,000.00	-	15,732.00	21,732.00
Sub Total	30,000.00	-	-	30,000.00	8,268.00	6,000.00	-	15,732.00	21,732.00
TOTAL	250,895.00	-	-	250,895.00	21,481.00	31,232.00	-	198,182.00	229,414.00
TOTAL OF PREVIOUS YEAR	55,345.00	195,550.00	-	250,895.00	3,945.00	17,536.00	-	229,414.00	51,400.00



**ASHIKA INSURANCE BROKING &
RISK MANAGEMENT PRIVATE LIMITED**

**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	<u>As at 31st March, 2009</u>	<u>As at 31st March, 2008</u>
	Rs.	Rs.
SCHEDULE - 7		
<u>ADVANCES</u>		
<i>(Advances recoverable in cash or in kind or for value to be received)</i>		
Staff Advances	-	7,000.00
Pre - Paid Insurance	16,192.00	14,981.33
Security Deposits	3,000.00	3,000.00
Other Advances	33,950.00	-
Income Tax Refundable	95,174.00	-
Service Tax Modvat Recievable	1,413.00	-
Pre-paid Income Tax :		
Asst Yr. 2009 - 10	232,537.22	-
Earlier Years	211,426.81	298,344.45
	593,693.03	323,325.78
SCHEDULE - 8		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
Current Liabilities		
Sundry Creditors for Fixed Assets		
- For Fixed Assets	-	45,000.00
- For Expenses	72,189.00	348,205.00
- For Other Finances	191,968.60	187,832.19
Temporary Overdraft with Bank :		
HDFC Bank Ltd.	-	27,392.98
Provisions		
For Fringe Benefit Tax :		
Asst. Yr. 2009 - 10	13,955.00	-
Earlier Years	-	4,840.00
For Gratuity	47,221.00	86,855.00
	325,333.60	700,125.17
SCHEDULE - 9		
<u>OTHER INCOME</u>		
Interest on Fixed Deposit with Bank	81,089.11	113,881.53
<i>(Subject to TDS Rs. 16,704.36, P.Y. Rs 20,798.31)</i>		
Interest on Income Tax Refundable	8,256.00	-
	89,345.11	113,881.53

**ASHIKA INSURANCE BROKING &
RISK MANAGEMENT PRIVATE LIMITED**



**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

	As at <u>31st March, 2009</u> Rs.	As at <u>31st March, 2008</u> Rs.
SCHEDULE - 10		
<u>ADMINISTRATIVE & OTHER EXPENSES</u>		
Salary and other Allowances	1,391,079.00	2,212,450.00
Staff Welfare Expenses	15,279.00	3,968.50
Gratuity	-	47,451.00
Travelling and Conveyance	134,001.00	58,578.00
Printing and Stationary	19,801.00	67,322.00
Postage and Courier	11,683.00	14,789.00
Telephone Expenses	56,004.10	92,717.54
Computer Maintenance	7,600.00	5,949.00
Auditors' Remuneration	17,545.00	12,360.00
Filing Fees	1,500.00	11,500.00
Rates & Taxes	16,314.40	2,500.00
General Expenses	15,274.00	15,747.00
Office Maintenance	1,500.00	-
Training Expense	43,708.00	21,854.00
Business Promotion Expenses	-	328,129.00
Books and Periodicals	-	11,370.00
Professional Fees	32,278.00	25,188.00
Insurance	21,261.33	7,490.67
Fees & Subscriptions	44,000.00	43,005.00
Advertisement	-	32,857.00
Bank Charges & Commission	987.53	783.00
Bad Debts	2,030.85	-
Interest Paid (Misc)	1,466.60	1,092.00
	<u><u>1,833,312.81</u></u>	<u><u>3,017,100.71</u></u>



ASHIKA INSURANCE BROKING & RISK MANAGEMENT PRIVATE LIMITED

SCHEDULES TO AND FORMING PART OF ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULE – 11

ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

A) ACCOUNTING POLICIES :

1. Basis of Accounting

The Financial Statements are prepared under historical cost convention on accrual basis of accounting. These are presented in accordance with the Generally Accepted Accounting Principles as acceptable in India, provisions of the Companies Act, 1956 and the Accounting Standards notified by the Central Government under the Companies Accounting Standards) Rules, 2006.

2. Use of Estimates

The Preparation of the financial statements in conformity with the accounting standards generally accepted in India requires, the management to make estimates that affect the reported amount of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenues and expenses for the year. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

3. Revenue Recognition

- a) Insurance Brokerage is recognized basis on accrual basis.
- b) Interest Income is recognized on accrual basis.

4. Fixed Assets

a) Tangible Assets

Fixed Assets are stated at cost, less accumulated depreciation thereon. Cost comprises of purchase price, duties, taxes and incidental expenses related to such acquisition and installation.

b) Intangible Assets

Intangible Assets are stated at cost, less accumulated amortization thereon. Cost comprises of purchase price, duties, taxes and incidental expenses.

5. Depreciation / Amortization

- a) Depreciation on tangible asset is provided on Straight Line Method at the rates specified in the Schedule XIV of the Companies Act, 1956. Depreciation on addition to fixed asset is provided on pro-rata basis from the date the asset is put to use. Depreciation on sale / deduction from fixed asset is provided for to the date of sale / deduction, as the case may be.
- b) Intangible assets consisting of specialized software, which are not integral part of related hardware, are amortized on a straight-line basis over a period of five years from the date when the assets are available for use.

6. Impairment of Fixed Assets

An asset is treated as impaired when carrying cost of asset exceeds its recoverable amount. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period, if any is reversed if there has been a change in the estimate of the recoverable amount.



**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

SCHEDULES – 11 : ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

7. Miscellaneous Expenditure

a) Preliminary Expenses

Preliminary Expenses is to be amortized in equal installments over a period of five years beginning from the year in which the Company starts commercial activities.

b) Pre-Operative Expenses

Pre-Operative Expenses incurred till the date of commencement of commercial activities is to be amortized in equal installments over a period of five years beginning from the year in which the company starts commercial activities.

8. Earning Per Share

Basic Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted Earning per share, is calculated by adjustment of all the effects of dilutive potential equity shares from the net profit or loss for the period attributed to equity shareholders and the weighted average numbers of shares outstanding during the period.

9. Taxation

Tax expenses comprises of current, deferred and fringe benefit tax. Current tax is determined as the amount of tax payable in respect of taxable income for the period under the provisions of the Income Tax Act 1961.

Fringe Benefit Tax is determined in accordance with the provisions of the Income Tax Act 1961.

Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversible in one or more subsequent periods. Deferred Assets are recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be able against which such asset item will be realized. If the company has brought forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realized.

10. Retirement Benefits

a) Defined Contribution Plans

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.

b) Defined Benefit Plans

Gratuity liability are provided for based on actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gain and losses are recognized immediately in the statement of Profit & Loss Account as income or expenses. At present the Gratuity is not funded.



**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

SCHEDULES – 11 : ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

11. Provisions, Contingent Liabilities & Contingent Assets

A provision is recognized when the company has present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and reliable estimate can be made for the amount of the obligation. Contingent liabilities are not recognized but disclose by way of notes to the accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

B) NOTES TO THE ACCOUNTS :

1. The Company has no contingent liabilities as on Balance Sheet date.
2. Based on the information given by the Company, no creditor is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provisions / payments have been made by the company to such creditors, if any and no disclosures thereof are made in these accounts.

3. Earnings Per Share :

Basic and Diluted Earnings Per Share :

Amount (Rs.)

Particulars	2008 – 2009	2007 – 2008
Profit considered for calculating EPS (Net Profit after Tax)	(16,97,972.51)	(15,44,542.54)
Weighted average number of Equity Shares (Nos.)	522200	522200
Nominal value of Equity Shares	10.00	10.00
Basic and Diluted Earning per Share (Rs.)	(3.25)	(2.96)

4. The components of Net Deferred Tax Assets/ (Liabilities) are:

Amount (Rs.)

	Deferred Tax Assets / (Liabilities) as at 01/04/2008	Current Year (Change) / Credit	Deferred Tax Assets / (Liabilities) as at 31/03/2009
Difference between book depreciation and tax Depreciation on Fixed Assets	(21,817.00)	(5,955.00)	(27,772.00)
Carried Forward Business Loss	9,05,491.00	(9,05,491.00)	-
Carried Forward Unabsorbed Depreciation	28,455.00	(28,455.00)	-
Provisions for Gratuity	26,838.00	(12,247.00)	14,591.00
Total (Net)	9,38,967.00	(9,52,148.00)	(13,181.00)

Note : Deferred Tax Assets on brought forward Business Losses and Unabsorbed Depreciation has been reversed during the year in view of uncertainty, in view of management, regarding availability of sufficient taxable income in future years. Accordingly, deferred tax assets on current year's Business Loss / Unabsorbed Depreciation to be carried forward are also not recognized.

5. The business of the Company falls within a single primary business segment viz. 'Insurance Broking', the disclosure requirement of Accounting Standard (AS-17) 'Segment Reporting' issued by the Institute of Chartered Accountants of India is not applicable.



**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

SCHEDULES – 11 : ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

6. Auditors' Remuneration includes:

Particulars	Amount (Rs.)	
	2008 - 2009	2007 - 2008
For Statutory Audit	15,000.00	10,000.00
For Certification & other Professional Services	1,000.00	1,000.00
For Service Tax	1,545.00	1,360.00
Total	17,545.00	12,360.00

7. Employee Benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is not funded.

The following tables summarize the components of net benefit expenses recognized in the Profit & Loss Account and amounts recognized in the balance sheet for the respective plan.

	Amount (Rs.)	
	2008 - 09	2007- 08
(i) Net Employee Expense /(benefit)		
Current service cost	44,659.00	47,451.00
Interest cost on benefit obligation	5,363.04	5,050.36
Expected return on plan assets	-	-
Net Actuarial (gain) / loss recognized in the year.	(89,656.04)	(5,050.36)
Total employer expense recognized in Profit and Loss Account	(39,634.00)	47,451.00
(ii) Benefit Asset/(Liability)		
Defined benefit obligation	47,221.00	86,855.00
Fair value of Plan Assets	-	-
Benefit Asset/(Liability)	(47,221.00)	(86,855.00)
(iii) Movement in benefit liability		
Opening defined benefit obligation	86,855.00	39,404.00
Interest cost	5,363.04	5,050.36
Current service cost	44,659.00	47,451.00
Benefits paid	-	-
Actuarial (gains)/losses on obligation	(89,656.04)	(5,050.36)
Closing benefit obligation	47,221.00	86,855.00
(iv) The principal actuarial assumptions are as follows		
Discount rate	8.00%	7.50%
Salary increase	5.00%	5.00%
Withdrawal rates	Varying between 2% and 1% per annum depending upon the duration and age of the employees	
(v) Amount incurred as expense for defined contribution plans		
Contribution to Provident / Pension fund	-	-



**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

SCHEDULES – 11 : ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

	2008 - 09	2007- 08
(vi) The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market.		
(viii) Amounts for the current period are as follows :		
Gratuity -	-	
Defined Benefit Obligation	47,221.00	86,855.00
Plan Assets	-	-
Surplus / (Deficit)	(47,221.00)	(86,855.00)
Experience adjustments on plan liabilities	Not Available*	
* The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities are not readily available and hence not disclosed.		

8. Related Parties Disclosures

Related parties disclosures, as stipulated by Accounting Standard – 18- Related Party Disclosures, issued by ICAI, are given below:

a) List of Related Parties:

Enterprises owned by Key Management Personnel or their Relatives:

Ashika Stock Broking Ltd.
Ashika Credit Capital Ltd.
Ashika Global Securities Ltd.

b) Transactions with Related Parties

Aggregate Related Party Transactions as at and for the year ended 31st March, 2009 (Transactions have been taken place on arm's length basis).

Particulars	Enterprises in which the Key Management Personnel or their Relatives have control and significance influence		Total	
	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding on 31st March, 09
Loans Taken				
Ashika Credit Capital Ltd.	1,630,000	335,000	1,630,000	335,000
	(-)	(-)	(-)	(-)
Repayment of Loans Taken				
Ashika Credit Capital Ltd.	1,295,000	-	1,295,000	-
	(1,419,597)	(-)	(1,419,597)	(-)
Ashika Global Securities Ltd.	-	-	-	-
	(6,722)	(-)	(6,722)	(-)



**SCHEDULES TO THE ACCOUNTS AS AT AND FOR THE YEAR ENDED
ON 31ST MARCH, 2009**

SCHEDULES – 10 : ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (Contd.)

Particulars	Enterprises in which the Key Management Personnel or their Relatives have control and significance influence		Total	
	Transaction Value	Balance Outstanding as on 31st March,9	Transaction Value	Balance Outstanding on 31st March, 9
Share Application Money Received				
Ashika Global Securities Ltd.	- (18,34,750)	- (-)	- (18,34,750)	- (-)
Interest on Loans Paid				
Ashika Credit Capital Ltd	92,117 (-)	71,243 (-)	92,117 (-)	71,243 (-)
Re-imbursment of Telephone Expenses				
Ashika Stock Broking Ltd.	6,888 (-)	- (-)	6,888 (-)	- (-)

Note : Figures in Brackets are relating to Previous Year.

9. None of the Fixed Assets of the Company are considered impaired as on the Balance Sheet date.
10. Transactions in Foreign Currency – Nil (Previous Year Nil).
11. Previous Year figures have been rearranged or re-grouped wherever necessary to conform to current year's presentations.
13. Current Year Business Profile and Balance Sheet Abstract are annexed hereto.

SIGNATURE TO SCHEDULES 1 TO 11

Place : Kolkata Dated : 6th June, 2009	P. K. SAH, FCA <i>Partner</i> For and on behalf of P. K. SAH & Associates <i>Chartered Accountants</i>	For and on behalf of the Board Pawan Jain <i>Director</i> Daulat Jain <i>Director</i>
---	--	---



ASHIKA INSURANCE BROKING & RISK MANAGEMENT PRIVATE LIMITED

COMPANY'S GENERAL BUSINESS PROFILE AND BALANCE SHEET ABSTRACT (As required under Part IV, Schedule VI to the Companies Act, 1956)

I. Registration Details :

Registration No. : State Code :

Balance Sheet Date :
Date Month Year

II. Capital Raised During the Year : (Amt. in Rs. '000)

Public Issue	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Right Issue	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Bonus Issue	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Private Placement	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

III. Position of Mobilisation and Deployment of Funds : (Amt. in Rs. '000)

Sources of Funds	Total Liabilities	Total Assets
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="6"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="7"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="6"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="7"/>
	Paid up Capital	Reserves & Surplus
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="2"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="9"/> <input type="text" value="0"/>
Application of Funds	Secured Loans	Unsecured Loans
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="6"/>
	Net Fixed Assets	Investments
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="8"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
	Net Current Assets	Misc. Expenditure
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="6"/> <input type="text" value="7"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
	Accumulated Losses	Deferred Tax Assets/(Liabilitise)
	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="3"/> <input type="text" value="8"/> <input type="text" value="6"/> <input type="text" value="6"/>	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input "="" type="text" value="("/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value=")"/>

IV. Performance of the Company : (Amt. in Rs. '000)

Turnover	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="8"/>	Total Expenditure	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="1"/> <input type="text" value="0"/>
+ - Profit/Loss before Tax	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="7"/> <input type="text" value="3"/> <input type="text" value="2"/>	+ - Profit after Tax	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="8"/>
(Please Tick Appropriate Box + for Profit – for Loss)			
Earning Per Share	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input "="" type="text" value="("/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value=")"/>	Dividend Rate%	<input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="-"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

V. Generic Names of three Principal Services of Company (as per monetary terms)

Item Code No. (ITC Code)

Product Description **INSURANCE BROKING SERVICES**

For and on behalf of the Board

Place : Kolkata
Dated : 6th June, 2009

Pawan Jain Director
Daulat Jain Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	Year ended 31st March 2009 <u>Rs.</u>	Year ended 31st March 2008 <u>RS.</u>
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(731,869.51)	(2,175,611.38)
<i>Adjustments for :</i>		
Depreciation on Fixed Assets	31,232.00	17,536.00
Preliminary & Preoperative Expenses Written off	53,595.60	53,595.00
Interest on Fixed Deposit with Bank	(81,089.11)	(113,881.53)
Interest on Income Tax Refund	(8,256.36)	-
Interest Expenses	92,117.00	-
Operating Profit Before Working Capital Changes	(644,270.38)	(2,218,361.91)
<i>Adjustments for :</i>		
(Increase) / Decrease in Trade Receivables	248,659.92	(280,786.17)
(Increase) / Decrease in Advances	(29,573.67)	41,225.91
Increase / (Decrease) in Trade Payables	(383,906.57)	547,317.17
Cash Generated From Operations	(809,090.70)	(1,910,605.00)
<i>Adjustments for :</i>		
Direct Tax Refunds / (Paid)	(239,881.22)	(182,275.00)
Net Cash From Operating Activities	(1,048,971.92)	(2,092,880.00)
 B. CASH FLOW FROM INVESTING ACTIVITIES		
<i>Add / (Less):</i>		
Payment for Fixed Assets	-	(195,550.00)
Interest on Fixed Deposit with Bank	81,089.11	113,881.53
Net Cash from Investing Activities	81,089.11	(81,668.47)



**ASHIKA INSURANCE BROKING &
RISK MANAGEMENT PRIVATE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009
(Contd.)**

	Year ended 31st March 2009 Rs.	Year ended 31st March 2008 Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES		
<i>Add / (Less):</i>		
Short Term Borrowings	406,243.00	-
Payment of Short Term Borrowings	-	(1,426,319.00)
Interest Expenses	(92,117.00)	-
Net Cash Used In Financing Activities	314,126.00	(1,426,319.00)
Net Increase In Cash And Cash Equivalents (A+B+C)	(653,756.81)	(3,600,867.47)
Cash And Cash Equivalents As At The Beginning Of The Year (Note 1)	2,020,469.80	5,621,337.27
Cash And Cash Equivalents As At The Close Of The Year (Note 1)	1,366,712.99	2,020,469.80

Note :

1. Represents Cash and Bank Balances as indicated in Schedule - 6
2. Previous year's figures have been regrouped and rearranged wherever necessary to conform to the current year's classification.

THIS IS THE CASH FLOW STATEMENT REFERRED TO IN OUR REPORT OF EVEN DATE

Place : Kolkata Dated : 6th June, 2009	P. K. SAH, FCA <i>Partner</i> Mem. No. 56216 For and on behalf of P. K. SAH & Associates <i>Chartered Accountants</i>	For and on behalf of the Board Pawan Jain <i>Director</i> Daulat Jain <i>Director</i>
---	--	--



AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF ASHIKA CREDIT CAPITAL LIMITED

To
The Board of Directors,
ASHIKA CREDIT CAPITAL LIMITED

1. We have audited the attached Consolidated Balance Sheet of **Ashika Credit Capital Limited** (the "Company") and its Subsidiaries as at 31st March 2009, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement 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 that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. 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 management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the Subsidiary Companies, namely Ashika Capital Limited and Ashika Insurance Broking & Risk Management Private Limited for the period from 1st April, 2008 to 3rd November, 2008 (which are no longer remaining Subsidiaries subsequently) reflecting total revenue, total expenses and net loss amounting to Rs. 1,33,30,458.22 and Rs. 6,36,845.16 respectively, as considered in the Consolidated Financial Statements. These unaudited financial statements have been considered as furnished to us by the Management of the Subsidiaries and have been relied upon by us for the purpose of our examination of Consolidated Financial Statements.
4. Subject to para 3 above,
 - (a) We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, on Consolidated Financial Statements, notified by the Central Government under Companies (Accounting Standards) Rules, 2006;
 - (b) Based on our audit as aforesaid and on consideration of unaudited financial statements certified by the Management as regard to the two Subsidiaries and on the basis of the information and explanations given to us, we are of the opinion, that the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) in the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its Subsidiaries as on 31st March, 2009;
 - (ii) in the case of Consolidated Profit and Loss Account, of the consolidated results of operations of the Company and its subsidiaries for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its subsidiaries for the year ended on that date.

For P. K. SAH & ASSOCIATES

Chartered Accountants

(P. K. SAH, FCA)

Partner

Mem. No. 056216

Place : Kolkata
Date: 6th June, 2009



ASHIKA CREDIT CAPITAL LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

	SCHEDULES	As at 31st March, 2009	As at 31st March, 2008
		Rs.	Rs.
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	49,964,955.00	49,964,955.00
Reserves and Surplus	2	48,907,702.96	51,441,713.30
		98,872,657.96	101,406,668.30
Minority Interest	3	-	12,944.62
LOAN FUNDS			
Unsecured Loans	4	17,202,710.00	5,192,080.00
DEFERRED TAX LIABILITIES		105,467.00	-
Total		116,180,834.96	106,611,692.92
APPLICATIONS OF FUNDS			
GOODWILL ON CONSOLIDATION (NET)		-	421,040.00
FIXED ASSETS			
Gross Block	5	5,637,932.00	9,920,322.50
Less: Depreciation		761,519.64	2,077,976.95
Net Block		4,876,412.36	7,842,345.55
INVESTMENTS	6	66,168,000.00	10,168,000.00
CURRENT ASSETS, LOANS & ADVANCES			
Stock-in-Trade	7	135,250.00	2,616,507.25
Sundry Debtors	8	-	7,008,420.13
Cash & Bank Balances	9	2,690,126.18	32,226,252.95
Loans & Advances	10	44,113,391.82	117,852,141.48
		46,938,768.00	159,703,321.81
LESS :- CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	11	1,024,382.40	67,709,428.41
Provisions	12	777,963.00	4,433,667.00
		1,802,345.40	72,143,095.41
Net Current Assets		45,136,422.60	87,560,226.40
DEFERRED TAX ASSETS		-	566,485.37
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted.)			
Preliminary & Pre-Operative Expenses		-	53,595.60
Total		116,180,834.96	106,611,692.92

ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS 19
 SCHEDULES '1' TO '12' AND '19' REFERRED TO
 ABOVE FORM AN INTEGRAL PART OF THE CONSOLIDATED BALANCE SHEET
 THIS IS THE CONSOLIDATED BALANCE SHEET REFERRED TO IN OUR REPORT OF EVEN DATE

Place : Kolkata Dated : 6th June, 2009	P. K. SAH, FCA <i>Partner</i> Mem. No. 056216 For and on behalf of P. K. SAH & Associates Chartered Accountants	For and on behalf of the Board Pawan Jain <i>Director</i> Daulat Jain <i>Executive Director</i> Babulal Bafna <i>Chief Executive Officer</i> Anju Lohiya <i>Company Secretary</i>
---	--	---



CONSOLIDATED PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2009

	SCHEDULES	Year ended	Year ended
		31st March, 2009	31st March, 2008
		Rs.	Rs.
INCOME			
Sale of Shares etc.		79,181,226.67	230,457,880.32
Merchant Banking Operations		17,258,449.00	23,874,032.00
Insurance Brokerage		721,704.88	798,738.80
Other Brokerage Income		257,471.00	1,582,032.00
Profit from Derivatives / Intra day Trading in Shares		-	20,604,000.80
Interest Income	13	8,903,443.00	13,519,617.24
Profit on Sale of Investment in Shares/ Units of Mutual Funds		-	490,754.35
Other Income	14	178,953.80	72,739.46
		106,501,248.35	291,399,794.97
EXPENDITURE			
Purchase of Shares etc.		101,416,905.86	255,483,105.25
(Increase)/Decrease in Stock of Shares	15	1,562,507.25	(2,616,507.25)
Other Direct Expenses	16	33,057.15	1,060,647.23
Administrative & Other Expenses	17	11,694,831.87	24,622,236.90
Loss from Derivatives / Intra day Trading in Shares		33,868.50	-
		114,741,170.63	278,549,482.13
PROFIT BEFORE INTEREST, DEPRECIATION & TAXATION			
LESS : Interest Expenses	18	(8,239,922.28)	12,850,312.84
		3,100,678.60	2,671,513.00
PROFIT BEFORE DEPRECIATION AND TAXATION			
LESS : Depreciation		(11,340,600.88)	10,178,799.84
		512,120.00	625,930.00
PROFIT BEFORE TAXATION AND DISPOSAL OF SUBSIDIARY			
Add : Profit on disposal of Subsidiaries		(11,852,720.88)	9,552,869.84
		9,863,986.96	(26,092.82)
PROFIT BEFORE TAXATION			
LESS : Provision for Taxation:		(1,988,733.92)	9,526,777.02
<i>Current Tax</i>		586,979.00	3,764,233.00
<i>Deferred Tax Liabilities/ (Assets)</i>		64,015.76	(636,615.90)
<i>Fringe Benefit Tax</i>		24,135.00	273,164.00
		675,129.76	

**CONSOLIDATED PROFIT & LOSS ACCOUNT**

FOR THE YEAR ENDED 31ST MARCH, 2009

SCHEDULES	Yearended	Yearended
	31st March, 2009	31st March, 2008
	Rs.	Rs.
PROFIT AFTER TAXATION	(2,663,863.68)	6,125,995.92
Add / (Less) : Earlier Years Excess provision of Income Tax (Net) written back	211,720.95	273,911.00
Add / (Less) : Impact of Revised AS 15 as on 1st April, 2008 (Net of Deferred Tax Assets)	(81,867.61)	(99,831.00)
Add / (Less) : Minority Interest in (Profit) / Loss	-	6,601.44
Add / (Less) : Balance brought forward from previous year	17,592,482.90	12,053,115.54
Profit Available for Appropriation	15,058,472.56	18,359,792.90
APPROPRIATIONS		
Transfer to Statutory Reserves	287,890.00	767,310.00
Balance Carried to Balance Sheet	14,770,582.56	17,592,482.90
	15,058,472.56	18,359,792.90
Basic and Dilluted Earning Per Share	(0.53)	1.23

(Refer note no.B (3) in Schedule - 19)

ACCOUNTING POLICIES &
NOTES TO THE ACCOUNTS

19

SCHEDULES '13' TO '18' AND '19' REFERRED TO
ABOVE FORMAN INTEGRAL PART OF THE CONSOLIDATED BALANCE SHEET

This is the Consolidated Profit & Loss Account referred to in our report of even date

Place : Kolkata Dated : 6th June, 2009	P. K. SAH, FCA <i>Partner</i> Mem. No. 056216 For and on behalf of P. K. SAH & Associates Chartered Accountants	For and on behalf of the Board Pawan Jain <i>Director</i> Daulat Jain <i>Executive Director</i> Babulal Bafna <i>Chief Executive Officer</i> Anju Lohiya <i>Company Secretary</i>
---	--	---



SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE - 1		
<u>SHARE CAPITAL</u>		
Authorised		
52,50,000 Equity Shares of Rs.10/- each	<u>52,500,000.00</u>	52,500,000.00
Issued & Subscribed		
50,01,000 Equity Shares of Rs.10/- each	<u>50,010,000.00</u>	50,010,000.00
Paid Up		
Fully Called and paid up in cash		
49,94,826 Equity Shares of Rs.10/- each	<u>49,948,260.00</u>	49,948,260.00
Add : Forfeited shares	<u>16,695.00</u>	16,695.00
	<u>49,964,955.00</u>	<u>49,964,955.00</u>
 SCHEDULE - 2		
<u>RESERVES & SURPLUS</u>		
Share Premium Account		
Balance as per Last Account	(A) <u>29,187,000.00</u>	29,187,000.00
Statutory Reserves U/s 45IC of the RBI Act, 1934		
Balance as per Last Account	<u>4,662,230.40</u>	3,894,920.40
Add : Transferred During the year	<u>287,890.00</u>	767,310.00
	(B) <u>4,950,120.40</u>	4,662,230.40
Profit & Loss Account		
Surplus Balance	(C) <u>14,770,582.56</u>	17,592,482.90
	(A+B+C) <u>48,907,702.96</u>	<u>51,441,713.30</u>
 SCHEDULE - 3		
<u>MINORITY INTEREST</u>		
Share Capital	-	21,662.00
Share Premium	-	378.00
Share in Profit & Loss Account	-	(9,095.38)
	-	<u>12,944.62</u>
 SCHEDULE - 4		
<u>UNSECURED LOANS</u>		
From Bodies Corporates (including Interest Accrued and due Rs. 22,02,710/- , P.Y. Rs. 17,60,236/-)	<u>17,202,710.00</u>	<u>5,192,080.00</u>



SCHEDULES FORMING PART OF THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2009

**SCHEDULE - 5
FIXED ASSETS**

PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
	As at 1st April, 2008 (Rs.)	Additions/Adjustments (Rs.)	Withdrawals/Adjustments (Rs.)	As at 31st March 2009 (Rs.)	For the Period (Rs.)	Deduct-ns/Adjus- tments (Rs.)	As at 31st March 2009 (Rs.)	As at 31st March 2008 (Rs.)
TANGIBLE ASSETS								
BUILDING								
OFFICE PREMISES	626,110.00	3,304,919.00	-	3,931,029.00	31,084.00	-	3,846,369.21	572,534.21
PLANT & MACHINERY								
FAX MACHINE	16,860.00	-	16,860.00#	-	476.00	2,290.00#	-	15,046.00
AIR CONDITIONER	549,940.00	-	549,940.00#	-	15,530.00	65,928.50#	-	499,541.50
TELEPHONE	7,671.00	-	7,671.00#	-	217.00	2,037.74#	-	5,850.26
XEROX MACHINE	74,880.00	-	74,880.00#	-	4,035.00	22,184.00#	-	56,731.00
CCTV SYSTEM	324,060.00	-	324,060.00#	-	7,231.00	31,555.00#	-	299,726.00
TELEVISION SET	31,000.00	-	31,000.00#	-	875.00	3,702.00#	-	28,173.00
MOTOR CAR	365,000.00	1,073,220.00	365,000.00#	1,073,220.00	95,476.00	212,230.00#	998,359.00	173,365.00
COMPUTER & PRINTER	2,001,954.00	-	1,368,271.00#	633,683.00	131,862.00	607,193.77#	31,684.15	924,623.38
FURNITURE & FIXTURES								
FURNITURE	5,515,325.50	-	5,515,325.50#	-	207,559.00	807,317.30#	-	4,915,567.20
EPABX MACHINE	377,532.00	-	377,532.00#	-	14,208.00	62,304.00#	-	329,436.00
INTANGIBLE ASSETS								
Softwares	30,000.00	600,000.00	630,000.00#	-	3,567.00	11,835.00#	-	21,732.00
Total	9,920,322.50	4,978,139.00	9,260,529.50	5,637,932.00	512,120.00	1,828,577.31	4,876,412.36	7,842,345.55
TOTAL OF PREVIOUS YEAR	33,167,657.25	1,167,476.00	24,414,810.75	9,920,322.50	631,354.00	5,424.00	7,842,345.55	31,715,610.30

Represents assets relating to the erstwhile Subsidiaries



SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2009

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE - 6		
INVESTMENTS (At Cost)		
Long Term - Non- Trade		
(a) Government Securities (Unquoted)		
12.3% Government of India Stocks (A)	468,000.00	468,000.00
(b) Units of Mutual Funds		
(Unquoted, Fully paid up units of Rs.10/- each)		
4293565.377 (P.Y. Nil) units in		
IDFC - Money Manager Fund #	60,000,000.00	-
63542.494 (P.Y. Nil) units in IDFC - Cash Fund #	1,000,000.00	-
	(B) 61,000,000.00	-
(c) Equity Shares -		
(Unquoted, Fully paid up of Rs.10/- each)		
47000 (P. Y. 47000) Sh. Ashika Properties Pvt. Ltd.	4,700,000.00	4,700,000.00
Nil (P.Y.1,00,000) Sh. In Ashika Venture Capital Pvt. Ltd.	-	5,000,000.00
	(C) 4,700,000.00	9,700,000.00
	(A+B+C) 66,168,000.00	10,168,000.00
<i>Aggregate Net Assets Value (NAV)</i>		
<i>of the Investment in Units</i>	61,248,301.59	-
<i># Invested during the year</i>		
SCHEDULE - 7		
STOCK IN TRADE		
<i>(Valued at lower of cost or market value)</i>		
<i>(As Certified by the Management)</i>		
Shares - Quoted	135,250.00	2,616,507.25
	135,250.00	2,616,507.25
SCHEDULE - 8		
SUNDRY DEBTORS		
<i>(Unsecured, considered good)</i>		
Debts outstanding for a period exceeding six months		427,537.25
Other Debts	-	6,580,882.88
	-	7,008,420.13
SCHEDULE - 9		
CASH AND BANK BALANCES		
Cash in Hand <i>(As certified by Management)</i>	947,764.93	1,585,590.98
Cheques in Hand	136,678.94	15,438,061.40
Balances with Scheduled Banks		
<i>In Fixed Deposit Accounts</i>	-	1,184,378.87
<i>In Current Accounts</i>	1,605,682.31	14,018,221.70
	2,690,126.18	32,226,252.95

**ASHIKA CREDIT CAPITAL LIMITED****SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2009**

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE - 10		
<u>LOANS AND ADVANCES</u>		
Loans and Other Credit Facilities <i>(Considered Good, unless otherwise stated)</i>		
Secured	-	11,131,400.00
Unsecured	<u>6,333,739.00</u>	<u>38,247,492.00</u>
	6,333,739.00	49,378,892.00
Advances recoverable in cash or in kind or for value to be received		
Interest Accrued :		
On Govt. Securities	12,300.00	12,300.00
On Margin Money Deposits	<u>62,710.00</u>	-
	75,010.00	12,300.00
Share Application Money <i>(Pending Allotment)</i>	35,000,000.00	18,000,000.00
Margin Money Deposits	-	35,910,963.00
Advances Against Purchase of Fixed Assets	-	600,000.00
Advances on Clients' Account	-	1,020,000.00
Advances Against Expenses	-	92,531.00
Security Deposits	99,568.00	2,044,663.00
Other Advances	633,946.00	4,571,881.34
Tax Payments :		
Prepaid Income Tax	1,971,128.82	6,007,738.12
Modvat Credit Receivable on Service Tax	-	<u>213,173.02</u>
	<u>44,113,391.82</u>	<u>117,852,141.48</u>
SCHEDULE - 11		
<u>CURRENT LIABILITIES</u>		
Sundry Creditors :		
- For Fixed Assets	-	45,000.00
- For Purchases	-	3,375,000.00
- For Expenses	103,488.00	6,908,567.05
- For Others	738,491.00	1,735,054.44
Advance Against Sale of Shares	-	52,983,000.00
Unclaimed Dividend	182,403.40	184,513.40
Advances from Clients	-	1,380,602.20
Other Liabilities	-	<u>1,097,691.32</u>
	<u>1,024,382.40</u>	<u>67,709,428.41</u>


SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2009

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE -12		
PROVISIONS		
For Income Tax <i>Asst. Year 2009-10</i>	586,979.00	-
<i>Earlier Years</i>	-	3,767,803.00
For Fringe Benefit Tax <i>Asst. Year 2009-10</i>	24,135.00	-
<i>Earlier Years</i>	-	273,164.00
For Grauity	166,849.00	392,700.00
	777,963.00	4,433,667.00
SCHEDULE -13		
INTEREST INCOME		
Interest on Loans & Other Credit Facilities (including TDS Rs. 17,81,762/- P.Y. Rs. 21,32,949/-)	8,713,155.00	12,583,960.75
Interest on Investment in Govt. Securities	49,200.00	49,200.00
Interest from Fixed Deposits from Banks	48,209.00	796,795.49
Interest on Income Tax Refunds	92,879.00	89,661.00
	8,903,443.00	13,519,617.24
SCHEDULE -14		
OTHER INCOME		
Rent	120,000.00	-
Dividend - held as Stock-in-Trade	7,700.00	34,621.55
Dividend - on Investment in Units of Mutual Funds	-	38,117.91
Miscellaneous Income	51,253.80	-
	178,953.80	72,739.46
SCHEDULE -15		
(INCREASE)/DECREASE IN STOCKS OF SHARES ETC.		
Opening Stock	2,616,507.25	-
Less: Closing Stock	1,054,000.00	2,616,507.25
	1,562,507.25	(2,616,507.25)
SCHEDULE - 16		
OTHER DIRECT EXPENSES		
Service Tax	2,834.85	153,735.32
Stamp Charges	2,102.45	93,410.16
Transaction Charges	735.85	69,415.39
Demat Charges	1,104.00	4,438.22
Auction Charges	-	4,503.29
Securities Transactions Tax	26,280.00	735,144.85
	33,057.15	1,060,647.23

**SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2009**

	As at 31st March 2009 <u>Rs.</u>	As at 31st March 2008 <u>Rs.</u>
SCHEDULE - 17		
<u>ADMINISTRATIVE AND OTHER EXPENSES</u>		
Salary, Bonus and other allowances	6,036,522.00	8,082,726.00
Gratuity	192,697.00	248,227.00
Staff Welfare Expenses	109,521.00	164,354.50
Employers Contribution to Provident Fund	83,550.00	81,384.00
Travelling and Conveyance	213,472.21	1,707,873.89
Printing and Stationary	173,363.89	545,184.50
Postage and Courier	47,393.17	195,204.55
Telephone / Mobile Expenses	362,091.02	724,196.99
Rent & Electricity	1,443,478.00	1,225,565.00
Motor Car Expenses	39,085.46	52,569.42
Computer Maintenance	190,520.00	300,181.00
Miscellaneous Expenditure	154,076.85	899,007.07
Training Expenses	43,708.00	-
Business Promotion Expenses	518,174.71	1,747,131.00
Repair & Maintenance	5,123.15	876,126.00
Office Maintenance	357,409.00	-
Professional Fees	487,006.00	7,120,364.00
Insurance Charges	44,168.50	12,402.67
Fees & Subscription	241,866.00	257,495.00
Advertisement	15,629.00	42,064.00
Bank Charges & Commission	6,069.62	6,190.71
Bad Dets	2,572.66	-
Irrecoverable Advances Written Off	710,919.00	-
Preliminary / Pre- Operative Expenses written off	31,863.63	53,595.00
Auditors' Remuneration	69,552.00	136,394.60
Payment to Director		
Directors Meeting Fees	115,000.00	144,000.00
	<u>11,694,831.87</u>	<u>24,622,236.90</u>
SCHEDULE - 18		
<u>INTEREST PAID</u>		
Interest on Unsecured Loans	2,902,852.00	2,494,636.00
Other Interest	197,826.60	176,877.00
	<u>3,100,678.60</u>	<u>2,671,513.00</u>



SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 19 :

ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

A) Significant Accounting Policies :

1. Principles of Consolidation

- (a) The Consolidated Financial Statements of Ashika Credit Capital Limited (hereinafter referred to as "the Company") and its subsidiaries namely Ashika Capital Limited and Ashika Insurance Broking & Risk Management Private Limited, have been prepared in accordance with AS-21 on "Consolidated Financial Statements", notified by the Central Government under Companies (Accounting Standards) Rules, 2006;
- (b) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's separate financial statements.
- (c) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets and liabilities, income and expenditure after eliminating intra-group balances and transactions and the resulting in unrealised profit / losses as per the respective financial statements duly certified by the management of the respective companies.
- (d) Both the Subsidiaries, as detailed below has ceased to be subsidiaries of the Company w.e.f 4th November, 2008 as the investment therein held by the Company have been sold during the year. The resultant profit / (loss) in this respect has been recognised in these financial statements. For the purpose of consolidation, financial statements drawn upto 3rd November 2008 are considered, as submitted by the management.

Name of Company	Relationship	Country of Incorporation	Period/Year ended included in Consolidation	Proportion of Ownership Interest
Ashika Capital Limited	Subsidiary	India	3rd November, 2008	100%
Ashika Insurance Broking & Risk Management Private Limited (99.58 holding by Ashika Capital Limited)	Fellow Subsidiary	India	3rd November, 2008	99.58%

2. Significant Accounting Policies :

(a) Basis of Accounting

The Financial statements are prepared under the historical cost convention on accrual basis of accounting. These are presented in accordance with the Generally Accepted Accounting Principles as acceptable in India, provisions of the Companies Act, 1956, Accounting Standards notified by the Central Government under the Companies (Accounting Standards) Rules, 2006 and the guidelines issued by the Reserve Bank of India, wherever applicable

(b) Use of Estimates

The Preparation of the financial statements in conformity with the accounting standards generally accepted in India requires, the management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities



SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 19 (Contd.)

as at the date of the financial statement and reported amounts of revenues and expenses for the year. Management believes that the estimates used in the preparation of the financial statement are prudent and reasonable. Actual results could differ from these estimates.

- (c) Revenue Recognition
 - (a) Transaction in respect of dealing in securities are recognized on trade dates.
 - (b) Revenue from merchant banking services is recognized as revenue as invoiced to clients on performance / part performance of assignment based on the agreement of the assignment.
 - (c) Interest Income from financing activities and others is recognized on and accrual basis except in the case of non - performing assets where it is recognized, upon realization, as per Prudential Norms of Reserve Bank of India.
 - (d) Dividend Income on shares is recognized as and when the right to receive is established.
- (d) Fixed Assets
 - a) Tangible Assets

Fixed Assets are stated at cost, less accumulated depreciation thereon. Cost comprises of purchase price, duties, taxes and incidental expenses related to such acquisition and installation.
 - b) Intangible Assets

Intangible Assets are stated at cost, less accumulated amortization thereon. Cost comprises of purchase price, duties, taxes and incidental expenses.
- (e) Depreciation / Amortization :
 - a) Depreciation on tangible asset is provided on Straight Line Method at the rates specified in the Schedule XIV of the Companies Act, 1956. Depreciation on addition to fixed asset is provided on pro-rata basis from the date the asset is put to use. Depreciation on sale / deduction from fixed asset is provided for to the date of sale / deduction, as the case may be.
 - b) Intangible assets consisting of specialized software, which are not integral part of related hardware, are amortized on a straight-line basis over a period of five years from the date when the assets are available for use.
- (f) Impairment of Fixed Assets

An asset is treated as impaired when carrying cost of asset exceeds its recoverable amount. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period, if any is reversed if there has been a change in the estimate of the recoverable amount.
- (g) Shares, Commodities Futures / Equity Index

Initial margin and margin paid over and above initial margin, for entering into a contract for stock futures / equity index which are released on final settlement / squaring up of the



SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 19 (Contd.)

underlying contract, are disclosed under Loans & Advances.

Stock futures / equity index are marked-to-market on a daily basis. Debit or Credit Balance, representing the net amount paid or received on the basis of movement in the price of stock futures / equity index till the balance sheet date, are disclosed under Receivables or Current Liabilities, respectively.

Profit / Loss on open position in stock futures / equity index as on the balance sheet date is accounted for as follows:

Credit balance in the Mark-to-Market margin, being the anticipated profit is ignored and no credit for the same is taken in the Profit and Loss Account.

Debit balance in the Mark-to-Market, being the anticipated loss is adjusted in the Profit and Loss Account.

(h) Investments

Long Term Investments are stated at cost. Provision is made for diminution in value, considering the nature and extent as permanent diminution.

(i) Stock-in-Trade

Closing Stock of shares is valued script wise at lower of cost or market value.

(k) Earnings Per Share

Basic Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted Earning per share is calculated by adjustment of all the effects of dilutive potential equity shares from the net profit or loss for the period attributed to equity shareholders and the weighted average numbers of shares outstanding during the period.

(l) Taxation

Tax expenses comprises of current, deferred and fringe benefit tax. Current tax is determined as the amount of tax payable in respect of taxable income for the period under the provisions of the Income Tax Act 1961.

Fringe Benefit Tax is determined in accordance with the provisions of the Income Tax Act 1961.

Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversible in one or more subsequent periods. Deferred Assets are recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such asset item will be realized. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realized.

**SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009****SCHEDULES – 19 (Contd.)**

(m) Retirement Benefits:

a) Defined Contribution Plans

Company's contribution towards Provident Fund, which is a defined contribution scheme, are charged to the Profit and Loss Account of the year when the contributions are due. There are no other obligations other than the contribution payable to the respective fund.

b) Defined Benefit Plans

Gratuity liabilities are provided for based on actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gains and losses are recognized immediately in the statement of Profit & Loss Account as income or expenses. Compensated leave is encashed during the year.

(n) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and reliable estimate can be made for the amount of the obligation. Contingent liabilities are not recognized but disclose by way of notes to the accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

B) Notes on Accounts:

1. The Company's investment in its subsidiary Ashika Capital Limited comprising of 1050000 equity shares of Rs.10/- each has been divested during the year. As such, as on the Balance Sheet date Ashika Capital Limited is no more a subsidiary and in turn Ashika Insurance Broking & Risk Management Pvt Ltd which was a subsidiary through Ashika Capital Limited, is no more fellow subsidiary.
2. The Company has given guarantee (jointly with two other guarantors) to a bank in favour of M/s Ashika Stock Broking Limited, a Company in which two of the directors are interested. Amount outstanding as on 31st March, 2009 is Rs. 7.50 Crores,

3. **Earning per Share (EPS) :**

Basic and Diluted Earnings Per Share:

Amount (Rs.)

Particulars	2008 - 2009	2007 - 2008
Profit considered for calculating EPS (Net Profit after Tax)	(26,63,863.83)	61,25,995.92
Weighted average number of Equity Shares (Nos.)	4,994,826	4,994,826
Nominal value of Equity Shares	10.00	10.00
Basic and Diluted Earnings per Share (Rs.)	(0.53)	1.23



SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 19 (Contd.)

4. The major components of Net Deferred Tax assets / (Liabilities) are:

Particulars	Amount (Rs.)	
	2008 – 09	2007 - 08
Difference between book depreciation and tax depreciation of Fixed Assets	(1,57,023.00)	(488,804.63)
Carried Forward Business Loss	-	905,491.00
Carried Forward Unabsorbed Depreciation	-	28,455.00
Provision for Gratuity	# 51,556.00	121,344.00
Total (Net)	(105,467.00)	566,485.37

includes Rs. 36,609.39 being impact of deferred tax assets as on 1st April, 2008 as per revised AS – 15.

Note: Deferred Tax Assets on carried forward capital loss is not recognised in view of uncertainty of it's recovery.

5. Related Parties Disclosures

Related parties disclosures, as stipulated by Accounting Standard – 18- Related Party Disclosures, issued by ICAI, are given below

a) List of Related Parties:

i) Key Management Personnel:

Mr. Pawan Jain
Mr. Daulat Jain.

ii) Enterprises owned by Key Management Personnel or their Relatives:

Ashika Stock Broking Ltd.
Ashika Global Securities Ltd.
Ashika Global Finance Pvt. Ltd.
Ashika Venture Capital Pvt. Ltd.
Ashika Forex Services Pvt. Ltd.
Ashika Properties Pvt. Ltd.
Ashika Technology Pvt. Ltd.
Ashika Commodities & Derivatives Pvt. Ltd.
Ashika Insurance Broking & Risk Management Pvt. Ltd. (w.e.f 4th November, 2008)
Ashika Capital Limited (w.e.f 4th November, 2008)

b) Transactions with Related Parties

Aggregate Related Party Transactions as at and for the year ended 31st March, 2009 (Transactions have been taken place on arm's length basis.)



SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 19 (Contd.)

	Enterprises owned by Key Management Personnel or their Relatives		Key Management Personnel		Total	
	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09
Loans Taken						
Ashika Global Finance Pvt Ltd	7,327,183 (5,800,000)	98,363 (258,852)	- (-)	- (-)	7,327,183 (5,800,000)	98,363 (258,852)
Ashika Venture Capital Pvt Ltd	20,238,576 (6,400,000)	957,915 (4,915,922)	- (-)	- (-)	20,238,576 (6,400,000)	957,915 (4,915,922)
Repayment of Loans Taken						
Ashika Global Finance Pvt Ltd	7,487,672 (16,998,614)	- (-)	- (-)	- (-)	7,487,672 (16,998,614)	- (-)
Ashika Global Securities Ltd	- (111,533,610)	- (-)	- (-)	- (-)	- (111,533,610)	- (-)
Ashika Venture Capital Pvt Ltd	24,196,583 (245,770)	- (-)	- (-)	- (-)	24,196,583 (245,770)	- (-)
Loans Given						
Ashika Forex Services Pvt Ltd	333,828 (6,480,000)	142,173 (3,459,733)	- (-)	- (-)	333,828 (6,480,000)	142,173 (3,459,733)
Ashika Global Securities Ltd.	159,480,376 (84,700,000)	5,785,323 (18,169,202)	- (-)	- (-)	159,480,376 (84,700,000)	5,785,323 (18,169,202)
Ashika Insurance Broking & Risk Management Pvt Ltd	612,117 (-)	406,243 (-)	- (-)	- (-)	612,117 (-)	406,243 (-)
Ashika Properties Pvt Ltd	- (224,000)	- (213,335)	- (-)	- (-)	- (224,000)	- (213,335)
Ashika Venture Capital Pvt Ltd	- (51,000,000)	- (-)	- (-)	- (-)	- (51,000,000)	- (-)
Ashika Technology Pvt Ltd	1,000,000 (-)	- (-)	- (-)	- (-)	1,000,000 (-)	- (-)
Refund of Loans Given						
Ashika Forex Services Pvt Ltd	3,651,388 (6,250,000)	- (-)	- (-)	- (-)	3,651,388 (6,250,000)	- (-)
Ashika Global Securities Ltd.	171,864,255 (68,100,000)	- (-)	- (-)	- (-)	171,864,255 (68,100,000)	- (-)
Ashika Insurance Broking & Risk Management Pvt Ltd	835,874 (-)	- (-)	- (-)	- (-)	835,874 (-)	- (-)
Ashika Properties Pvt Ltd	21,335 (24,000)	- (-)	- (-)	- (-)	21,335 (24,000)	- (-)
Ashika Venture Capital Pvt Ltd	- (51,000,000)	- (-)	- (-)	- (-)	- (51,000,000)	- (-)
Ashika Technology Pvt Ltd	1,000,000 (-)	- (-)	- (-)	- (-)	1,000,000 (-)	- (-)



SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 19 (Contd.)

	Enterprises owned by Key Management Personnel or their Relatives		Key Management Personnel		Total	
	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09
Margin Money Granted						
Ashika Commodities & Derivatives Pvt Ltd	5,000,000 (6,500,000)	- (-)	- (-)	- (-)	5,000,000 (6,500,000)	- (-)
Ashika Stock Broking Ltd	2,61,162,710 (3,86,300,000)	62,710 (910,963)	- (-)	- (-)	2,61,162,710 (3,86,300,000)	62,710 (910,963)
Refund of Margin Money Granted						
Ashika Commodities & Derivatives Pvt Ltd	5,000,000 (16,000,000)	- (-)	- (-)	- (-)	5,000,000 (16,000,000)	- (-)
Ashika Stock Broking Ltd	203,910,963 (386,400,000)	- (-)	- (-)	- (-)	203,910,963 (386,400,000)	- (-)
Share Application Money Paid						
Ashika Technology Pvt Ltd	24,500,000 (-)	42,500,000 (18,000,000)	- (-)	- (-)	24,500,000 (-)	42,500,000 (18,000,000)
Share Application Money Received						
Ashika Global Securities Ltd.	- (18,34,750)	- (-)	- (-)	- (-)	- (18,34,750)	- (-)
Advance received towards Sale of Investments						
Ashika Global Securities Ltd	52,983,000 (56,983,000)	- (52,983,000)	- (-)	- (-)	52,983,000 (56,983,000)	- (52,983,000)
Ashika Stock Broking Ltd.	- (52,983,000)	- (-)	- (-)	- (-)	- (52,983,000)	- (-)
Pawan Jain	- (-)	- (-)	(2,600,000)	(-)	- (2,600,000)	- (-)
Daulat Jain	- (-)	- (-)	- (2,600,000)	- (-)	- (2,600,000)	- (-)
Advance paid Against Lease Rent						
Ashika Properties Pvt. Ltd.	15,00,000 (-)	15,00,000 (-)	- (-)	- (-)	15,00,000 (-)	15,00,000 (-)
Advance to Directors						
Pawan Jain	- (-)	- (-)	39,616 (1,87,975)	39,616 (1,87,975)	39,616 (1,87,975)	39,616 (1,87,975)
Daulat Jain	- (-)	- (-)	15,169 (-)	- (-)	15,169 (-)	- (-)



SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 19 (Contd.)

	Enterprises owned by Key Management Personnel or their Relatives		Key Management Personnel		Total	
	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09
Re-imbusement of Telephone Expenses						
Ashika Stock Broking Ltd	165,398 (-)	- (-)	- (-)	- (-)	165,398 (-)	- (-)
Sale of Investments						
Ashika Global Securities Ltd	52,983,000 (-)	- (-)	- (-)	- (-)	52,983,000 (-)	- (-)
Stock Market Transactions						
Purchase & Sale of Shares						
Ashika Stock Broking Ltd						
- Purchase of Shares	142,032,603 (209,968,105)	- (-)	- (-)	- (-)	142,032,603 (209,968,105)	- (-)
- Sale of Shares	130,097,140 (232,349,379)	41,500/ (-)	- (-)	- (-)	130,097,140 (232,349,379)	41,500/ (-)
- Profit from Derivatives / Intra day Trading in Shares	9,223 (20,604,001)	- (-)	- (-)	- (-)	9,223 (20,604,001)	- (-)
- Loss from Derivatives / Intra day Trading in Shares	971,142 (-)	- (-)	- (-)	- (-)	971,142 (-)	- (-)
Sale of Shares						
Ashika Global Securities Pvt. Ltd.	- (4,000,000)	- (-)	- (-)	- (-)	- (4,000,000)	- (-)
Pawan Jain	- (-)	- (-)	- (20,000,000)	- (-)	- (20,000,000)	- (-)
Interest on Loans Given						
Ashika Forex Services Pvt Ltd	183,828 (400,482)	- (-)	- (-)	- (-)	183,828 (400,482)	- (-)
Ashika Global Securities Ltd.	7,480,376 (2,287,564)	- (-)	- (-)	- (-)	7,480,376 (2,287,564)	- (-)
Ashika Properties Pvt. Ltd.	- (17,243)	- (-)	- (-)	- (-)	- (17,243)	- (-)
Ashika Venture Capital Pvt Ltd.	- (1,918,901)	- (-)	- (-)	- (-)	- (1,918,901)	- (-)
Ashika Insurance Broking & Risk Management Pvt Ltd	92,117 (-)	- (-)	- (-)	- (-)	92,117 (-)	- (-)



SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009

SCHEDULES – 19 (Contd.)

	Enterprises owned by Key Management Personnel or their Relatives		Key Management Personnel		Total	
	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09	Transaction Value	Balance Outstanding as on 31st March, 09
Interest received on Margin Money Granted						
Ashika Stock Broking Ltd.	78,981	-	-	-	78,981	-
	(1,177,868)	(-)	(-)	(-)	(1,177,868)	(-)
Ashika Commodities & Derivatives Pvt Ltd	-	-	-	-	-	-
	(192,740)	(-)	(-)	(-)	(192,740)	(-)
Rent Received						
Ashika Stock Broking Ltd.	120,000	-	-	-	120,000	-
	(-)	(-)	(-)	(-)	(-)	(-)
Lease Rent Paid						
Ashika Properties Pvt. Ltd.	300,000	-	-	-	300,000	-
	(120,000)	(-)	(-)	(-)	(120,000)	(-)
Commission & Brokerage Paid						
Ashika Stock Broking Ltd.	398,844	-	-	-	398,844	-
	(-)	(-)	(-)	(-)	(-)	(-)
Demat Charges Paid						
Ashika Stock Broking Ltd	1,862	-	-	-	1,862	-
	(3,439)	(-)	(-)	(-)	(3,439)	(-)
Director's Meeting Fees Paid						
Pawan Jain	-	-	25,000	-	25,000	-
	(-)	(-)	(27,000)	(-)	(27,000)	(-)
Daulat Jain	-	-	3,000	-	3,000	-
	(-)	(-)	(7,000)	(-)	(7,000)	(-)
Interest Paid on Loan Taken						
Ashika Global Finance Pvt Ltd	127,183	-	-	-	127,183	-
	(334,694)	(-)	(-)	(-)	(334,694)	(-)
Ashika Venture Capital Pvt Ltd	1,238,576	-	-	-	1,238,576	-
	(-)	(-)	(-)	(-)	(-)	(-)

Note:

- Transactions with subsidiaries after cessation of holding – subsidiary relationship have been shown under 'Enterprises owned by 'Key Management Personnel or their relatives'.
- The figures of the current year are not strictly compared with the figures of the previous year in view of the disposed of the subsidiaries during the year.
- Figures in Brackets are relating to previous year.
- Previous year's figures has been re-arranged and regrouped wherever considered necessary.
- Figures are rounded off to the nearest rupees for presentation purpose.

**SCHEDULES TO THE CONSOLIDATED ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009****SCHEDULES – 19 (Contd.)**

6. Segment wise details as required by AS-17 issued by the Institute of Chartered Accountants of India-
(a) Primary Segment information (By Business Segment)

	Investment and Finance	Merchant Banking Services	Insurance Broking	Total
Segment Revenue	88,190,817.97	17,515,920	721,704.88	106,428,442.85
Segment Result	(21,175,330.15)	9,978,462.43	(605,214.93)	(11,802,082.65)
Add: Unallocated Income net off other Unallocated Expenditure.				9,813,348.73
Profit Before Tax				(1,988,733.92)
Tax Expenses (Incl.Deferred Tax)				675,129.76
Net Profit After Tax				(2,663,863.68)
Segment Assets				117,983,180.36
Total Assets				117,983,180.36
Segment Liabilities				117,983,180.36
Total Liabilities				117,983,180.36
Capital Expenditure				4,978,139
Depreciation	105,945	387,607	18,568	512,120
Other Non-Cash expenditure	-	192,500	31,863.63	224,363.63

Note: (i) The above information includes figures relating to subsidiaries i.e. Ashika Capital Limited and Ashika Insurance Broking & Risk Management Private Limited upto 3rd November, 2008. (ii) Unallocated Income includes Profit from sale of subsidiaries Rs. 9,863,986.96 (iii) Figures are rounded off to the nearest rupee (iv) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amount allocated on a reasonable basis. (v) The Accounting Policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in (A) above.

- (b) The Company operates in only one geographic segment i.e. 'within India' and hence no separate information for geographic segment vide disclosure is required.
7. Based on the information given by the Company, no creditor is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provisions / payments have been made by the company to such creditors, if any and no disclosures thereof are made in these accounts
8. Transactions in Foreign Currency – Rs. Nil (P.Y. Rs. 1,50,343.20)
9. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Holding Company's financial statements.
10. Previous year's figures have been rearranged or regrouped wherever deemed necessary to conform to Current year's presentation.

	P. K. SAH, FCA Partner Mem. No. 56216 For and on behalf of P. K. SAH & Associates Chartered Accountants	For and on behalf of the Board Pawan Jain Director Daulat Jain Executive Director Babulal Bafna Chief Executive Officer Anju Lohiya Company Secretary
Place : Kolkata Dated : 6th June, 2009		


**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED
31ST MARCH, 2009**

	Year ended 31st March 2009 Rs.	Year ended 31st March 2008 RS.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) Before Tax	(1,988,733.92)	9,552,869.84
<i>Adjustments for :</i>		
Depreciation on Fixed Assets	512,120.00	625,930.00
Preliminary & Pre-operative Expenses Written Off	31,863.63	53,595.00
(Profit) / Loss on Sale of Investment in Subsidiaries	(9,863,986.96)	-
(Profit) / Loss on Sale of other Investments	-	(490,754.35)
Irrecoverable Advances Written Off	710,919.00	-
Provision for Gratuity	192,697.00	248,227.00
Interest / Dividend Income on Investments	(49,200.00)	(884,113.40)
Interest Expenses	2,902,852.00	2,494,636.00
Operating Profit Before Working Capital Changes	(7,551,469.25)	11,600,390.09
<i>Adjustments for :</i>		
(Increase) / Decrease in Stock In Trade	1,562,507.25	(2,616,507.25)
(Increase) / Decrease in Trade Receivables	(13,517,725.87)	(6,682,670.13)
(Increase) / Decrease in Loans and Advances	81,191,554.01	65,482,704.08
Increase / (Decrease) in Trade Payables	(64,190,306.23)	65,239,621.01
Cash Generated From Operations	(2,505,440.09)	133,023,537.80
<i>Adjustments for :</i>		
Direct Tax Refunds / (Paid)	(2,885,884.22)	(4,598,405.32)
Net Cash From Operating Activities	(5,391,324.31)	128,425,132.48
B. CASH FLOW FROM INVESTING ACTIVITIES:		
<i>Add / (Less):</i>		
Purchase of Fixed Assets	(4,978,139.00)	(292,476.00)
Purchase of Investments	(61,000,000.00)	(72,038,117.91)
Sale of Investment in Subsidiaries	52,983,000.00	20,000,000.00
Sale of Other Investments	-	78,057,407.06
Interest / Dividend Income on Investments	49,200.00	884,113.40
Share Application Money Paid	(17,000,000.00)	(15,500,000.00)
Net Cash from Investing Activities	(29,945,939.00)	11,110,926.55

**ASHIKA CREDIT CAPITAL LIMITED****CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED
31ST MARCH, 2009 (Contd.)**

	Year ended 31st March <u>2009</u> Rs.	Year ended 31st March <u>2008</u> RS.
C. CASH FLOW FROM FINANCING ACTIVITIES:		
<i>Add / (Less):</i>		
Short Term Borrowings / (Repaid)	12,010,630.00	(125,205,511.00)
Interest Paid	(2,902,852.00)	(2,494,636.00)
Net Cash Used In Financing Activities	9,107,778.00	(127,700,147.00)
Net Increase In Cash And Cash Equivalents (A+B+C)	(26,229,485.31)	11,835,912.03
Cash And Cash Equivalents As At The Beginning Of The Year (Note 1)	32,226,252.95	20,390,340.92
Cash And Cash Equivalents Transferred On Sale Of Subsidiaries	(3,306,641.46)	-
Cash And Cash Equivalents As At The Close Of The Year (Note 1)	2,690,126.18	32,226,252.95

Note :

1. Represent Cash and Bank Balances as indicated in Schedule - 9
2. Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.

THIS IS THE CONSOLIDATED CASH FLOW STATEMENT REFERRED TO IN OUR REPORT OF
EVEN DATE

Place : Kolkata Dated : 6th June, 2009	P. K. SAH, FCA <i>Partner</i> Mem. No. 056216 For and on behalf of P. K. SAH & Associates Chartered Accountants	For and on behalf of the Board Pawan Jain <i>Director</i> Daulat Jain <i>Executive Director</i> Babulal Bafna Chief Executive Officer Anju Lohiya Company Secretary
---	--	---
