



Nagreeka

CAPITAL & INFRASTRUCTURE LTD.

15TH
ANNUAL
REPORT
2008-2009

BOARD OF DIRECTORS	:	Shri Sushil Patwari — Managing Director Shri Sunil Patwari — Director Shri Mohan Kishen Ogra — Director Shri Bibhuti Charan Talukdar — Director
BANKERS	:	Canara Bank, Overseas Branch, Kolkata ING VYSYA Bank Limited, Overseas Branch, Mumbai
AUDITORS	:	M/s. H. R. Agarwal & Associates Chartered Accountants 219-C, Old China Bazar Street, 1st Floor Room No. B-6, Kolkata - 700 007
TRANSFER AGENT	:	M/s. Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2nd Floor Kolkata - 700 001
REGISTERED OFFICE	:	18, R. N. Mukherjee Road, Kolkata - 700 001
CORPORATE OFFICE	:	21-22, Kala Bhavan, 3, Mathew Road Mumbai - 400 004

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NOTICE

Notice is hereby given that the 15th Annual General Meeting of the **Members of Nagreeka Capital & Infrastructure Limited**, will be held at **Bengal National Chamber of Commerce and Industry**, 23, R.N. Mukherjee Road, Kolkata-700 001, on Tuesday, the 22nd September, 2009 at 11.30 a.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2009, the Profit and Loss Account for the year ended on that date and reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. B.C. Talukdar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

By order of the Board
For Nagreeka Capital & Infrastructure Limited

(Sushil Patwari)
(MANAGING DIRECTOR)

Place : Kolkata
Date : 30th June, 2009

NOTES :-

1. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.
2. The Instrument appointing Proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting.
3. Members are requested to notify immediately the change of name of the company to the Registrar and Share Transfer Agent M/s. Maheshwari Datamatics (P) Ltd., 23, R.N. Mukherjee Road, Kolkata-700 001.
4. Members are requested to bring their company reports and attend the meeting and produce attendance slip at the entrance.
5. The Register of Members and Share Transfer Book will be open for inspection from 15.09.2009 to 22.09.2009 (both days inclusive).
6. Members intending to require information, and accounts to be examined at the meeting are requested to write to the Company at least ten days in advance of the Annual General Meeting (AGM).
7. Details of the Directors retiring by rotation and their names are as under:-

Name of Director	Mr. B.C. Talukdar
Date of Birth	01.03.1936
Date of appointment	30.01.2006
Qualification	B.Com, PDGMB
Expertise in specific Functional area	Industrialist having rich business experience.
List of other Directorships held excluding foreign companies, Companies under section 25 of the Companies Act, 1956 and Private Companies	Nagreeka Exports Ltd. Indian City Properties Ltd. H.P.Cotton Textile Mills Ltd.
Chairman / Member of the committees of the Board of other Companies in which he / she is a Director	Nagreeka Exports Ltd. H.P.Cotton Textile Mills Ltd.

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 15th Annual Report on the affairs of your Company together with the Audited Statements of Account for the year ended 31st March, 2009.

FINANCIAL RESULTS:

The total income of the Company during the year decreased to Rs.435.39 Lacs as against Rs. 752.74 Lacs in the previous financial year. The total expenditure during the year was Rs. 3732.58 Lacs against Rs.1105.09 lacs in the previous year. Increase in expenditure is due to increase in Interest Cost and other expenses. Dividend income during the year has been increased to Rs. 219.79 lacs as against Rs. 37.59 lacs in the previous year.

OPERATIONS:

The year under review has seen unprecedented upheaval in the financial markets all over the world. The Company's operations have also been impacted by this meltdown in all asset classes and markets.

DIVIDEND:

Due to inadequate profit for the financial year under review, the Directors do not recommend any dividend.

FUTURE PROSPECTS

The declining trend in the markets appears to have slowed and is showing a period of stability is expected before revival or recovery will sustain. The Indian economy is expected to grow at a reduced rate during 2007-08. The status of the monsoon is also a negative. Considering, the global and overall developments, the Company is not expected to perform better than 2008-09 despite the negatives that exist.

PUBLIC DEPOSIT

Your Company has not accepted any deposit under the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975.

DIRECTORS

Mr. B.C. Talukdar will retire by rotation at the ensuing Annual General Meeting, and being eligible, have offered himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

As per Section 217 (2AA) of the Companies Act, 1956, the Directors are responsible for the preparation and maintenance of the accounts of the Company and for ensuring that proper accounting records are maintained.

1. In the preparation of the Annual Accounts, the applicable accounting Standards have been followed with the proper explanation to material departure wherever applicable.
2. They have followed 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 on 31st March, 2009, and of the profit of the Company for that period.
3. They 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.
4. The annual accounts have been prepared on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Shareholders are aware of the major shocks in the international financial markets since the last quarter of 2007 which have been widely analysed- in hindsight - by many experts and therefore do not need further elaboration. The unique characteristic of this financial crisis is that it was truly global and affected almost all countries. This caused one of the most severe bear markets across the world including India. It was not only a bear market in equities but also in commodities (except gold) and real estate and such a bear market across financial markets and resorting to drastic monetary action around the world. An event which started from the 'sub-prime housing mortgage area' in the U.S. blew up and exposed the highly leveraged financial system in all its diverse activities across the globe and rocked many of the largest and long-established banking and financial institutions to their very core. The cleansing process does not seem to be over and it is generally believed that it will take some more time to play itself out.

DIRECTORS' REPORT (Contd.)

India was not immune to some of the effects of the global crisis. After nearly five years of a continuous 'bull run' on the Indian Stock Market, the financial year 2008-2009 witnessed a major decline and huge volatility. The BSE Sensex which had reached a peak of 21,200 in January, 2008 had declined by 26% to 15,644 in the beginning of April 2008 and plunged to a low of 7,697 in October 2008 recovered to a level of 9708 at end of March 09 i.e. decline of 64% from the peak January 08 to the bottom Oct'08 & a net decline of 38% during April 08 (15644) and March 09 (9708)

The performance of our Company during 2008-2009 has to be viewed in the context of the turbulent conditions which prevailed during that year. Though our dividend income increased during 2008-2009 due to higher dividend declared by the companies in the previous year 2007-2008, the profit from sale of investments was lower due to the decline in stock market prices.

The stock market has started the new financial year (2009-2010) on a favourable note with the BSE Sensex increasing by about 49% from April to June, 2009. However, as the shareholders are aware, the reduced GDP growth rate during 2008-2009 which is expected to continue into the current financial year, could affect the performance of companies in various industries. This, together with other uncertainties at this point of time, makes it difficult to predict the prospects for 2009-2010. However, the emergence of a relatively more stable Government bodies well for the country, even though the new Government would have to urgently deal with some major problems such as the large fiscal and account deficits, the increasing burden of debt and subsidies and the need for stimulation of demand across the economy.

CORPORATE GOVERNANCE :

A separate report on Corporate Governance is enclosed as part of the annual report and marked as Annexure "A". Requisite Certificate from the Auditors of the Company regarding compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the report of Corporate Governance. The Company has ensured compliance of all the mandatory provisions of 'Corporate Governance' as provided in the listing agreement of the Stock Exchange with which the Company's Shares are listed have been taken and your company has ensured its required compliance.

AUDITORS

M/s. H.R. Agarwal & Associates, Chartered Accountants, Kolkata, the Auditor of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has obtained requisite certificate to Section 224(1B) of the Companies Act, 1956 from M/s. H.R. Agarwal & Associates, Chartered Accountants, Kolkata. Your Company regarding their eligibility for re-appointment as Auditors, and we recommend their re-appointment.

AUDITORS' REPORT:

The observation made by the auditor in their Report together with Notes on Accounts are self explanatory and, therefore, do not call for any further explanation under section 217 (3) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY

Being an investment company, the provisions regarding conservation of energy and technology absorption are not applicable to the company.

There was no foreign exchange earnings and outgo during the period under review.

PARTICULARS OF EMPLOYEES

None of the employees are drawing remuneration exceeding Rs.2.00 Lacs per month or Rs.24.00 Lacs per year. Hence, details required to be furnished in accordance with Sub Section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable.

APPRECIATION

Your Directors take this opportunity to convey their sincere appreciation to the company's employees, bankers and shareholders for their valuable services and support and continued confidence in the company. Your Directors are also deeply grateful to the company's customers, associates and Government authorities for their continued support.

Place : Kolkata
Date : 30th June, 2009

By order of the Board
Sushil Patwari
Managing Director
Sunil Patwari
Director

ANNEXURE 'A' TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

The company conducts business in a manner that is fair and transparent and also perceived to be such by others. In compliance with the requirement of Clause 49 of the listing agreement with the stock exchange (s), your company submits the Report on Corporate Governance as under.

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhancing the Share Holders' Value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important Policy matters.

2. BOARD OF DIRECTORS

COMPOSITION

- The Company's Board at present has four Directors comprising of one Managing Director, and three Non-Executive Directors. The Company has no Chairman. The numbers of non-executive Directors are more than 50% of total number of Directors.
- None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees (as per clause 49(iv) B) across all the companies in which he is a Director. All the Directors have made requisite disclosures regarding committee positions occupied by them in other companies.

The Board met five times on the following dates during the financial year 2008-2009:

11.04.08	25.06.08	31.07.08	31.10.08	30.01.09
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The names and categories of Directors on the Board, their attendance at Board meetings held during the year and at the last Annual General Meeting as also the number of directorships and committee positions as held by them in other Public Limited Companies as on 31.03.2009 are given below:

Name	Category	Attendance at Board Meetings during the year 08-09					No. of Directorship in other Public Limited Companies	No. of Committee Positions held in other Public Limited Companies		No. of Shares held in the Company as at 31.03.2009
		11.04.08	25.06.08	31.07.08	31.10.08	30.01.09		Chairman	Member	
Mr. Ishwar Lal Patwari*	Promoter	5	2	-	-	-	-	-	612,700	
Mr. Sushil Patwari	Promoter	5	5	5	5	3	None	4	568,600	
Mr. Sunil Patwari	Promoter	5	5	5	5	1	None	1	712,000	
Mr. M. K. Ogra	Independent	5	5	5	5	4	3	None	NIL	
Mr. B. C. Talukdar	Independent	5	5	5	5	3	None	2	NIL	

*Mr. I. L. Patwari left for his heavenly abode on 8th July, 2008

3. COMMITTEES OF THE BOARD

A) AUDIT COMMITTEE

The Audit Committee comprises of three Directors viz. Mr. M. K. Ogra as Chairman of the Committee, Mr. Sunil Patwari and Mr. B. C. Talukdar as its members. The terms of reference of the Audit Committee are as contained in the Corporate Governance Clause 49 of the Listing Agreement.

The Audit Committee met on the following dates during the financial year 2008-09 :

11.04.08	25.06.08	31.07.08	31.10.08	30.01.09
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ATTENDANCE OF THE AUDIT COMMITTEE MEETING :

Name of the Directors	Number of Meeting Held	Number of Meeting Attended
Mr. Ishwar Lal Patwari *	5	2
Mr. M.K.Ogra	5	5
Mr. B.C.Talukdar	5	4
Mr. Sunil.Patwari	5	3

* Mr. I. L.Patwari left for his heavenly abode on 8th July, 2008

ANNEXURE 'A' (Contd.)

Mr. Sunil Patwari was appointed as a member of the Committee on 31st July, 2008 during the Financial year 2008-2009. Necessary quorum was present at the meeting. and Representatives of Statutory Auditors of the Company are being invited to the meetings, as and when required.

B) SHARE HOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Company has an independent Shareholders' Grievance Committee.

The Committee comprises of :

1. Mr. M. K. Ogra	Chairman	Independent Director
2. Mr. Sushil Patwari	Member	Non Executive - Promoter
3. Mr. Sunil Patwari	Member	Non Executive - Promoter

The Committee met once during the financial year 2008-2009 on 31.07.08

The Committee is prompt in attending to requests received as well as issue of duplicate certificates. The number of Complaints received during Financial Year 2008-09 are as under:

Number of complaints received from Investors complaining of Non receipt of Dividend and Annual Reports, Share sent for Transfer and Transmission/Complaints received from SEBI Stock Exchanges and direct from Investors	5
Number of Complaints resolved	5
Number of Complaints pending as on 31.07.08	Nil

The complaints were disposed off with effect from 31.07.08

Given below are the details of remuneration to Directors during the financial year 2008-2009 :

Name of Directors	Sitting Fees	Salary	Perquisites (Rs.)	Commission (for 2007-08 paid during the year) (Rs.)
1. Mr. I. L. Patwari	2,000/-	—	—	—
2. Mr. Sushil Patwari	2,000/-	—	—	—
3. Mr. Sunil Patwari	8,000/-	—	—	—
4. Mr. M. K. Ogra	11,000/-	—	—	—
5. Mr. B. C. Talukdar	11,000/-	—	—	—

Non-executive Directors are paid remuneration. The company does not pay any remuneration to its Managing Director.

4. DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN THE ENSURING ANNUAL GENERAL MEETING :

Name of Director	Mr. B.C.Talukdar
Date of Birth	01.03.1936
Date of appointment	30.01.2006
Qualification	B.Com, PDGMB
Expertise in specific Functional area	Industrialist having rich business experience
List of other Directorships held excluding foreign companies, Companies under section 25 of the Companies Act, 1956 and Private Companies	Indian City Properties Ltd. Nagreeka Exports Ltd. H.P. Cotton Textile Mills Ltd.
Chairman / Member of the committees of the Board of other Companies in which he / she is a Director	Nagreeka Exports Ltd. H.P. Cotton Textile Mills Ltd.

ANNEXURE 'A' (Contd.)

5. DETAILS OF GENERAL MEETINGS

A. Locations, Date and Time of Annual General Meetings held during the last three years are as under :

Sr. No.	Year	Location	AGM / EGM	Date	Day	Time	No. of Special Resolution Passed
1.	2007-08	Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road, Kolkata - 700 001	14 th A.G.M.	16.09.08	Monday	11.30am	Nil
2.	2006-07	Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road, Kolkata - 700 001	13 th A.G.M.	21.09.07	Friday	11.30 am	Nil
3.	2005-06	Jain Chamber, 18, R. N. Mukherjee Road, Kolkata - 700 001	12 th A.G.M.	27.09.06	Wednesday	11.30 am	Nil

No item were passed by resolution through postal ballot during the financial year 2008-2009. At the forthcoming Annual General meeting also, there is no item on the agenda that needs approval by Postal Ballot.

6. DISCLOSURES

- There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management Staffs as defined in Clause 4 of the listing agreement where they have personal interest that may have a potential conflict with the interests of the Company. No disclosure by them to the Board of Directors of the Company.
- Transactions with related parties as per the provisions of Accounting Standard 18 are disclosed in Note No. B.1 of Schedule 'N' of the Accounts in the Annual Report.
- All Accounting Standards mandatorily required have been followed in the preparation of financial statements and no deviation has been made in following the same.
- Risk assessment and its minimization procedures have been laid down by the Company and the same have been informed to Board Members. These procedures are followed by the Company and its executive management controls risks through means of a properly defined risk management framework.
- No penalties or strictures have been imposed on the Company by SEBI or any statutory authority on any matter related to capital markets during the financial year 2008-2009.
- Management Discussion and Analysis report is prepared by the members and it includes discussion on matters as required under the provisions of clause 4 of the listing agreement with stock exchange.

7. CODE OF CONDUCT OF DIRECTORS AND SENIOR MANAGEMENT STAFF

In line with the amended Clause 49 of the listing agreement which came into effect from 1st January, 2006, the Company adopted a Code of Conduct for its Directors and Senior Management Staff. The Code has also been posted on the company's website. The Managing Director has given a declaration and all the Directors and Senior Management Staff have affirmed compliance with the code of Conduct.

8. CEO'S CERTIFICATION

A Certificate duly signed by the Managing Director relating to Financial Statements and Internal Controls and Internal Control Systems for financial reporting as per the format provided in amended Clause 49 of the listing agreement was placed before the Board, who took the same on record.

9. GENERAL SHAREHOLDER INFORMATION :

Annual General Meeting		
Date and Time	: 22nd September, 2009 at 11.30 a.m.	
Venue	: Bengal National Chamber of Commerce & Industry, 23, R.N. Mukherjee Road, Kolkata-700 001.	
Financial Calendar (Tentative)	: Year ending - 31 st March 2010	
	First Quarter Results	Before end of July'09
	Second Quarter and Half Yearly Results	Before end of October'09
	Third Quarter Results	Before end of January'10
	Results for year ending 31 st March'10	Before end of June '10
	Annual General Meeting for Year ending 31 st March'10	Before end of September '10

ANNEXURE 'A' (Contd.)

Date of Book Closure	: 15th September, 2009 to 22nd September, 2009 (both days inclusive)
Listing of Stock Exchanges	: 1. Bombay Stock Exchange Limited. 2. National Stock Exchange of India Limited.

The Company has paid the Annual Listing Fees to Bombay Stock Exchange Limited and National Stock Exchange of India Limited for the financial Year 2009-10.

10. STOCK CODE

Bombay Stock Exchange Limited : 532895
National Stock Exchange of India Limited : NAGREEKCAP

11. PLANT LOCATION

The Company operates in Capital market and as such there are no plants, and hence no locations are disclosed.

12. MEANS FOR COMMUNICATION

The quarterly results are published in the leading English daily Newspaper Financial Express, Business Standard & Economic Times and Bengali Newspapers (Arthik Lipi). Management discussion and analysis form part of the Annual Report.

13. DEMATERIALIZATION OF SHARES

As on 31st March, 2009, 93.6905% of the Share Capital comprising 1,18,19,336 shares are in dematerialized form. Under the depository system the International Securities Identification Number (ISIN) allotted to the company's shares is INE 245101016.

14. ADDRESS FOR CORRESPONDENCE

a) For Routine matters :

For any assistance regarding Share transfer and transmissions, change of address, non-receipt of dividends duplicate / missing share certificates, demat and other matters contact the Share Department of the Company at the address given below :

Nagreeka Capital & Infrastructure Limited, 18, R.N. Mukherjee Road, Kolkata - 700 001.
Phone Nos. 2248 4922, 2248 4943, Fax No. (033) 2248 4922, E-mail: share@nagreeka.com

Registrar & Share Transfer Agent, Maheshwar Datamatics (P) Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001.
Phone Nos. 2243-5029, 2243-5809, Fax No. (033) 2248-4727, E-mail: mdpl@cal.vni.net.in. Website: www.mdpl.online.com

b) For Redressal of Complaints and Grievances

The Secretary
Nagreeka Capital & Infrastructure Limited, 18, R.N. Mukherjee Road, Kolkata-700 001.
Telephone Nos. (033) 2248-4922, 2248-4943
Fax No. (033) 2248-4922
E-mail: comsect.net@nagreeka.com

DISTRIBUTION OF SHARE HOLDING AS ON 31.03.2009

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1) 1 to 5000	12204	86.9116	1764073	19.9836
2) 5001 to 10000	164	1.2999	250784	2.80514
3) 10001 to 20000	20	0.1564	20	2.3433
4) 20001 to 30000	27	0.2144	133954	1.0618
5) 30001 to 40000	11	0.0874	75972	0.6022
6) 40001 to 50000	12	0.0953	109511	0.8681
7) 50001 to 100000	20	0.1588	283347	2.2461
8) 100001 and above	50	0.3970	9694029	76.8435
TOTAL	12593	100	12615300	100

CATEGORY OF SHAREHOLDERS AS ON 31.03.2009 :

Category	No. of Shares Held	Percentage of shareholding
A. PROMOTER'S HOLDING		
(a) Individual / HUF	4492900	35.6147
(b) Bodies Corporate	2520786	19.9820
Sub-Total	7013686	55.5967

ANNEXURE 'A' (Contd.)

B. PUBLIC HOLDING		
1. INSTITUTIONS		
(a) Mutual Funds and UTI		
(b) Banks, Financial Institutions Insurance Companies, Central/State Govt. Institutions	3300	0.0262
(c) FIs	400	0.0032
	500300	3.9658
	Sub - Total(B)(1)	504000
2. NON-INSTITUTIONS		
(a) Bodies Corporate		
(b) Individuals	1743068	13.8171
(i) Individual shareholders holding nominal share capital upto Rs.1 Lakh		
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	2343426	18.5761
(c) Non-Resident Individuals	654442	5.1877
	356678	2.8273
	Sub - Total(B)(2)	5097614
	Sub - Total(B)(1)+(B)(2)	5601614
C. Shares held by Custodians and against which Depository Receipts have been Issued	Nil	Nil
	Grand Total (B)(1)+(B)(2)+C	12615300
		100

15. MARKET PRICE DATA (Rs.):

Month	Bombay Stock Exchange		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr'2008	79.30	58.00	81.95	56.00
May'2008	89.55	68.65	88.25	62.00
June'2008	71.00	50.15	70.00	50.55
July'2008	53.50	41.00	52.00	41.00
Aug'2008	53.00	42.00	53.60	41.00
Sep'2008	52.00	40.00	49.50	33.50
Oct'2008	45.25	37.00	35.35	19.30
Nov'2008	24.85	20.00	24.15	20.00
Dec'2008	24.45	21.35	23.45	19.15
Jan'2009	24.20	21.00	26.20	22.00
Feb'2009	24.00	21.50	22.00	15.90
Mar'2009	19.95	18.00	18.00	13.80

Place : Kolkata

Date : 30th June, 2009

For & on behalf of the Board

Sunil Patwari
(Director)

Sushil Patwari
(Managing Director)

AUDITORS' CERTIFICATE

TO THE MEMBERS

NAGREEKA CAPITAL & INFRASTRUCTURE LIMITED

We have examined the compliance of conditions of corporate governance by Nagreeka Capital & Infrastructure Limited, for the year ended on 31st March, 2009, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

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

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholder's Grievance Committee.

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

Place : Kolkata

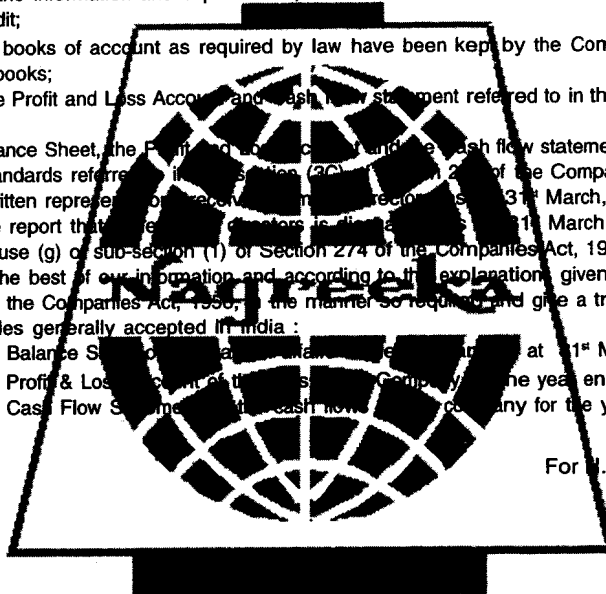
Date : 30th June, 2009

For H. R. AGARWAL & ASSOCIATES
Chartered Accountants
(CA. HARI RAM AGARWAL)
Partner
M. No. FCA 057625

AUDITORS' REPORT

TO THE MEMBERS OF NAGREEKA CAPITAL & INFRASTRUCTURE LIMITED

1. We have audited the attached Balance Sheet of NAGREEKA CAPITAL & INFRASTRUCTURE LIMITED as at 31st March 2009, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto, all of which we have signed under reference to this report. These financial statements are the responsibility of the management of the company. 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 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended subsequently, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure referred to 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 purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account;
 - d) 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 section 2(C) of the Companies Act, 1956;
 - e) On the basis of the written representations received from the directors as at 31st March, 2009 and taken on record by the Board of Directors, we report that the directors are disqualified as at 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i) In the case of the Balance Sheet of the Company as at 31st March, 2009,
 - ii) In the case of the Profit & Loss Account of the Company for the year ended on that date, and
 - iii) In the case of the Cash Flow Statement of the Company for the year ended on that date



For **J. R. AGARWAL & ASSOCIATES**
Chartered Accountants
(CA. HARI RAM AGARWAL)
Partner
M. No. FCA 057625

Place : Kolkata
Date : 30th June, 2009

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF NAGREEKA CAPITAL & INFRASTRUCTURE LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2009.

- I) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management during the year and there is a regular programme of verification which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year the company has not disposed off any fixed assets.
- II) (a) The inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on such verification.
- III) (a) The Company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) The Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

ANNEXURE TO THE AUDITORS' REPORT (Contd.)

- IV) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in the said internal control system.
- V) According to the information and explanations given to us, there are no transactions during the year, which needs to be entered into the register maintained under section 301 of the Companies Act, 1956.
- VI) In our opinion and according to the information and explanations given to us, the Company has not accepted deposit from the public in pursuance to sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under. No Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- VII) In our opinion and as per provisions of the clause, the Company has an internal audit system commensurate with the size and nature of its business.
- VIII) Provisions relating to maintenance of cost records as prescribed by the Central Government u/s 209 (1) (d) of the Companies Act, 1956, in our opinion are not applicable to the company.
- IX) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor protection fund, employees' state insurance, income tax, sales tax, wealth-tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
 b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, wealth-tax, sales tax, custom duty, excise duty and cess which were due in the years, as at 31st March, 2009 for a period of more than six months from the date they became payable.
 According to the information and explanations given to us, there are no dues of sales tax, income tax, service tax, customs duty, wealth tax, excise duty and cess which were due in the years, as at 31st March, 2009 on account of any dispute.
- X) The Company does not have any loans as at 31st March, 2009. However, it has incurred cash loss of Rs. 33,05,94,536/- (Rupees Thirty Three Crores Five Lacs Ninety Four thousand Five Hundred Thirty Six Only) during the financial year ended on that date. There was no cash loss during the immediately preceding financial year.
- XI) In our opinion and according to the information and explanations given to us, there are no dues payable to a financial institution or bank or debentureholders.
- XII) In our opinion, the Company has not taken any loans & advances of securities by way of pledge of shares, debentures and other securities.
- XIII) In our opinion, the Company is not a member of any mutual fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- XIV) In our opinion, the company has maintained proper books of transactions and contracts in respect of dealing in or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name except to the extent exemption granted u/s 49 of the Act.
- XV) In our opinion and according to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- XVI) According to the information and explanations given to us, no term loans have been raised by the company.
- XVII) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term investment.
- XVIII) According to the information and explanations given to us, the company has not made any preferential allotment of shares to the parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- XIX) According to the information and explanations given to us, the company has not issued any debentures during the period covered by our audit report.
- XX) During the period covered by our audit report, the Company has not raised any money by Public Issues during the year.
- XXI) 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.

Place : Kolkata
Date : 30th June, 2009

For H. R. AGARWAL & ASSOCIATES
Chartered Accountants
(CA. HARI RAM AGARWAL)
Partner
M. No. FCA 057625

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SOURCE OF FUNDS :			
Shareholders' Fund:			
Share Capital	A	63,076,500	63,076,500
Reserve & Surplus	B	459,380,320	518,537,841
		522,456,820	581,614,341
Loan Fund:			
Secured Loans	C	514,123,258	214,326,393
TOTAL		1,036,580,078	795,940,734
APPLICATION OF FUNDS :			
Fixed Assets :			
Gross Block		12,240,200	12,240,200
Less : Depreciation		195,470	195,470
Net Block		12,044,730	12,044,730
Investories		640,036,587	640,036,587
Current Assets, Loans & Advances :			
Inventories		35,664,711	35,664,711
Sundry Debtors		44,192,130	44,192,130
Cash & Bank Balances		337,477	337,477
Other Current Assets		60,659	60,659
Loans & Advance		28,252,857	28,252,857
		108,507,834	108,507,834
Less : Current Liabilities & Provisions		15,560,324	15,560,324
Net Current Assets		65,814,190	92,947,510
Deferred Tax Asset		322,554,299	50,911,907
TOTAL		1,036,580,078	795,940,734
Significant Accounting Policies and Notes on Accounts	N		

The schedules referred to above form an integral part of the Balance Sheet.

As per our annexed report of even date.
For **H. R. AGARWAL & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board of Directors

Place : Kolkata
Dated : 30th June, 2009

(**CA. HARI RAM AGARWAL**)
Partner
FCA No. 057625

SUSHIL PATWARI Managing Director
M. K. OGRA Director

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

Schedule	For the Year ended 31st March, 2009 Rs.	For the Year ended 31st March, 2008 Rs.
INCOMES :		
Sales	21,477,508	64,608,377
Other Income	22,061,683	4,075,527
Profit from Share Transactions	-	6,590,303
Increase/ (Decrease) in Stock	(1,081,107)	35,664,711
	<u>42,458,084</u>	<u>110,938,918</u>
EXPENDITURES :		
Purchases	11,070,305	95,039,692
Loss on Share Transactions	293,582,659	-
Establishment & other Expenses	3,931,845	3,396,632
Interest	64,167,810	11,900,691
Depreciation	205,376	172,233
	<u>373,257,996</u>	<u>110,509,248</u>
Profit before Tax	(0,799,912)	429,670
Provision for Current Taxation	-	-
Profit after Tax before recognising Deferred Tax Assets	(0,799,912)	429,670
Transfer to Statutory Reserves as per RBI	-	85,935
Deferred Tax Assets	271,642,392	50,911,907
Profit after Tax	(0,527,520)	51,255,642
Balance brought forward from Previous Year	56,521,495	5,265,853
Profit available for appropriations	(2,025,025)	<u>56,521,495</u>
APPROPRIATIONS :		
General Reserve	-	-
Proposed Dividend	-	-
Distribution Tax thereon	-	-
Statutory Reserve	-	-
Balance Carried to Balance Sheet	(2,025,025)	56,521,495
	<u>(2,636,025)</u>	<u>56,521,495</u>
Basic earning Per share (Rs.)	(4.69)	4.14
Diluted earning Per share (Rs.)	(4.69)	4.14
Significant Accounting Policies and Notes on Accounts	N	

The schedules referred to above form an integral part of the Profit & Loss Account.

As per our annexed report of even date.

For **H. R. AGARWAL & ASSOCIATES**
Chartered Accountants

For and on behalf of the Board of Directors

Place : Kolkata
Dated : 30th June, 2009

(**CA. HARI RAM AGARWAL**)
Partner
FCA No. 057625

SUSHIL PATWARI Managing Director
M. K. OGRA Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009
(PURSUANT TO CLAUSE-32 OF THE LISTING AGREEMENT)**

	2008-2009 (Rs.)	2007-2008 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax and extra ordinary items	(330,799,912)	429,670
Adjustment for :		
Depreciation	205,376	172,233
Interest Charged (net)	64,467,810	11,900,691
Investment Income	(475,513,535)	(143,394,992)
Operating Profit Before Working Capital Changes & extra ordinary items.	(741,640,261)	(130,892,398)
Adjustment for :		
Trade and other Receivables	12,615,374	(53,602,208)
Inventories	1,081,107	(35,664,711)
Trade payable	13,503,043	14,850,449
Cash Generated from Operation	(714,440,738)	(205,308,868)
Direct Taxes paid	-	-
Net Cash (Outflow) / Inflow from Operating Activities	(714,440,738)	(205,308,868)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Fixed Assets (Inclusive of Capital Work in Progress)	-	(12,200,000)
Purchase of Investments	(13,763,908)	(123,998,402)
Sale of Investments	470,963,213	141,951,787
Interest received on Loans & deposits	229,533	246,341
Dividend received	21,978,582	3,759,107
Sale of Fixed Assets	-	-
Net cash (Outflow) / Inflow from Investing Activities	479,407,420	9,758,833
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(64,997,343)	(12,147,032)
Long term Borrowings	299,796,865	214,326,393
Short term Borrowings	-	-
Dividend & Dividend Tax	-	(6,327,273)
Net cash Inflow/ (outflow) from financing Activities	235,099,521	195,852,088
Net increase/(decrease) in cash & cash Equivalents (A+B+C)	66,203	302,053
Cash & Cash equivalent at beginning of the year	337,477	35,424
Cash & Cash equivalent at the end of the year	403,680	337,477
Significant Accounting Policies and Notes on Accounts - N		
The schedule referred to above form an integral part of the Cash Flow Statement.		

As per our annexed report of even date.

For **H. R. AGARWAL & ASSOCIATES**
Chartered Accountants

(**CA. HARI RAM AGARWAL**)
Partner
FCA No. 057625

For and on behalf of the Board of Directors

SUSHIL PATWARI Managing Director
M. K. OGRA Director

Place : Kolkata
Dated : 30th June, 2009

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

	As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
SCHEDULE 'A'		
SHARE CAPITAL :		
Authorised :		
1,40,00,000 Equity Shares of Rs. 5/- each	<u>70,000,000</u>	<u>70,000,000</u>
Issued, Subscribed & Paid up:		
1,26,15,300 Equity Shares of Rs. 5/- each	<u>63,076,500</u>	<u>63,076,500</u>
(115,27,700 Equity shares of Rs.5/- each issued pursuant to Scheme of Arrangement approved by Hon'ble High Court at Kolkata, for consideration other than cash)	<u>63,076,500</u>	<u>63,076,500</u>
SCHEDULE 'B' RESERVES & SURPLUS :		
Statutory Reserve		
As Per Last Account	85,935	85,935
Capital Reserve		
As Per Last Account	30,411	156,930,411
General Reserve		
As Per Last Account	305,000,000	305,000,000
Add: Transfer from Profit & Loss Account	(5,123,258)	305,000,000
Profit & Loss Account	(636,025)	56,521,495
	<u>459,380,320</u>	<u>518,537,841</u>
SCHEDULE 'C' SECURED LOANS :		
Other Loans		
(Refer note no. 5 of notes on accounts in schedule 'N')	<u>123,258</u>	<u>214,326,393</u>
	<u>514,123,258</u>	<u>214,326,393</u>
SCHEDULE 'D'		
FIXED ASSETS		

Particulars	GROSS BLOCK (At Cost)			DEPRECIATION				NET BLOCK	
	As at 1st April '08	Addition during the year	As at 31st March '09	Upto 31st March '08	Addition during the year	For the year	Upto 31st March '09	As at 31st March '09	As at 31st March '08
Computers	40,200	—	40,200	29,753	—	6,516	36,259	3,931	10,447
Office Premises	12,200,000	—	12,200,000	165,717	—	198,860	364,577	11,835,423	12,034,283
TOTAL	12,240,200	—	12,240,200	195,470	—	205,376	400,846	11,839,354	12,044,730
PREVIOUS YEAR	40,200	12,200,000	12,240,200	23,237	—	172,233	195,470	12,044,730	16,963

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE 'E':

INVESTMENTS

(At Cost, Fully Paid up unless otherwise stated)

A.	Face Value (Rs.)	As at 31st March '2009		As at 31st March '2008	
		Nos.	Rs.	Nos.	Rs.
LONG TERM :					
QUOTED :					
	10	-	-	11,000	2,485,506
	10	792	256,449	792	256,449
	10	1,760	98,846	1,760	98,846
	10	52,651	4,317,382	52,651	4,317,382
	10	4,911	1,286,905	4,911	1,286,905
	2	8,250	215,850	8,250	215,850
		1,559	490,882	1,559	490,882
	10	490	590,607	490	590,607
	10	3,000	806,220	3,000	806,220
	2	6,000	57,924	6,000	57,924
	10	509	335,848	509	335,848
	0	10,146	3,523,578	13,846	4,751,459
	10	1,145	273,570	4,145	273,570
	0	2,500	521,175	2,500	521,175
	10	2,550	803,250	2,550	803,250
	10	4,222	751,432	4,222	751,432
	10	12,000	356,400	12,000	356,400
	10	462	391,466	462	391,466
	10	-	-	35	-
	10	-	-	1,000	225,890
	0	13,000	211,141	13,000	211,141
	10	2,000	137,880	2,000	137,880
	0	4,000	187,050	4,000	187,050
	10	500	4,490	500	4,490
	2	3,765	388,619	3,765	388,619
	10	-	-	1,000	186,650
	1	248,800	149,273	12,500	248,800
		-	-	1,500	25,840
		-	-	250	-
	10	60,142	1,623,834	70,142	1,893,834
	1	1,782	75,416	1,782	75,416
	1	2,318	13,908	-	-
	10	10,300	1,985,409	10,300	1,985,409
	10	23,162	628,986	23,162	628,986
	10	3,047	1,177,962	3,047	1,177,962
	10	2,360	114,336	3,860	222,336
	1	20,000	446,581	4,000	446,581
	10	500	206,000	500	206,000
	10	-	-	250	131,250
	10	5,600	150,800	5,600	150,800
	10	1,400	-	1,400	-
	10	4,534	23,340	4,534	23,340
	10	1,616	145,290	1,616	145,290
	10	7,500	689,000	7,500	689,000
	2	666	-	666	-

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE 'E' : INVESTMENTS (Contd.)

HDFC Bank Ltd.	10	-	-	156	9,000	140
Hero Honda Motors Ltd.	10	2,360	1,271,993	2,360	1,271,993	186
HFCL Ltd.	10	127,300	6,182,993	127,300	6,182,993	100
Hindalco Industries Ltd.	1	8,720	517,642	8,720	517,642	100
H.P.Cotton Textile Mills Ltd	10	3,500	35,235	3,500	35,235	05
Hindustan Lever Ltd.	1	-	-	4,632	1,291,583	41
Hindustan Petroleum Corpn.Ltd.	10	600	189,058	600	189,058	75
Hindustan Zinc Ltd.	10	10,500	7,364,846	10,500	7,364,846	26
IDFC	10	5,307	180,438	5,307	180,438	80
IL & FS Investment Ltd.	10	759	94,875	759	94,875	24
India Cements Ltd.	10	4,900	398,965	4,900	398,965	21
India Foils Ltd.	10	68,032	1,372,595	68,032	1,372,595	35
Indian Oil Corporation Ltd.		840	360,091	840	360,091	
Indoco Remedies Ltd	10	1,057	258,965	1,057	258,965	
Indraprasth Gas Ltd	10	10,300	494,400	10,300	494,400	
Infosys Technologies Ltd	5	-	-	304	277,555	
ION Exchange India Ltd.	10	-	101,000	4,000	101,000	10
IPCA Laboratories Ltd	10	-	176,530	562	176,530	10
ITC Ltd.	1	-	466,981	6,465	466,981	10
Jai Prakash Hydro Power Ltd	10	-	537,600	216,800	6,937,600	10
Jet Airways Ltd	10	-	2,250,600	2,046	2,250,600	10
JSW Steel Ltd	10	1,053	395,082	1,053	395,082	10
Kaashyap Radiant Systems Ltd. (inclusive of 3842 Bonus shares)	10	288	817,017	23,056	817,017	10
Kesoram Industries Ltd.	10	9,500	432,450	9,500	432,450	0
Kesoram Tex. Mills Ltd.	2	-	-	11,000	-	0
Kopran Ltd.	10	-	251,612	4,000	251,612	0
Lloyds Steel Ind Ltd.	10	-	261,330	90,000	261,330	0
MAARS Software International Ltd.	10	-	114,150	7,000	114,150	0
Macmillan India Ltd	10	-	476,787	2,350	476,787	0
Madras Aluminium Co.Ltd.(previous year 10/- each)	2	5,000	421,224	1,000	421,224	0
Mangalam Cements	10	5,000	1,193,472	5,000	1,193,472	
Manglore Chemicals & Fertilizer Ltd	10	419,435	7,359,890	419,435	7,359,890	
Maruti Udyog Ltd.		-	-	745	310,426	
McDowell Holdings Ltd.	10	241	14,189	241	14,189	
Metrochem Ltd.	10	1,000	40,000	1,000	40,000	
Mirc Electronics Ltd.	1	5,480	131,739	5,480	131,739	
Motor Industries Co.Ltd.	10	240	478,195	240	478,195	
Motorol Enterprises Ltd	10	5,000	36,800	5,000	36,800	
Msp Steel & Power Ltd	10	19,646	196,460	19,646	196,460	
Mtnl	10	1,000	147,490	1,000	147,490	
N.K.Industries Ltd.	10	1,000	27,500	1,000	27,500	
Nagarjun Fertilisers & Chemicals Ltd.	10	48,600	348,948	48,600	348,948	
Nath Bio-Genes	10	1,936	108,736	1,936	108,736	
Nath Seeds -New	10	5,104	286,653	5,104	286,653	
National Aluminium Company Ltd.	10	9,150	1,482,596	9,150	1,482,596	
Ntpc Ltd	10	61,445	3,809,590	111,445	6,909,590	
Nectar Lifesciences Ltd(previous year Rs.10/- each)	1	17,550	421,200	1,755	421,200	
NELCO Ltd	10	1,500	110,450	1,500	110,450	
Netvision Web Technologies Ltd	10	15,000	567,099	15,000	567,099	
ONGC Limited.	10	10,414	5,278,083	10,414	5,278,083	

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE 'E' : INVESTMENTS (Contd.)

	IT People (India) Ltd.(recd on merger of Orient Information Technology Ltd.)	2	3,010	1,543,156	8,279	1,543,156
A	Padmini Technologies' Ltd.	10	5,000	20,000	5,000	20,000
	Parsvnath Developers	10	280	84,000	280	84,000
	Patspin India Ltd.	10	500	3,682	500	3,682
	Pennar Aluminium Ltd	10	43,300	262,656	43,300	262,656
	Pentamedia Graphics Ltd.	10	11,100	136,850	11,100	136,850
	Pentasoft Technologies Ltd.	10	103,606	957,472	103,606	957,472
	Pioneer Embroideries Ltd.	10	6,000	352,150	6,000	352,150
	Prime Securities Ltd.	10	1,700	40,545	1,700	40,545
	Prism Cement Ltd.	10	20,000	142,200	20,000	142,200
	P &G Hygiene and Health Care Ltd	10	750	344,000	750	344,000
	Provogue India Ltd (Previous year of Rs.10/- each)	2	4,035	121,050	807	121,050
	Punjab National Bank		3,677	1,434,030	3,677	1,434,030
	Mahindra & Mahindra ltd (recd on merger of Punjab Tractors Ltd.)	10	333	174,455	1,000	174,455
	Punjab Wireless Systems Ltd.	10	11,400	1,199,760	11,400	1,199,760
	Reliance Petroleum Ltd	10	75,180	753,180	12,553	753,180
	Reliance Industries Ltd	10	-	-	420	285,262
	Sai Service Station Ltd.	10	17,520	17,520	600	17,520
B	Samrat Ashoka Ltd.	10	11,375	11,375	700	11,375
	Sasken Communication	10	39,520	39,520	152	39,520
	Satyam Computers Ltd	2	11,400	412,628	11,400	1,412,628
	Shreerama Muuti	10	195,805	195,805	67,959	1,195,805
	Siemens Ltd.	2	4,450	732,706	4,450	732,706
	Silverline Animation Technologies Ltd.	10	4,440	19,022	4,440	119,022
	Silverline Technologies Ltd.	10	2,856,536	2,856,536	11,100	2,856,536
	Siris Ltd.	10	41,430	41,430	300	41,430
	SJB Tubes Ltd.	10	8,625	8,625	6,900	8,625
C	South India Bank Ltd.(inclusive of 750 bonus shares)	10	578,073	578,073	15,000	578,073
	Southern Petrochem Industries Corpn.Ltd.	10	473,896	473,896	25,000	473,896
	SQL Star International Ltd.	10	113,730	113,730	12,880	113,730
	Sri Adhikari Broth.Television Network Ltd	10	154,140	154,140	300	154,140
	Striven Multitech Ltd.	10	93,450	93,450	10,000	93,450
	SSI Ltd.		5,201	5,201	35	5,201
	State Bank Of India	10	800	526,688	800	526,688
D	Sterlite Industries (India) Ltd.	2	2,734,596	446,680,545	4,236,970	446,680,545
	Sterlite Optical Technologies Ltd.	5	342,729	12,694,459	342,729	12,694,459
E	Suraj Diamonds Ltd.	10	5,800	143,840	5,800	143,840
F	Tata Chemicals Ltd.	10	689	10,198	689	10,198
G	Tata Consultancy Services Ltd.	1	13,282	10,657,335	13,282	10,657,335
H	Tata Investment Corporation Ltd.	10	6,000	1,221,415	6,000	1,221,415
	Tata Motors Ltd.	10	3,420	713,319	3,420	713,319
	Tata Steel Ltd	10	4,977	553,098	4,977	553,098
	Tata Steel Ltd. -CCPS	10	4,050	405,000	4,050	405,000
	Top Telemedia Ltd.	10	4,000	57,600	4,000	57,600
	Triveni Sheet Glass Ltd.	10	1,950	102,375	1,950	102,375
	TV Today Network Ltd.	5	5,900	560,500	5,900	560,500
	TVS Electronics Ltd.	10	900	75,730	900	75,730
	United Spirits	10	1,205	56,754	1,205	56,754
I	Usha Martin Industries Ltd.	1	12,500	363,825	12,500	363,825
J	Usha Martin Infotech Ltd.	5	5,000	429,000	5,000	429,000

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE "E" : INVESTMENTS (Contd.)

UTV Softwares Communication Ltd.	10	-	-	6,038	784,940
Vardhman Textiles	10	10,000	2,771,486	10,000	2,771,486
Vidhi Dystruffs Mfg.Ltd.	1	10,000	16,300	10,000	16,300
Vijaya Bank	10	74,400	1,785,600	74,400	1,785,600
Vippy Solvex Ltd.	10	5,300	15,105	5,300	15,105
Vishwas Steels Ltd.	10	6,900	87,741	6,900	87,741
Wipro Ltd.	2	300	71,375	300	71,375
Wire & Wireles	1	1,550	36,726	1,550	36,726
Yes Bank Ltd	10	15,264	686,880	15,264	686,880
Zee News Ltd	1	1,401	34,124	1,401	34,124
Zee Telefilms Ltd.	1	3,100	344,721	3,100	344,721
Zenser Technologies Ltd.	10	3,000	536,465	3,000	536,465

Unquoted

In Equity Shares :

Calcutta Stock Exchange Ltd	10	16,728,000	8,364	16,728,000
G R M L Exports Ltd.	10	753,750	50,000	753,750
Genuine Real Estate Pvt.Ltd	10	800,000	8,000	800,000
India Overseas Exports Pvt.Ltd.	10	40,000	24,000	240,000
Nagreeka Fabrics Pvt.Ltd.	10	240,000	2,400	240,000
Nagreeka Foils Ltd.	10	118,500	118,500	1,645,000
Nagreeka Synthetics Pvt.Ltd.	10	32,000	32,000	1,040,000
Pulkit Properties Pvt.Ltd	10	800,000	80,000	800,000
Ramnagar Properties Pvt.Ltd	10	6,000	6,000	150,000
Roseberry Tradelink Pvt.Ltd.	10	400,000	10,000	400,000
Salasar Projects Pvt.Ltd	10	850,000	8,500	850,000
Shivangan Nirman Pvt.Ltd	10	1,600,000	16,000	1,600,000
Shivangini Builders Pvt.Ltd	10	1,350,000	13,500	1,350,000

In Debentures :

Equity Linked Debenture	-	1,000,000	-	1,000,000
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In Mutual Funds :

CIG Realty Fund	1,000,000	10	10,000,000	10	10,000,000
India Business Excellence Trust fund	1,000,000	50	25,522,740	50	14,272,740
India Realty Excellence fund	500,000	50	2,500,000		
Indiareit Fund	100,000	30	3,000,000	30	3,000,000

Aggregate Book value of:

a) Quoted Investments			567,952,745	585,167,097
b) Unquoted Investments			68,419,490	54,869,490

Aggregate market value of quoted investments:

	1,087,793,810	3,274,758,790
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SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE "F"	As at 31st March, 2009 Rs.	As at 31st March, 2008 Rs.
CURRENT ASSETS, LOANS & ADVANCES :		
Inventories (As taken valued & certified by the management)	34,583,604	35,664,711
Sundry Debtors (unsecured, considered good) Over six months Other debts	8,094,685	44,192,130
Cash & Bank Balances : Cash in hand (Certified by the management)	111,762	68,037
Balance with Scheduled Banks In Current Accounts	269,440	44,192,130
Other Current Assets :	3,580	337,477
Loans & Advances : Advances & Deposits	60,650	60,659
	<u>28,252,857</u>	<u>28,252,857</u>
	<u>84,937,551</u>	<u>108,507,834</u>
SCHEDULE "G"		
CURRENT LIABILITIES & PROVISIONS :		
A. Current Liabilities :		
Sundry Creditors	6,123,435	11,538,883
Bank Overdraft on Reconciliation	22,915,269	3,996,778
B. Provisions : For Gratuity	24,663	24,663
	<u>29,063,367</u>	<u>15,560,324</u>
SCHEDULE "H"		
OTHER INCOME :		
Dividend	21,978,582	3,759,107
Profit From Trust Fund	-	315,128
Miscellaneous Income	83,101	1,292
	<u>22,061,683</u>	<u>4,075,527</u>

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	For the year ended 31st March, 2009		For the year ended 31st March, 2008	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 'I' :				
PROFIT ON SHARE TRANSACTIONS				
Profit on Sale of Long Term Investment		—		139,708,627
Loss on Sale of Short Term Investment		—		(72,742)
Speculation Loss		—		(51,451)
Loss on Derivative Transactions		—		(132,994,131)
		—		<u>6,590,303</u>
SCHEDULE 'J' :				
INCREASE / (DECREASE) IN STOCK				
Closing Stock				
Land	3,250,000		3,250,000	
Shares & Securities	31,333,604		32,414,711	
		34,583,604		35,664,711
Less : Opening Stock				
Land	3,250,000		—	
Share & Securities	32,414,711		—	
		35,664,711		<u>35,664,711</u>
SCHEDULE 'K' :				
LOSS ON SHARE TRANSACTIONS				
Profit on Sale of Long Term Investment		454,534,953		—
Speculation Loss		4,931		—
Loss on Derivative Transactions		747,102,622		—
		1,206,659		<u>—</u>
SCHEDULE 'L' : ESTABLISHMENT & OTHER EXPENSES				
Salary		374,313		180,814
Rates & Taxes		54,190		5,000
Securities Transaction Charges		2,823,904		1,953,275
Miscellaneous Expenses		679,438		1,257,543
		4,931,845		<u>3,396,632</u>
SCHEDULE 'M' : INTEREST				
On Loan	64,673,917		12,142,005	
Bank Interest	12,414		—	
Bank Charges	11,013		5,027	
		64,697,343		12,147,032
Less : Received from others (Less TDS Rs.47,284/- Previous year Rs.50,482/-)		229,533		246,341
		<u>64,467,810</u>		<u>11,900,691</u>
SCHEDULE 'N' :				
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNT :				
A. SIGNIFICANT ACCOUNTING POLICIES :				
1. GENERAL :				
The financial statements are prepared as a going concern under historical cost convention on accrual basis, except those with significant uncertainty and in accordance with the Companies Act, 1956. Accounting policies not stated explicitly otherwise are consistent with generally accepted accounting principles.				
2. RECOGNITION OF INCOME AND EXPENDITURE :				
Items of Income & Expenditure are recognised on accrual basis.				

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

3. **PROVISION FOR CURRENT/DEFERRED TAX:**
Provision for current tax is made on the basis of taxable income for the current accounting period and in accordance with the provision of Income Tax Act, 1961.
Deferred tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax assets is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future.
4. **INVESTMENTS :**
Investments are stated at cost. Provision for diminution in long term investments is made only, if such a decline is other than temporary.
5. **FIXED ASSETS :**
Fixed assets are stated at cost of acquisition less accumulated depreciation.
6. **DEPRECIATION :**
Depreciation on assets is provided on the Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.
7. **PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS:**
Provision involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statement.
8. **IMPAIRMENT OF ASSETS:**
Impairment losses, if any, are recognised in accordance with the Accounting Standard issued by the institute of Chartered Accountants of India.
9. **INVENTORIES:**
Inventories are valued at lower of cost or net realisable value. Cost of inventories include cost of purchase and other costs incurred in bringing them to their present location and condition.
10. **BORROWING COSTS:**
Borrowing Cost that are attributable to the acquisition of fixed assets are capitalised to the respective fixed assets till the date of commercial use. In respect of other borrowing cost, the same has been incurred.
11. **RETIREMENT BENEFITS:**
Gratuity benefit will be accounted for as and when applicable.
Leave encashment benefit is paid during the year.
12. **Derivative Instruments:**
Losses in respect of outstanding derivative contracts are recognised in the financial statements.

B : NOTES ON ACCOUNTS:

1. As per Accounting Standard 18, the disclosures in respect of transactions with related parties as defined in the Accounting Standard are given below :

Name of the Related Party	Relationship	Name of Transaction	(Amount in Rs.)	
			2008-2009	2007-2008
Associate Concern :				
Nagreeka Exports Ltd.	Exporting		—	—
Key Management Personnel & Relatives :				
Mr. Sushil Patwari	Chairman & Managing Director		—	—
Mr. I. L. Patwari	Director	Sitting Fees	2,000	6,000
Mr. Sunil Patwari	Vice-Chairman & Managing Director	Sitting Fees	8,000	2,000

2. Deferred Tax Liability/(Assets) as on 31st March, 2009 comprises of the following :

	As at 31st March, 2009	As at 31st March, 2008
	Rs.	Rs.
a) Deferred Tax Liability Fixed Assets - Depreciation	665,165	361,552
Total	665,165	361,552
b) Deferred Tax Assets		
Long Term Capital Loss	-	1,098,881
Short Term Capital Loss	18,978	1,076,782
Speculation Loss	146,522	146,523
Unabsorbed Depreciation	789,935	416,515
Business Loss	322,264,029	48,534,758
Total	323,219,464	51,273,459
Deferred Tax Asset (Net)	322,554,299	50,911,907

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

3. Capital Commitments :

Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for Rs. 569.17 Lacs (Previous Year Rs. 407.50 Lacs)

4. Contingent Liabilities :

Contingent Liabilities not provided for Rs. NIL (Previous Year: Rs. NIL).

5. Secured Loan :

Secured Loan in the nature of working capital has been obtained from (i) CD Equifinance Pvt. Ltd. (ii) CITICORP Finance (India) Ltd. (iii) JM Financial Products Pvt. (iv) Morgan Stanely India Capital Pvt. Ltd. and (V) Systematix Fincorp. India Ltd. and is secured by deposit of quoted shares of the Company as well as shares of one of the Directors of the Company.

6. Based on the information / documents available with the company, there was no amount due and outstanding as on 31st March, 2009, which is required to be transferred to Investor Education and Protection Fund under Sec. 205C of the Companies Act, 1956.

7. Segment Reporting :

The Company's Predominant business is investment in shares, securities and units of Mutual Funds. Other operations being very insignificant, Investment activity is the only reportable business segment as per Accounting Standard 17 and there is no separate geographical segment.

8. Miscellaneous Expenses includes :	Year ended	
	31st March, 2009	Year ended 31st March, 2008
	Rs.	Rs.
i) Directors' sitting fees	32,000	20,000
ii) Payment to Statutory Auditors :		
Statutory & Tax Audit fees	12,250	
Other Services	12,249	24,499
9. Basic and diluted earning per share (Rs.)	is calculated as under :-	
	2008-2009	2007-2008
a) Net profit as per Profit and Loss Account available for Equity Share Holders (in Rs.)	(59,157,520)	51,255,642
b) Weighted average number of Equity Shares for Basic Earning Per Share	12,615,300	12,368,316
for Diluted Earning Per Share	12,615,300	12,368,316
c) Earning Per Share (Weighted Average) (Rs.)		
Basic	(4.69)	4.14
Diluted	(4.69)	4.14
10. Derivative Instruments :	Aggregate value of the Equity Derivative contracts outstanding as at 31st March, 2009 is Rs. 3.02 Crores. (Previous Year 117.41 crores.)	
11. No Transfer to Statutory Reserve has been made as there is no distributable profit for the current year.		
12. Previous Year's figures have been regrouped / rearranged wherever found necessary.		
13. Additional information under part II of Companies Act, 1956 :		

Description	Unit	2008-2009		2007-2008	
		Quantity	Value (Rs.)	Quantity	Value (Rs.)
Opening Stock/Purchase/Sales and Closing Stock :					
Opening Stock :					
Shares & Securities	Nos.	668,978	32,414,711.00	—	—
Land	—	—	3,250,000.00	—	—
			<u>35,664,711.00</u>		
Purchases :					
Shares & Securities	Nos.	100,307	11,070,304.97	1,450,903	91,789,692
Land	—	—	—	—	3,250,000
			<u>11,070,304.97</u>		<u>95,039,692</u>
Sales :					
Shares & Securities	Nos.	74,700	21,477,508.17	781,925	64,608,377
Land	—	—	—	—	—
			<u>21,477,508.17</u>		<u>64,608,377</u>
Closing Stock :					
Shares & Securities	Nos.	694,585	31,333,604.45	668,978	32,414,711
Land	—	—	3,250,000	—	3,250,000
			<u>34,583,604.45</u>		<u>35,664,711</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

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

	Amount Outstanding	Rs. in Lacs Amount overdue
Liabilities Side :		
1. Loans & Advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
a. Debentures :		
Secured	NIL	NIL
Unsecured	NIL	NIL
(Other than falling within the meaning of public deposits)		
b. Deferred Credits	NIL	NIL
c. Term Loans	NIL	NIL
d. Inter - Corporate Loans & Borrowings	NIL	NIL
f. Other Loans (specify nature)	5141.23	NIL
	Amount Outstanding	
Assets Side :		
2. Break-up of Loans & Advances including (other than those included in (4) below)		
a. Secured	NIL	
b. Unsecured	516.86	
3. Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :	Amount Outstanding	
i. Lease assets including lease rentals under sundry debtors	NIL	
ii. Stock on hire including hire charges under	NIL	
iii. Other loans counting towards AFC activities	NIL	
a. Loans where assets have	NIL	
above	NIL	
4. Break-up of Investments :	Amount Outstanding	
Current Investments		
1. Quoted :		
i. Shares		
a. Equity	NIL	
b. Preference	NIL	
ii. Debentures and Bonds	NIL	
iii. Units of Mutual Funds	NIL	
iv. Government Securities	NIL	
v. Others(Please specify)	NIL	
2. Unquoted :		
i. Shares		
a. Equity	NIL	
b. Preference	NIL	
ii. Debentures and Bonds	NIL	
iii. Units of Mutual Funds	NIL	
iv. Government Securities	NIL	
v. Others(Please specify)	NIL	

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

Long Term Investments

Amount Outstanding

1. Quoted :		
i. Shares	a. Equity (Net of Provisions)	5,679.53
	b. Preference	NIL
ii. Debentures and Bonds		NIL
iii. Units of Mutual Funds		NIL
iv. Government Securities		NIL
v. Others(Please specify)		NIL
2. Unquoted :		
i. Shares	a. Equity (Net of Provisions)	263.97
	b. Preference	NIL
ii. Debentures and Bonds		10.00
iii. Units of Mutual Funds		410.23
iv. Government Securities		NIL
v. Others(Please specify)		NIL

5. Borrower group-wise classification of assets financed as in (2) and (3) above :

Amount net of Provisions

Please see Note 2 below

Category

I. Related Parties

- a. Subsidiaries
- b. Companies in the same Group
- c. Other related Parties

II. Other than related Parties

	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
	NIL	NIL	NIL
	NIL	NIL	NIL
	NIL	NIL	NIL
	NIL	NIL	NIL
	NIL	516.86	516.86

6. Investor group-wise classification of investments (current and long term) in shares and securities (both quoted and unquoted) :

Please see Note 3 below

Category

I. Related Parties

- a. Subsidiaries
- b. Companies in the same Group
- c. Other related Parties

II. Other than related Parties

Market value /
Breakup or fair
value of NAV

**Book Value
(Net of Provisions)**

	NIL		NIL
	29.25		29.25
	NIL		NIL
	11,532.88		6,334.47

7. Other Information :

Particulars

- 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

Amount

NIL
NIL
NIL
NIL
NIL

Notes :

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

Place : Kolkata

Dated : 30th June, 2009

For and on behalf of the Board of Directors

SUSHIL PATWARI

Managing Director

M. K. OGRA

Director