

28th

**ANNUAL REPORT
2010 - 2011**

ABM International Ltd.



ABM INTERNATIONAL LTD.

Board of Directors

Shri Virender Kumar Gandhi
Chairman-cum-Managing Director

Directors

Shri P. Ojha
Shri S.S. Rana
Smt. Sangeeta Gandhi
Shri M. S. Venkateswaran

Auditors

M/s Salarpuria & Partners
1008, Chiranjiv Tower,
43, Nehru Place,
New Delhi - 110 019

Internal Auditors

M/s Rajan Goel & Associates
280, Kailash Hills,
New Delhi - 110 065

Bankers

- (i) Oriental Bank of Commerce
- (ii) AXIS Bank Ltd.
- (iii) Union Bank of India

Regd. Office

10/60, Industrial Area,
Kirti Nagar,
New Delhi - 110 015.



NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of the members of **ABM INTERNATIONAL LIMITED** will be held on Saturday, the 17th September, 2011 at 5.00 P.M. at the Registered Office of the company at 10/60, Industrial Area, Kirti Nagar, New Delhi-110 015 to transact the following business:-

AS ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. M.S. Venkateswaran, who retires by rotation and being eligible offers himself for re-appointment.
3. To declare Dividend on Equity Shares
4. To appoint auditors and fix their remuneration.

AS SPECIAL BUSINESS

5. To consider, and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution.

'RESOLVED that, the compliance certificate, as issued by Shri R.S. Bhatia, a Practising Company Secretary, be and is hereby received, considered and adopted.'

By Order of the Board
for **ABM INTERNATIONAL LIMITED**

REGD. OFFICE :
10/60, INDUSTRIAL AREA,
KIRTI NAGAR, NEW DELHI-110015

(VIRENDER KUMAR GANDHI)
Chairman-cum-Managing Director

DATE : 27-07-2011

ABM International Ltd.

GENERAL SHARE HOLDER'S INFORMATION

1. A. G. M. Date, Time and Venue : 17th September, 2011 at 5.00 P.M.
at 10/60, Industrial Area,
Kirti Nagar, New Delhi - 110 015.
2. Financial Calender : 1st April to 31st March.
3. Date of Book Closure : 16th September, 2011 to 17th September, 2011.
4. Listing on Stock Exchange : The Delhi Stock Exchange Association Limited,
DSE House, 3/1, Asaf Ali Road,
New Delhi - 110 002.
5. Investor Correspondence : Share Department,
ABM International Limited,
10/60, Industrial Area, Kirti Nagar,
New Delhi - 110 015.
Tel. : (011) 2592 7878, 4142 6055
6. Dematerialisation of Sahres and Liquidity: Trading in ABM's shares is permitted only in
dematerialised form as per circular issued by the
Securities and Exchange Board of India (SEBI).
7. Registrar for Demat Services &
share Transfer Agent : M/s Beetal Financial & Computer Services (P) Ltd.
Beetal House, 3rd Floor,
99, Madangir, (Behind Local Shopping Complex),
Near Dada Harsukh Das Mandir,
New Delhi - 110062
Tel. : (011) 29961281

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY, IF ANY, SHALL BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING AND IN DEFAULT, SHALL BE TREATED AS INVALID. PROXY(S) SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.
2. The Register of Members and share transfer books of the company shall remain closed from 16-09-2011 to 17-9-2011 (both days inclusive)
3. A proxy form is attached herewith.
4. Members desirous of having any information as regards accounts of the Company are requested to write to the Company at least seven days in advance so as to enable the management to keep the information ready.
5. The dividend for the financial year 2010-2011, if declared at the Annual General Meeting, will be paid on or before 16.10.2011 to those shareholders whose name appear:
 - a. As beneficial owner at the closure of business hours on 16.09.2011 as per the list furnished by CDSL in respect of the shares held in electronic form and
 - b. As members in the registers of the members of the Company as at the closure of business hours on 17th September, 2011.

EXPLANATORY STATEMENT :

(Pursuant to the provisions of Section 173 (2) of the Companies Act, 1956 forming part of notice)

ITEM NO. 5.

The Central Government, vide its notification dated 31.01.2001 has announced the Companies (Compliance Certificate) Rules 2001 vide which your company is required to obtain compliance certificate from a Practising Company Secretary. Your company has appointed Shri R.S. Bhatia, a practicing Company Secretary for the said purpose. The Compliance Certificate dated 27-07-2011 as issued by Shri R.S. Bhatia, is attached with the Directors' Report as required under Section 383A of the Companies Act, 1956. As per above said rules, the compliance certificate is required to be placed before the AGM. It is therefore, submitted that the compliance certificate as attached to the Directors' Report be taken as part of this Notice for the purpose of adoption of the same. Shareholders are requested to consider and adopt the same. None of the Director is concerned or interested in the resolution.

By Order of the Board
for ABM INTERNATIONAL LIMITED

REGD. OFFICE :
10/60, INDUSTRIAL AREA,
KIRTI NAGAR, NEW DELHI-110015

DATE : 27-07-2011

(VIRENDER KUMAR GANDHI)
Chairman-cum-Managing Director



DIRECTOR'S REPORT

To the members,

Your Directors have pleasure in presenting the 28th Annual Report and the Audited Accounts of the Company for the financial year ended 31st March, 2011 together with the Auditors' Report thereon.

| FINANCIAL RESULTS | CURRENT YEAR | PREVIOUS YEAR |
|---|--------------------|------------------|
| | 2010-2011 (Rs.) | 2009-2010 Rs. |
| Turnover | 100,03,29,297 | 78,97,64,847 |
| Profit before depreciation | 81,61,568 | 3,03,28,800 |
| Depreciation | 11,64,044 | 9,82,194 |
| Net Profit after depreciation & Extraordinary items | 69,97,524 | 2,93,46,600 |
| Provision for taxation (Net) | 19,73,571 | 87,71,263 |
| Net Profit/Loss for the year after tax | 50,23,952 | 2,05,75,343 |
| Surplus brought forward from Previous year | 8,56,25,582 | 6,61,23,515 |
| | | |
| Surplus available for Appropriation | 9,06,49,535 | 8,66,98,858 |
| | | |
| Appropriation | | |
| | | |
| General Reserve | 5,00,000 | 5,00,000 |
| Proposed Dividend | 4,90,000 | 4,90,000 |
| Tax on proposed dividend | 83,276 | 83,276 |
| Balance carried over to next year | 8,95,76,259 | 8,56,25,582 |
| | | |
| | 9,06,49,535 | 8,66,98,858 |

Dividend

Your Directors recommend a dividend of Rs. 1/- per share i.e. 10%

Operation

The turnover of the company increased to Rs. 100.03 Crores as against Rs. 78.90 Crores in the previous year. However, the net profit of the company reduced from Rs. 205.75 lakhs to Rs. 50.24 lakhs.

Future Outlook

Your directors are hopeful that your company shall do better in the times to come. Further there are no material changes in the financial position or in the working of the company which could affect the company after close of the financial year and till the date of the report.

Public Deposit

The Company has not accepted any deposit from public during the year.

Material Changes

No Material changes have occurred from the date of the Balance Sheet till the date of this report which have any adverse effect on the affairs of the Company.

Auditors

M/S Salarpuria & Partners, Chartered Accountants, retire at this Annual General Meeting and are eligible for re-appointment to hold office from the conclusion of this Annual General Meeting. A written declaration has already been received from them that, if appointed, their re-appointment will be within the limits specified under Section 224 (1B) of the Companies Act, 1956. You may kindly consider their re-appointment and fix their remuneration.

Auditor's Comments

There are no adverse qualifications/remarks in the report of Auditors which needs clarification.

Directors

Mr. M.S. Venkateswaran, Director retires by rotation and being eligible offers himself for re-appointment.

Employees

The employer-employee relations remain cordial. The company has not employed any person during the year under review in respect of whom the information is required to be given pursuant to Section 217 (2A) of the Companies Act, 1956.

Energy Conservation, Technology absorption, Foreign Exchange Earnings and Outgo.

The company has incurred expenditure on electricity used for office purpose only. Necessary steps, wherever feasible, have been taken for conservation of energy. The Company is not having any Research and Development Department and has not entered into any technical collaboration with any Indian and/or foreign organization. The foreign exchange earnings and outgo are as under:

| | Current year | Previous year |
|--------------------------------|--------------|------------------|
| A. Foreign Exchange Earnings : | NIL | NIL |
| B. Foreign Exchange Outgo : | 1,97,032 | 28,01,207 |
| (Include foreign travelling) | | |
| C. F.O.B. Value of Exports : | NIL | NIL |
| D. C.I.F. Value of Imports : | 95,86,74,045 | Rs. 82,37,96,457 |

Listing

Your Company's share are listed at Delhi Stock Exchange and the company is regularly paying the fees of the exchange.



Director's Responsibility Statement

Your Directors confirm that in the preparation of the annual accounts for the year ended March 31, 2011

- The applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.
- The directors had 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 of the company for the year ended on March 31, 2011.
- The directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on an on-going concern basis.

Compliance Certificate

The Central Government, vide its notification dated 31.01.2001 has announced the Companies (Compliance Certificate) Rules 2001 which are applicable to your company. Your company has appointed Shri R.S. Bhatia, a practicing Company Secretary for obtaining the Compliance Certificate. The Compliance Certificate dated 27-07-2011 as issued by Shri R.S. Bhatia, is enclosed with this Report.

Acknowledgement

The Board of Directors acknowledge with gratitude the co-operation extended by the Company's bankers and also appreciates the continued trust and confidence reposed by the shareholders in the management. They also place on record their appreciation for the valuable contribution and whole hearted support extended by the Company's employees at all levels.

REGD. OFFICE :
10/60, INDUSTRIAL AREA,
KIRTI NAGAR, NEW DELHI-110015

DATE : 27-07-2011

By Order of the Board
for ABM INTERNATIONAL LIMITED

(VIRENDER KUMAR GANDHI)
Chairman-cum-Managing Director



FORM
[SEE RULE 3]
COMPLIANCE CERTIFICATE

To,
The Members
ABM International Limited

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

1. The Company has kept and maintained all registers as started in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company being public limited Company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met 6 times on 21-04-2010, 03-05-2010, 26-07-2010, 25-09-2010, 01-01-2011 and 27-01-2011 in respect of which meetings proper notices were given and the proceeding were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members from 24-09-2010 to 25-09-2010 and necessary compliance of section 154 of the Act has been made.
6. The Annual general meeting for the financial Year ended on 31.03.2010 was held on 25.09.2010 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary meeting(s) was held during the financial year.
8. The Company has not advanced any loan to its director and /or person or firms or companies referred in the section 295 of the Act during the financial year under review.
9. It has been informed by the management that no new contract has been entered during the financial year in which any Director is interested.
10. The Company was not required to make any entry in the register maintained under section 301 of the Act as no new contract was entered during the financial year under review.
11. As there was no instance falling with the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members and/ or Central Govt.



12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has :
 - (i) Delivered all the certificates on lodgment thereof ,if any, for transfer/transmission or any other purpose in accordance with the provisions of the act;
 - (ii) Transferred the amounts which were remained, unclaimed or unpaid for the period of seven year to investor Education and protection fund.
 - (iii) Duly complied with the requirements of section 217 of the act.
14. The board of directors of the company is duly constituted.
15. No appointment of sole-selling agents was made.
16. The company was not required to obtain any approvals of the central government, company law board, Regional director, Registrar or such other authorities prescribed under the various provisions of the Act during the financial year.
17. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the Provisions of the Act and the rules made thereunder.
18. The Company has not issued any share/debentures/other securities during the financial year .
19. The Company has not bought back any shares during the financial year ending 31.03.2011
20. There was no redemption of preference shares /debentures during the financial year. The company's capital structure does not have any such securities .
21. There was no transactions necessitating the company to keep in abeyance right to dividend, right shares and bonus shares pending registration of transfer of shares.
22. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of sections 58A and 58AA during the financial year .
23. No such borrowing were made during the financial year under review for witch shareholders approval was required.
24. Neither the company has made loan or given guarantees or provide securities to the bodies corporate, nor has made investment in share during the year under the review.
25. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
26. The company has not altered the provisions of the memorandum with respect of the objects of the company during the year under scrutiny.



27. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
29. The company has not altered its articles of associations during the financial year and complied the provisions of the Companies Act, 1956.
30. There was no prosecution initiated against or show cause notices received by the company during the period under review.
31. The company has not received any securities from its employees during the financial year.
32. It has been made to understand that the provision of both employee's and employer's contribution to provident fund and employee's and employer's contribution to employee's state insurance scheme are not applicable to the company.

Place : New Delhi
Date : 27-07-2011

R.S. Bhatia
Company Secretary
in Practice
C. P. No. 2514



Annexure - 'A'

Registers as maintained by the Company :

1. Register of Members under Section 150.
2. Register of Directors under Section 303.
3. Register of Director's shareholdings under Section 307.
4. Minute Books of General Meetings of the Company under Section 193.
5. Minute Books of Board Meetings of the Company under Section 193.
6. Books of accounts of the Company under Section 209 of the Companies Act, 1956.
7. Register under Section 301 of the Companies Act, 1956.
8. Register of Investments.
9. Register of Directors Attendance at Board Meetings / Annual General Meetings.
10. Register of charges under Section 143.
11. Register of Transfers.
12. Fixed Assets Register.

Annexure - 'B'

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2011.

1. Form 20B filed on 18.12.2010 for Annual Return under Section 159 of the Companies Act, 1956 for the AGM held on 25-09-2010.
2. Form 23AC & ACA filed on 21.12.2010 for Balance Sheet, Profit and Loss Account alongwith Director's Report, and Auditor's Report for the year ending 31st March, 2010.
3. Form 66 filed 21.12.2010 for Compliance Certificate for the year ending 31.03.2010.

Place : New Delhi
Date : 27-07-2011

R.S. Bhatia
Company Secretary
in Practice
C. P. No. 2514

AUDITOR'S REPORT

1. We have audited the attached Balance Sheet of ABM INTERNATIONAL LIMITED, as at 31st March, 2011 and the related Profit and Loss Account and 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 standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (the 'Act') and on the basis of such checks of the Books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, the Profit and Loss Account and the 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;
 - (v) On the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanation given to us, the said financial statements read together with the Notes thereon appearing in Schedule - 11 give in the prescribed manner the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011; and
 - (b) in the case of the Profit and Loss Account, of the Profit of the company for the year ended on that date, and
 - (c) in the case of the Cash Flow Statement, of the Cash Flows of the company for the year ended on that date.

Place : 1008, Chiranjiv Tower
43, Nehru Place,
New Delhi-110019

Date : 27-05-2011

For **SALARPURIA & PARTNERS**
Firm Registration No. 302113E
CHARTERED ACCOUNTANTS

(**KAMAL KUMAR GUPTA**)
PARTNER
M. No. 89190



ANNEXURE TO THE AUDITOR'S REPORT

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

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the company have been physically verified by the management during the year. In our opinion, frequency of physical verification is reasonable having regard to the size of the operation of the company. On the basis of explanation received, in our opinion, no discrepancy between the book records and physical inventory have been noticed in respect of assets physically verified.
- (c) During the year, the Company has not disposed off a substantial part of its fixed assets.
- ii. (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals. In our opinion, having regard to the nature of stocks, the frequency is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of records of inventories, in our opinion, the Company has maintained proper records of its inventories and no material discrepancy were noticed on physical verification.
- iii. (a) In respect of loans, secured or unsecured taken by the company from companies, firms or other parties covered under the register maintained Under Section 301 of the Companies Act, 1956, according to the information and explanation given to us, the company has taken interest free temporary unsecured loan from directors and other group companies only the maximum amount involved during the year was Rs. 42.02 Lac and the balance outstanding as on Balance Sheet date was NIL.
- (b) In our opinion, the terms and conditions of such loan are prima facie not prejudicial to the interests of the company.
- (c) The Company is regular in repaying the principal amount as stipulated.
- (d) The loans taken by the company has been repaid with the mutual consent and there is no over due amount of loans from companies, firms, parties covered under the register maintained under Section 301 of the Companies Act, 1956.
- (e) In our opinion the Company has not granted any secured or unsecured loans to the companies, firms, parties covered under the register maintained under Section 301 of the Companies Act, 1956, except interest free advance has been granted to 2 (two) such parties. The maximum amount involved at any time during the year was Rs.367.42 Lac and the balance outstanding at the end of the year is Rs. NIL Lacs.



- (f) According to the information and explanations given to us, the terms and conditions of aforesaid advance given by the company are prima facie not prejudicial to the interest of 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 inventory, fixed assets and for the sale of goods. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor we have been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- v. (a) According to the information and explanations given to us, the transactions that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time. However, in respect of certain transactions including for purchases and sale of goods, prevailing market prices at the relevant time are not available as these transactions are of a special nature.
- vi. In our opinion and according to the information and explanations given to us, the company has not taken/accepted any public deposits during the year under audit.
- vii. In our Opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. The Central Government has not prescribed maintenance of the cost records under section 209(1) (d) of the Companies Act, 1956 in respect of any of the company's activities.
- ix. (a) According to the information and explanations given to us and the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, customs duty, excise duty, service tax, cess and others as applicable have been regularly deposited by the Company during the year with the appropriate authorities.
- (b) According to the records of the company, there were no dues of income tax, customs, wealth tax, service tax excise duty, cess which have not been deposited any account of disputes.
- x. The Company has no accumulated losses as at 31st March, 2011 and it has not incurred any cash losses in the financial year ended on that date and/or in the immediately preceding financial year.
- xi. The Company has not defaulted in repayment of dues to Financial Institutions or Banks. The Company has not issued any debentures since its inception.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



- xiii. The provisions of any special statute applicable to chit fund, nidhi/mutual fund/securities as specified under clause (xiii) of paragraph 4 of the Order are not applicable to this Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its transactions and contracts for investment in shares, securities and other investments and has made timely entries therein. The company is holding all the shares, securities and other investments in its own name.
- xv. The Company has not given any guarantee for loans taken by others from bank or financial institutions during the year.
- xvi. The Company has not taken any term loans during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the company and after placing reliance on the reasonable assumptions made by the company for classification of long term and short term uses of funds, we are of the opinion, that prima facie long term funds have not been utilized for short term purposes and vice versa.
- xviii. According to the information and explanations given to us, during the year under report 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. In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our report. In respect of secured debentures issued in earlier year, securities had been created.
- xx. During the period under report, the Company has not raised any money by public issue.
- 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 course of our audit

For **SALARPURIA & PARTNERS**
Firm Registration No. 302113E
CHARTERED ACCOUNTANTS

(**KAMAL KUMAR GUPTA**)
PARTNER
M. No. 89190

Place : 1008, Chiranjiv Tower
43, Nehru Place,
New Delhi-110019
Date : 27-05-2011



BALANCE SHEET AS AT 31ST MARCH, 2011

| | Schedule | As at 31-03-2011 Rs. | As at 31-03-2010 Rs. |
|---|----------|----------------------------|----------------------------|
| SOURCE OF FUNDS | | | |
| SHAREHOLDER'S FUND | | | |
| Share Capital | 1 | 4,900,000 | 4,900,000 |
| Reserves & Surplus | 2 | 136,750,259 | 132,299,582 |
| | | <u>141,650,259</u> | <u>137,199,582</u> |
| APPLICATION OF FUNDS | | | |
| FIXED ASSETS | 3 | | |
| Gross Block | | 35,880,368 | 35,760,171 |
| Less : Depreciation | | 13,685,508 | 12,521,464 |
| | | <u>22,194,860</u> | <u>23,238,707</u> |
| INVESTMENTS | 4 | 23,106,825 | 22,808,778 |
| CURRENT ASSETS, LOANS & ADVANCES | 5 | | |
| Inventories | | 60,390,038 | 75,102,476 |
| Sundry Debtors | | 69,311,454 | 72,003,161 |
| Cash & Bank Balances | | 92,014,553 | 58,219,570 |
| Loans & Advances | | 46,321,979 | 52,930,776 |
| | | <u>268,038,024</u> | <u>258,255,983</u> |
| Less : Current Liabilities & Provisions | 6 | 171,960,168 | 167,348,174 |
| Net Current Assets | | <u>96,077,856</u> | <u>90,907,809</u> |
| Deferred Tax Asset (Net) | | 270,718 | 244,289 |
| | | <u>141,650,259</u> | <u>137,199,583</u> |

Accounting Policies and Notes on Accounts 10

The Schedules referred herein above form an integral part of the Balance Sheet

As per our report attached
For **SALARPURIA & PARTNERS**
Firm Registration No. 302113E
CHARTERED ACCOUNTANTS

(**KAMAL KUMAR GUPTA**)
PARTNER
M. No. 89190

Virender Kumar Gandhi
Chairman-cum-Managing Director

Sangeeta Gandhi
Director

PLACE : NEW DELHI
DATE : 27-05-2011



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

| | Schedule | Year Ended 31-03-2011 Rs. | Year Ended 31-03-2010 Rs. |
|---|----------|---------------------------------|---------------------------------|
| INCOME | | | |
| Sales | | 1,000,329,297 | 789,764,847 |
| Other Income | 7 | 5,972,076 | 31,730,066 |
| Increase / (Decrease) in Stock | 8 | (14,712,438) | 40,263,532 |
| | | 991,588,935 | 861,758,445 |
| EXPENDITURE | | | |
| Purchases | | 964,965,348 | 805,574,352 |
| Administrative & Other Expenses | 9 | 14,542,020 | 22,675,293 |
| Director's Remuneration | | 4,200,000 | 3,180,000 |
| Depreciation | | 1,164,044 | 982,194 |
| | | 984,591,411 | 832,411,839 |
| Operating Profit for the year before Extraordinary items & Tax | | 6,997,524 | 29,346,606 |
| Profit before tax | | | |
| Provision for Taxation | | | |
| Deferred Tax Assets/(Liabilities) | | 26,429 | 28,737 |
| Current Tax | | (2,000,000) | (8,800,000) |
| Fringe Benefit Tax | | — | — |
| Profit for the year after Tax | | 5,023,952 | 20,575,343 |
| Surplus brought forward | | 85,625,582 | 66,123,515 |
| | | 90,649,535 | 86,698,858 |
| Appropriations | | | |
| Transfer to General Reserve | | 500,000 | 500,000 |
| Proposed Dividend on Equity | | 490,000 | 490,000 |
| Provision for Tax on Proposed Dividend | | 83,276 | 83,276 |
| Net Surplus Carried to Balance Sheet | | 89,576,259 | 85,625,582 |
| | | 90,649,535 | 86,698,858 |

Accounting Policies and Notes on Accounts 10

The Schedules referred herein above form an integral part of the Profit & Loss Account

As per our report attached
For **SALARPURIA & PARTNERS**
Firm Registration No. 302113E
CHARTERED ACCOUNTANTS

Virender Kumar Gandhi
Chairman-cum-Managing Director

(**KAMAL KUMAR GUPTA**)
PARTNER
M. No. 89190

Sangeeta Gandhi
Director

PLACE : NEW DELHI
DATE : 27-05-2011



SCHEDULE FORMING PART OF THE BALANCE SHEET

| | As at 31-03-2011 Rs. | As at 31-03-2010 Rs. |
|---|----------------------------|----------------------------|
| SCHEDULE - 1 : SHARE CAPITAL | | |
| AUTHORISED | | |
| 1,000,000 Equity Shares of Rs. 10/- each | 10,000,000 | 10,000,000 |
| ISSUED SUBSCRIBED & PAID-UP | | |
| 490,000 Equity Shares of Rs. 10/- each fully paid-up in cash | 4,900,000 | 4,900,000 |
| | <u>4,900,000</u> | <u>4,900,000</u> |

| | | |
|--|--------------------|--------------------|
| SCHEDULE - 2 : RESERVES & SURPLUS | | |
| GENERAL RESERVES | | |
| Balance Brought Forward | 46,000,000 | 455,000,000 |
| Transfer from Profit & Loss Account | 500,000 | 500,000 |
| | <u>46,500,000</u> | <u>455,500,000</u> |
| EXPORT ALLOWANCE RESERVE | | |
| Balance Brought Forward | 674,000 | 674,000 |
| PROFIT & LOSS ACCOUNT | | |
| Surplus as per account Annexed | 89,576,259 | 85,625,582 |
| | <u>136,750,259</u> | <u>541,799,582</u> |



SCHEDULE - 3 : FIXED ASSETS

| PARTICULARS | GROSS BLOCK | | | DEPRECIATION WRITTEN OFF | | | | NET BOLCK | |
|--------------------------|----------------------------|--|---|----------------------------|----------------------------|---------------------------|-------------------------------|----------------------------|----------------------------|
| | As at 31.03.2010 Rs. | Additions during the year Rs. | Deductions during the year Rs. | As at 31.03.2011 Rs. | Up to 31.03.2010 Rs. | During the year Rs. | Adjustment on Sales Rs. | Up to 31.03.2011 Rs. | As at 31.03.2011 Rs. |
| Land | 2,793,804 | - | - | 2,793,804 | - | - | - | - | 2,793,804 |
| Building | 18,806,901 | - | - | 18,806,901 | 4,009,969 | 306,552 | - | 4,316,521 | 14,490,380 |
| Elevators | 2,041,402 | - | - | 2,041,402 | 435,519 | 33,275 | - | 468,794 | 1,572,608 |
| Furniture & Fixtures | 2,858,495 | 57,000 | - | 2,915,495 | 2,595,887 | 57,679 | - | 2,653,566 | 1,605,883 |
| Electrical Fittings | 2,289,993 | - | - | 2,289,993 | 1,418,622 | 108,775 | - | 1,527,397 | 262,608 |
| Office Equipments | 778,151 | - | - | 778,151 | 622,246 | 21,687 | - | 643,933 | 871,371 |
| Fire Fighting Equipments | 156,907 | - | - | 156,907 | 137,173 | 2,745 | - | 139,918 | 155,905 |
| Motor Cars | 3,669,014 | - | - | 3,669,014 | 1,520,827 | 556,166 | - | 2,076,993 | 19,734 |
| Water Pumps | 224,353 | - | - | 224,353 | 47,845 | 3,656 | - | 51,501 | 2,148,187 |
| Motor Cycle/Scooter | 41,725 | - | - | 41,725 | 25,985 | 4,075 | - | 30,060 | 176,508 |
| Computers | 195,580 | 31,978 | - | 227,558 | 184,871 | 13,537 | - | 198,408 | 15,740 |
| Air Conditioners | 753,791 | 31,219 | - | 785,010 | 634,216 | 19,488 | - | 653,704 | 10,709 |
| Generator Set | 588,832 | - | - | 588,832 | 505,806 | 11,549 | - | 517,355 | 119,575 |
| Inverter | 168,645 | - | - | 168,645 | 45,275 | 17,160 | - | 62,435 | 83,026 |
| EPABX | 392,578 | - | - | 392,578 | 337,223 | 7,700 | - | 344,923 | 123,370 |
| | 35,760,171 | 120,197 | - | 35,880,368 | 12,521,646 | 1,164,044 | - | 13,685,508 | 55,355 |
| Previous Year's Figure | 34,545,926 | 1,402,297 | 188,052 | 35,760,171 | 11,539,270 | 982,194 | - | 12,521,464 | 23,238,707 |



SCHEDULE - 4 : INVESTMENTS-LONG TERM

| SHARES & SECURITIES | FACE VALUE | PAIDUP VALUE | OPENING BALANCE ASAT 01.04.2010 | | PURCHASING DURING THE YEAR | | SALES DURING THE YEAR | | CLOSING BALANCE ASAT 31.03.2011 | |
|----------------------------------|------------|--------------|---------------------------------|--------------|----------------------------|---------|-----------------------|----------|---------------------------------|--------------|
| | | | Nos. | Amount | Nos. | Amount | Nos. | Amount | Nos. | Amount |
| QUOTED | | | | | | | | | | |
| Pearl Polymers Ltd. | 10 | 10 | 9,000 | 169,017 | - | - | - | - | 9,000 | 169,017 |
| Global Trust Bank Ltd. | 10 | 10 | 5,000 | 105,588 | - | - | - | - | 5,000 | 105,588 |
| Zee Telefilms Ltd. | 1 | 1 | 100* | 49,619 | - | - | - | - | 100 | 49,619 |
| Bongaigaon Refinery Ltd. | 10 | 10 | 1,400** | 11,137 | - | - | - | - | 1,400 | 11,137 |
| Chennai Petroleum Corpn. Ltd | 10 | 10 | 320 | 11,340 | - | - | - | - | 320 | 11,340 |
| AMI Computer (India) Ltd. | 10 | 10 | 194,356 | 8,793,429 | - | - | - | - | 194,356 | 8,793,429 |
| Integrated Technology Ltd. | 10 | 10 | 21,200 | 412,290 | - | - | - | - | 21,200 | 412,290 |
| Maxima Systems Ltd. | 10 | 10 | 100,000 | 1,300,000 | - | - | - | - | 100,000 | 1,300,000 |
| Triumph Intl. Finance India Ltd. | 10 | 10 | 2,000 | 300,000 | - | - | - | - | 2,000 | 300,000 |
| Aptech Ltd. | 10 | 10 | 300 | 318,701 | - | - | - | - | 300 | 318,701 |
| Hexaware Tech. Ltd. | 10 | 10 | 1000 *** | - | - | - | - | - | 1,000 | - |
| Shonkh Technology Ltd. | 10 | 10 | 60,450 | 4,487,344 | - | - | - | - | 60,450 | 4,487,344 |
| Krisons Electronics Ltd. | 10 | 10 | 2,200 | 4,301 | - | - | - | - | 2,200 | 4,301 |
| Union Bank of India | 10 | 10 | 100 | 1,600 | - | - | - | - | 100 | 1,600 |
| Unitech Ltd. | 1 | 1 | - | - | 7,500 | 298,047 | - | - | 7,500 | 298,047 |
| UNQUOTED | | | | | | | | | | |
| Prisha Promoters Pvt. Ltd. | 10 | 10 | 695,000 | 6,950,000 | - | - | - | - | 695,000 | 6,950,000 |
| TOTAL | | | | | | | | | | |
| Provision for Dilution on value | | | | | 7,500 | 298,047 | - | - | 1,099,926 | 23,212,413 |
| GRAND TOTAL | | | | | 7,500 | 298,047 | - | - | 1,099,926 | 105,588 |
| Previous Year's figure | | | | | | | | | | |
| | | | (1,092,426) | (23,007,252) | - | - | (400) | (60,234) | (1,092,026) | (22,808,778) |

* On Demerger of shares of ZEE Telefilms Ltd. company got the following share in consideration of 100 shares of ZEE Telefilms Ltd.

| Company Name | No. of Shares |
|----------------------------------|---------------|
| 1. Zee Entertainment Enterprises | 100 |
| 2. Zee News Ltd. | 45 |
| 3. Wire & Wireless India Ltd. | 50 |
| 4. Dish TV India Ltd. | 57 |

** Bongaigaon Refinery Ltd. have been merged with Indian Oil Corporation Ltd. and the company got 151 shares of IOC Ltd. after that IOC issued 1:1 bonus.

*** Issued on demerger of Aptech Ltd.



As at
31-03-2011
Rs.

As at
31-03-2010
Rs.

SCHEDULE - 5 : CURRENT ASSETS, LOANS & ADVANCES

A. CURRENT ASSETS

INVENTORIES (AT COST)

STOCK-IN-TRADE: Traded goods
(As per inventories taken, valued &
certified by the management)

| | |
|-------------------|-------------------|
| 60,390,038 | 75,102,476 |
| <u>60,390,038</u> | <u>75,102,476</u> |

SUNDRY DEBTORS (Unsecured, considered good)

Debts outstanding for more than six months
Other Debts

| | |
|-------------------|-------------------|
| 1,070,966 | 36,449 |
| 68,240,488 | 71,966,712 |
| <u>69,311,454</u> | <u>72,003,161</u> |

CASH & BANK BALANCES

Cash balance in hand
(As per book & certified by the management)
Balances with the Scheduled banks:
In Current Accounts
In Fixed Deposit Accounts
In Dividend Account

| | |
|-------------------|-------------------|
| 419,788 | 412,934 |
| 561,752 | 45,242,572 |
| 90,930,202 | 12,489,904 |
| 102,811 | 74,160 |
| <u>92,014,553</u> | <u>58,219,570</u> |

B. LOANS & ADVANCES

(Unsecured, considered goods)

Advances recoverable in cash or in kind or
For Purchase & Expenses
For Others
Sales Tax Payments under Disputes
Income Tax, Fringe Benefit Tax and Tax Deducted at source
Security and other Deposits

| | |
|--------------------|--------------------|
| -- | 16,071,909 |
| 8,369,269 | 2,161,153 |
| 3,045,317 | 3,045,317 |
| 34,771,994 | 31,341,997 |
| 135,400 | 310,400 |
| <u>46,321,979</u> | <u>52,930,776</u> |
| <u>268,038,024</u> | <u>258,255,983</u> |



As at
31-03-2011
Rs.

As at
31-03-2010
Rs.

SCHEDULE - 6 : CURRENT LIABILITIES & PROVISIONS

A. CURRENT LIABILITIES

| | | |
|--|--------------------|--------------------|
| Sundry Creditors | | |
| Due to Small Scale Industrial Undertakings | - | -- |
| Other Creditors | 143,315,470 | 146,015,075 |
| | <u>143,315,470</u> | <u>146,015,075</u> |
| Advances from customers & other deposits | 1,953,000 | 3,485,640 |
| Other Liabilities | 1,081,522 | 454,921 |
| Temporary Book Overdraft | 6,723,337 | - |
| Tax Deducted at Source | 170,751 | 705,102 |
| Unclaimed Dividend Account | 102,811 | 74,160 |
| | <u>153,346,892</u> | <u>150,734,898</u> |

B. PROVISIONS

| | | |
|------------------------------|--------------------|--------------------|
| For Income Tax | 18,040,000 | 16,040,000 |
| For Tax on Proposed Dividend | 83,276 | 83,276 |
| For Proposed Dividend | 490,000 | 490,000 |
| | <u>18,613,276</u> | <u>16,613,276</u> |
| | <u>171,960,168</u> | <u>167,348,174</u> |

SCHEDULE - 7 : OTHER INCOME

| | | |
|--|------------------|-------------------|
| Dividend (Gross) | 11,594 | 3,165 |
| Interest (Gross-TDS 1,32,459/- Previous Year 2,37,696/-) | 1,000,182 | 4,388,493 |
| Rent Receipts | 4,647,300 | 15,671,587 |
| Maintenance Charges | 198,000 | 310,746 |
| Claims Received | 115,000 | - |
| | <u>5,972,076</u> | <u>20,373,991</u> |



As at
31-03-2011
Rs.

As at
31-03-2010
Rs.

SCHEDULE - 8 : INCREASE / (DECREASE) IN STOCK

| | | |
|---------------------------------------|---------------------|-------------------|
| Stock at the commencement of the year | 75,102,476 | 34,838,944 |
| Stock at the close of the year | 60,390,038 | 75,102,476 |
| | <u>(14,712,438)</u> | <u>40,263,532</u> |

SCHEDULE - 9 : ADMINISTRATIVE & OTHER EXPENSES

| | | |
|-------------------------------|-------------------|-------------------|
| Rent & Warehousing Charges | 1,201,257 | 28,980 |
| Rates & Taxes | 245,473 | 258,081 |
| Salary Wages & Allowances | 1,191,192 | 1,138,803 |
| Staff welfare expenses | 90,775 | 1,269,280 |
| Insurance Charges | 68,255 | 85,940 |
| Commission & Service Charges | 1,164,000 | 8,464,428 |
| Interest | -- | 217,812 |
| Travelling & Conveyance | 843,060 | 1,744,592 |
| Vehicle Running expenses | 132,913 | 112,772 |
| Telephone & Telex expenses | 315,772 | 221,942 |
| Legal & Professional Charges | 166,540 | 718,635 |
| Director's meeting fees | 6,500 | 10,500 |
| Repair & Maintenance expenses | 218,012 | 138,188 |
| <u>Auditor's remuneration</u> | | |
| As Audit Fees | 44,120 | |
| As Tax Audit Fees | 12,133 | |
| For Certification | 4,412 | |
| Miscellaneous Expenses | <u>60,665</u> | 60,665 |
| | 8,837,605 | 8,204,675 |
| | <u>14,542,020</u> | <u>22,975,293</u> |

SCHEDULE - 10 : ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. ACCOUNTING POLICIES

a) Basis of Accounting :

The accounts of the company are prepared under the historical cost convention and in accordance with the applicable accounting standards except where otherwise stated, for recognition of profit and losses, mercantile system of accounting is followed, except in respect of the following items which are accounted for on cash basis due to uncertainty involved in their determination with reasonable accuracy :

I. Premium on Import Entitlements against export and Sales Tax thereon.

II. Gratuity to its employees.

b) Fixed Assets :

Fixed Assets are stated at cost less depreciation.

c) Depreciation :

Depreciation has been provided in accordance with the rates and basis prescribed in Schedule XIV to Companies Act, 1956 as under :

I. On Building, Elevators, Electrical Fittings and Water Pumps : Straight Line Method

II On other Assets : Written Down Value Method

d) Investment :

Investments in shares are stated at cost. All the investments are long-term investments.

e) Expenditure during construction period :

Expenses incurred directly on procuring fixed assets are capitalized; interest and other overheads are not allocated to the cost of assets.

f) Valuation of Inventories :

Inventories are valued at cost or market price whichever is lower.

g) Foreign Currency Transactions:

Transactions in foreign currencies settled during the year are recorded on the basis of actual payments and receipts. Transactions in foreign currencies remaining unsettled at the end of the year are translated at contracted rate where covered by foreign exchange forward contracts or the rate prevailing at the end of the year in other cases, any difference arising subsequently as compared to actual payments or realization is recognized as exchange gain/loss in the year of settlement.

h) Contingent Liabilities:

Disputed liabilities and claims against the company including claims by taxation authorities pending appeals are treated as contingent liabilities and are not accounted for and shown by way of notes.



i) Taxes on Income :

Tax expenses for the relevant period comprises of current tax and deferred tax. Deferred tax is recognized, subject to consideration of prudence, on all timing difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. The accumulated deferred tax liability is adjusted by applying the tax rates and tax laws applicable at the year-end.

| | | | |
|----|---|-------------------------|------------------|
| 2. | Contingent Liabilities not provided for in respect of : | Rs. | Rs. |
| | i. Letter of credits issued by Bank | 15,47,30,174 | (4,44,14,069) |
| | ii. Income Tax liabilities pending appeals/ rectifications | 33,35,554 | (33,35,554) |
| 3. | Rent received in financial year 2009-10 includes Rs.1,03,60,387/- on account of rent for earlier years, which was under litigation. Such rent was received from Union Bank Of India in accordance with the order by Hon'ble District Court in favour of the company. Then the Union Bank of India had moved to High Court against the order of District Court, the decision of High Court was also in favour of the company and now the matter is pending with Hon'ble Supreme Court. | | |
| 4. | None of the creditors are small scale industrial undertakings to whom the company owes a sum which is outstanding as on the Balance Sheet date. | | |
| 5. | Sundry Creditors include Rs.13,64,84,633/- (Rs.12,03,85,995/-) in respect of liability in foreign currency converted at year end foreign exchange rates. | | |
| 6. | Debit/Credit balances of parties are subject to balance confirmation and reconciliation. | | |
| 7. | Market value of certain long term Investments in shares have eroded due to prevailing depressed market conditions, being temporary in nature, no provision have been made in the books of accounts. | | |
| 8. | Non-fund base limit for Letter of Credit taken from Oriental Bank of Commerce is secured against goods under such Letter of Credit, Assignment of receivables and mortgage of immovable properties belonging to the company, Managing Director and personal guarantee of Managing Director of the company. | | |
| 9. | Amount paid to Directors as remuneration : | | |
| | A. <u>Managing Director</u> | <u>Full Time</u> | |
| | | 2010-2011 | 2009-2010 |
| | a) No. of Persons | One | (One) |
| | b) Salary & Remunerations | 36,00,000 | 28,80,000 |
| | B. <u>Whole Time Director :</u> | <u>Full Time</u> | |
| | | 2010-2011 | 2009-2010 |
| | a) No. of Persons | One | (One) |
| | b) Salary & Allowances | 6,00,000 | 3,00,000 |

10. Basic and Diluted Earning per Equity Share :-

For the purpose of calculation of basic and diluted earning per equity share, the following amounts are considered :

| | Year ending 31.03.2011 | Year ending 31.03.2010 |
|--|---------------------------|---------------------------|
| (a) Net profit/(loss) after Tax | 50,23,952 | 2,05,75,343 |
| (b) Weighted average nos. of Equity Shares | 4,90,000 | 4,90,000 |
| (C) Basic and Diluted Earning per Equity Share | 10.25 | 41.99 |

11. Related Party disclosure (as certified by the management), as required by Accounting Standard 'AS-18' are given below :-

A. List of Related Parties

- Where Control Exists : i) M/s Prisha Promoters Pvt. Ltd.
ii) M/s Prisha Projects Pvt. Ltd.
- Key Management Personnel :
Mr. Virender Kumar Gandhi, - Chairman cum Managing Director.
Mrs. Sangeeta Gandhi - Director
- Relative of Key Management Personnel (with whom transactions have taken place during the year :

| Name | Relationship |
|--|--------------|
| M/s Century Overseas (Prop. Rajneesh Gandhi) | Son |
| Other Related Parties : | N.A |

B. TRANSACTIONS WITH RELATED PARTIES :

| Type of Related Party | Description of the transaction | Volume of transaction during the year | | Amount outstanding as on 31-03-2011 | |
|--------------------------------------|--------------------------------|---------------------------------------|----------------|-------------------------------------|---------|
| | | Rs. | | Receivable | Payable |
| Where Control Exist | Advances Given | NIL | (NIL) | NIL | (NIL) |
| | Advance Received Back | NIL | (30,347,605) | NIL | (NIL) |
| | Advance Received & Given Back | 47,02,169 | (NIL) | NIL | (NIL) |
| Key Management Personnel | Remuneration | 42,000,000 | (31,80,000) | NIL | (NIL) |
| | Loan Taken/Given | 20,725,239 | (9,88,688,124) | NIL | (NIL) |
| | LC Arranged | 9,574,761 | (NIL) | NIL | (NIL) |
| Relative of Key Management Personnel | Maintenance Charges Recd. | 1,98,000 | (198,000) | NIL | (NIL) |
| | Loan Taken/Refund | NIL | (50,00,000) | NIL | (NIL) |
| | Advances given/Recd. Back | 16,017,058 | (33,75,000) | NIL | (NIL) |
| | Sales & other | 33,158,837 | NIL | NIL | (NIL) |
| | Directors Meeting Fees | 6500 | (4,500) | NIL | (NIL) |
| Other Related Parties | Advances given | NIL | (NIL) | NIL | (NIL) |
| | Advances Given and Taken Back | NIL | (25,74,035) | NIL | (NIL) |

Note: In respect of above parties, there is no provision for doubtful debts as on 31st March, 2011 and no amount has been written off or written back during the year in respect of debts due from/to them.

12. There are no separate reportable segments as per Accounting Standard 17.

13. QUANTITATIVE DETAILS

| Name of Item Traded | Unit | Opening Stock | | Purchases | | Sales | | Closing Stock | |
|----------------------|-------|------------------|----------------------------|--------------------|------------------------------|--------------------|------------------------------|------------------|----------------------------|
| | | Qty. | Amount | Qty. | Amount | Qty. | Amount | Qty. | Amount |
| PVC Resin | MT | 1,754 (1,005) | 75,102,476 (34,838,944) | 19,060 (16,733) | 910,408,557 (677,902,975) | 19,674 (15,984) | 951,903,627 (659,389,003) | 1,140 (1,754) | 60,390,038 (75,102,476) |
| Plastics Granules | MT | | | 501 | 33,746,144 | 501 | 33,732,150 | - | - |
| | | (-) | (-) | (2,385,98) | (127,671,377) | (2,385,98) | (130,375,849) | (-) | (-) |
| Wet Blue Sheep Skin | Dozen | (-) | (-) | 3,432.00 | 14,519,344 | 3,432.00 | 14,693,520 | - | - |
| | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Total | | | 75,102,476 | | 958,674,045 | | 1,000,329,297 | | 60,390,038 |
| Previous year | | | (34,838,944) | | (805,574,352) | | (789,764,852) | | (75,102,476) |

14 CIF Value of Imports

15 FOB Value of Exports

16 Earning in Foreign Currency

17 Expenditure in Foreign Currency

18 Remittance on account of Dividend in Foreign Currency

19 Figure for previous year have been regrouped , re-arranged and recast wherever necessary and figures in brackets represent previous year figures.

(823,796,457)

(NIL)

(NIL)

(2,801,207)

(NIL)

958,738,458

NIL

NIL

197,032

NIL



20. BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE:

(As per Schedule VI part IV of the Companies Act 1956, Rupees in thousands)

1 REGISTRATION DETAILS :

| | | | | | |
|--------------------|---|------------|------------|---|----|
| Registration | : | 15585 | State Code | : | 55 |
| Balance Sheet Date | : | 31-03-2011 | | | |

2 CAPITAL RAISED DURING THE YEAR :

| | | | | | |
|--------------|---|-----|-------------------|---|-----|
| Public Issue | : | NIL | Right Issue | : | NIL |
| Bonus Issue | : | NIL | Private Placement | : | NIL |

3 POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS :

| | | | | | |
|-------------------|---|---------|--------------------|---|---------|
| Total Liabilities | : | 141,650 | Total Assets | : | 141,650 |
| Source of Funds : | | | | | |
| Share Capital | : | 4,900 | Reserves & Surplus | : | 136,750 |
| Secured Loans | : | NIL | Unsecured Loans | : | NIL |

Application of Funds :

| | | | | | |
|--------------------|---|--------|---------------------------|---|--------|
| Net Fixed Assets | : | 22,195 | Investments | : | 23,107 |
| Net Current Assets | : | 96,078 | Miscellaneous Expenditure | : | |

4 PERFORMANCE OF THE COMPANY :

| | | | | | |
|-----------------------|---|-----------|-------------------|---|---------|
| Turnover/Receipts | : | 1,006,301 | Total Expenditure | : | 999,304 |
| Profit before tax | : | 6,998 | Profit after tax | : | 5,024 |
| Earning per share Rs. | : | 10.25 | Dividend rate | : | 10% |

5 GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY:

| | |
|-------------------------------|------------------------------|
| <u>Item Code (ITC Code) :</u> | <u>Product Description :</u> |
| 3901.10 | Plastic Granuels |
| NA | Marine Products |
| 5903.10 | PVC Leather Cloth |
| 4104.29 | Finished Leather |

Signature to Schedule 1 to 10

As per our report attached
For **SALARPURIA & PARTNERS**
Firm Registration No. 302113E
CHARTERED ACCOUNTANTS

(**KAMAL KUMAR GUPTA**)
PARTNER
M. No. 89190

Virender Kumar Gandhi
Chairman-cum-Managing Director

Sangeeta Gandhi
Director

PLACE : NEW DELHI
DATE : 27-05-2011



ABM International Ltd.

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

| | | Year ended 31.03.2011 | Year ended 31.03.2010 |
|---|-------------|--------------------------|--------------------------|
| | Rs. | Rs. | Rs. |
| CASH FLOW FROM OPERATIVE ACTIVITIES | | | |
| Net Profit before Tax | | 6,997,524 | 29,346,606 |
| Adjustment for : | | | |
| Depreciation | 1,164,044 | | 982,194 |
| (Profit) / Loss on sale of Fixed Assets | -- | | -- |
| Interest paid/received (Net) | (1,000,182) | 163,862 | (4,170,681) |
| Operating Profit before Working Capital Changes | | 7,161,386 | 26,158,119 |
| Adjustment for : | | | |
| Trade receivables | 2,691,707 | | (33,348,660) |
| Other receivables | 10,038,794 | | 30,789,129 |
| Inventories | 14,712,438 | | (40,263,532) |
| Trade payable | 2,611,994 | 30,054,932 | (2,275,270) |
| Cash Generated from Operations | | 37,216,318 | (18,940,214) |
| Direct Tax paid | (3,429,997) | (3,429,997) | (8,158,685) |
| Cash Flow from Operations | | 33,786,321 | (27,098,899) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Interest paid/received (Net) | 1,000,182 | | 4,170,681 |
| Purchase of Investment | (298,047) | | -- |
| Sale of Fixed Assets | (120,197) | 5,81,938 | (1,214,245) |
| CASH FLOW FINANCING ACTIVITIES | | | |
| Repayment of borrowing | -- | | (429,538) |
| Dividend paid | (490,000) | | (490,000) |
| Dividend Tax paid | (83,276) | (573,276) | (83,276) |
| Net Increase (Decrease) in cash equivalents | | 33,794,984 | (25,145,276) |
| Cash and cash equivalent as at 1st April (Opening balance) | | 58,219,570 | 83,364,846 |
| Cash and cash equivalent as at 31st March (Closing balance) | | 92,014,553 | 58,219,570 |

As per our report attached
For **SALARPURIA & PARTNERS**
Firm Registration No. 302113E
CHARTERED ACCOUNTANTS

(**KAMAL KUMAR GUPTA**)
PARTNER
M. No. 89190

Virender Kumar Gandhi
Chairman-cum-Managing Director

Sangeeta Gandhi
Director

PLACE : NEW DELHI
DATE : 27-05-2011