

22nd Annual Report
2008-09



Stock Holding Corporation of India Limited



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MISSION STATEMENT

***"To be a world
class technology
driven and client
focused market
leader in financial
and technical
services"***

BOARD OF DIRECTORS (AS ON AUGUST 01, 2009)

| | |
|---------------------|-------------------------|
| B. Ravindranath | Non-Executive Chairman |
| S. C. Jain | |
| S. Viswanathan | |
| G. M. Ramamurthy | |
| A. R. Sekar | |
| Sushant Kumar | |
| R. P. Singh | |
| Prakash P. Mallya | |
| R. C. Razdan | Managing Director & CEO |
| Shashikant L. Nayak | Company Secretary |

Statutory Auditors M/s. Kalyaniwalla & Mistry

Internal Auditors M/s. Chaturvedi & Company

Other Auditors

| | |
|---------------------------------------|---|
| System Auditors | M/s. Devdhar Joglekar & Srinivasan M/s. Miel-e Securities P. Ltd., |
| GoI Bonds | M/s.Pravin Chandak & Associates |
| SEBI audit | M/s.Rajendra Desai & Associates |
| Physical Verification of fixed assets | M/s.Devdhar Joglekar & Srinivasan |

Registered Office: 224, Mittal Court, "B" Wing, 2nd floor, Nariman Point, Mumbai- 400021.
Tel: 22045483 / 84 / 85 Fax: 22829035, 22850432
Web: www.shcil.com



Performance Highlights

(Rs. in lakhs)

| | 2008-09 | 2007-08 | 2006-07 |
|----------------------------------|---------|---------|---------|
| Earnings: | | | |
| Income from Operations | 15600 | 18840 | 14170 |
| Interest & Dividend Income | 2810 | 3350 | 2000 |
| Other Income | 4350 | 270 | 510 |
| Total Income | 22760 | 22460 | 16680 |
| Expenses: | | | |
| Operating Expenses | 12650 | 11200 | 9810 |
| Interest & Financial Charges | 120 | 130 | 70 |
| Profit before Depreciation | 9990 | 11120 | 6810 |
| Depreciation | 970 | 1020 | 800 |
| Profit before Tax | 9020 | 10100 | 6010 |
| Provision for Tax | 2600 | 3280 | 1600 |
| Provision for Deferred Tax | (220) | (120) | (110) |
| Profit after Tax | 6640 | 6940 | 4520 |
| Assets Employed: | | | |
| Net Fixed Assets | 3230 | 3670 | 2770 |
| Capital Work-in-Progress | 2440 | 2440 | - |
| Investments | 2120 | 13650 | 10840 |
| Current Assets, Loans & Advances | 47510 | 35020 | 57960 |
| Deferred Tax Asset/ (Liability) | 890 | 680 | 560 |
| Current Liabilities & Provisions | 23840 | 25680 | 48040 |
| Total Assets | 32350 | 29780 | 24090 |
| Financed by: | | | |
| Share Capital | 2110 | 2110 | 2110 |
| Reserves & Surplus | 30240 | 27670 | 21980 |
| Secured loans | - | - | - |
| Total Funds | 32350 | 29780 | 24090 |
| Key Indicators | | | |
| EPS (Rs.) | 31.52 | 32.85 | 23.17 |
| Dividend (%) | 165.00 | 50.00 | 50.00 |
| Networth | 32350 | 29780 | 24090 |
| Book Value per Share (Rs.) | 153.66 | 141.44 | 114.42 |

DIRECTORS' REPORT

The Directors are pleased to present the twenty second Annual Report of the Corporation along with the Audited Statement of Accounts for the financial year ended March 31, 2009.

ECONOMIC SCENARIO & CAPITAL MARKET DEVELOPMENT

The financial year 2008-09 witnessed an unprecedented global crisis, steep rise in international crude oil prices, downward trend in equity market across the globe, increasing concerns about domestic inflation, widening of trade deficit, fiscal and monetary measures initiated by the policy makers and depreciation of Rupee. The origin of global financial crisis lay in structured investment instruments created out of sub prime mortgage lending in the United States. The initial effect of the crisis was profound on the U.S. financial institutions and the emerging economies were less affected. However, the emerging economies were affected by reversal of portfolio flows due to unwinding of stock positions by FII's which led to stock market crash in many emerging economies including India and decline in the value of local currency against dollar.

Despite the crisis, India maintained its leading position with an estimated GDP growth of 6.7% during the year, driven predominantly by domestic consumption and investment. In the first half of the year, the steep rise in the crude oil prices to USD 147 per barrel and its consequent impact on WPI measured inflation rising to 12.9% in August 2008 was a matter of concern. However, with the initiation of appropriate Fiscal/ Monetary measures coupled with declining international crude oil and other commodity prices, inflation began to ease from November 2008 and it fell below 1% towards the end of financial year. The deceleration of the global economic growth had an adverse impact on external demand for goods and services affecting the corporate growth besides leading to declining forex reserves and depreciation of Rupee to the extent of 26% against U.S. dollar. While the RBI focussed on

containing inflation during the first half of the year, their focus shifted to maintaining financial stability and facilitating adequate liquidity to meet the credit demand for ensuring growth during the second half of the year.

The Indian Capital Market was affected adversely by the developments of the global financial crisis and the domestic equity prices moved in tandem with trends in major international equity markets. The market sentiments remained negative throughout the year with net outflow of FII funds to the extent of Rs.47,706 crore. and slowdown in domestic activity. The turnover of the cash segment in both the exchanges (i.e., BSE & NSE) declined by 24.91% during the year while the turnover of the derivative segment fell by 17.33% during the year. The Sensex recorded negative annual equity return to the extent of 37.94% during the year. Further, the Sensex tested a high of 17736 in the first week of May 2008 and a low of 7697 in the last week of October 2008 and finally closed at 9709, thereby reflecting considerable volatility in the domestic equity market. Some of the new policy initiatives in the secondary market included margining of institutional trades being made mandatory, collection of margins from institutional investors on a T+1 basis and introduction of direct market access facility for institutional investors. The fall in the equity market lead to market capitalization of listed companies on Bombay Stock Exchange witnessing a decline of 39.94% during the year 2008 - 09.

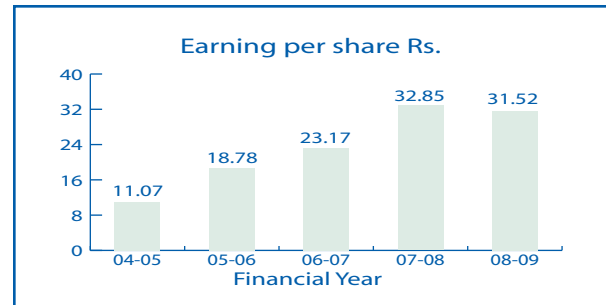
FINANCIAL PERFORMANCE

Overall performance of SHCIL is directly linked to fortunes in the capital market. During the year, the Corporation earned Profit Before Tax (PBT) of Rs 9020 lakh as against Rs 10100 lakh in the previous year, showing a decline by 10.69%. The Corporation earned Profit After Tax (PAT) of Rs 6640 lakh after making a provision for tax of Rs 2600 lakh as against Rs 6940 lakh in 2007-08, showing a decline by 4.32%. The Board of Directors has approved the appropriation of net profit as given overleaf.

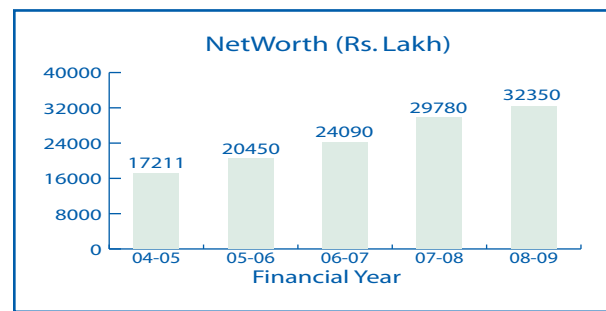


STOCK HOLDING CORPORATION OF INDIA LIMITED

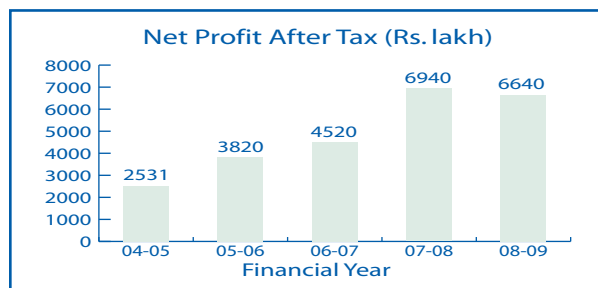
| (Rs. in lakh) | | |
|--|----------------|----------------|
| Particulars | March 31, 2009 | March 31, 2008 |
| Profit before Depreciation | 9990 | 11120 |
| Depreciation | 970 | 1020 |
| Profit before Tax | 9020 | 10100 |
| Provision for tax | 2600 | 3280 |
| Provision for Deferred Tax | (220) | (120) |
| Profit after Tax | 6640 | 6940 |
| Extraordinary item | — | 30 |
| Surplus Brought Forward | 19020 | 14440 |
| Profit available for Appropriation | 25660 | 21350 |
| Interim Dividend at Rs.13 per share | 2740 | — |
| Proposed Final Dividend (At Rs.3.50/- per share) | 740 | 1050 |
| Tax on Dividend | 590 | 180 |
| Transferred to General Reserves | 700 | 1000 |
| Transferred to Staff Welfare Fund | — | 100 |
| Surplus Carried Forward | 20890 | 19020 |



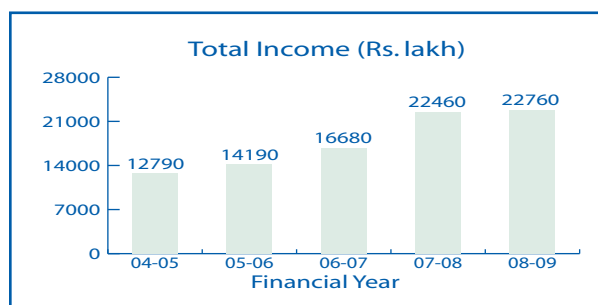
The Net worth as on March 31, 2009 increased to Rs.32350 lakh as against Rs.29780 lakh as on March 31, 2008.



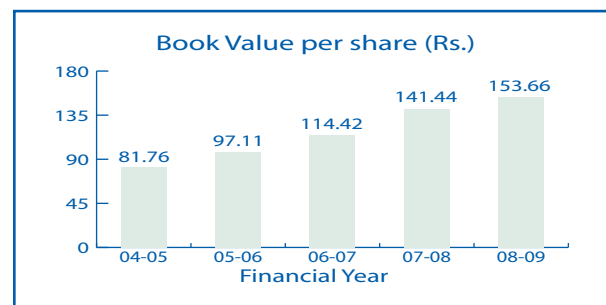
The Book value per share increased from Rs.141.44 as on March 31, 2008 to Rs.153.66 as on March 31, 2009.



The Corporation recorded a total income of Rs.22760 lakh, up 1.34% from 2007-08.



The earnings per share (EPS) works out at Rs.31.52, down 4% from 2007-08.



Dividend

The Board of Directors recommend a final dividend of Rs.3.50/- per share (35%). Total dividend for the year together with interim dividend would be Rs.16.50 (165%) for the year 2008-09 as against Rs 5 per share (50%) for the year 2007-08. This dividend shall be subject to dividend distribution tax to be paid by the Corporation, but will be tax free in the hands of the shareholders.

Operations Review

The Corporation continued to strengthen its businesses. Under the custodial segment, a significant acquisition of custodial business during the year was the mandate from the New Pension System Trust (NPS Trust), under the aegis of Pension Fund Regulatory and Development Authority (PFRDA). The schemes launched by NPS Trust (and managed by Pension Fund Managers (PFMs)) cover new entrants to the Central Govt. Services (excluding Armed forces) and State Governments. Besides, there was an increase in custodial business on account of new schemes launched by existing clients such as Mutual Funds and Insurance Companies.

Depository Participants services comprised account opening, modification of clients details processing settlement and non settlement related transactions, execution of pledge instructions and demat of securities etc

As a Professional Clearing Member, the Corporation has been providing services to trading members in the futures & options segment.

The Corporation continued to forge tie-ups with several agencies for offering various third party financial products to clients.

There was more thrust on e-Stamping business and the Corporation took necessary steps to enhance with speed the implementation of e-Stamping in several other states. During the financial year 2008-2009, SHCIL launched e-Stamping in NCT of Delhi and Maharashtra. Apart from these States, the Corporation has already launched e-Stamping in Gujarat and Karnataka. The Corporation has executed e-Stamping Agreements with the States of Assam, Bihar and Tamil Nadu to implement e-Stamping. The Corporation has tied up with reputed nationalized banks as partners to act as Authorized Collection Centres (ACCs) for e-Stamping.

Information Technology

The Corporation has in house capability to address all IT needs in terms of software developments and maintenance, back office processing, database administration and network maintenance. IT being the key to success of our operations, the Corporation has made significant investment in modern Technology and has strengthened Infrastructure, Network devices & security systems. The corporate website www.shcil.com provides a host of value added features to its clients. The website offer stock-quotes and various updated

capital market and company related information. The Corporation is a Central Record Keeping Agent for state governments for E-Stamping and it has implemented infrastructure, security systems and application system for the same. The Corporation has also engaged a reputed outside IT organization to review its IT-Governance process. IT Advisory committee has been formed which comprises industry experts to evaluate the latest technologies available to support the Corporations future business expansion.

Human Wealth Development

The Corporation attaches due importance to its human wealth and takes proactive measures to recruit the required talent and retain it by pursuing progressive policies aimed at providing opportunity for growth, career development and continuous motivation. The Human Wealth Development Department plays a key role in implementation of various Human Resource initiatives.

A Staff Suggestion Scheme was introduced inviting suggestions from employees in the areas of cost-reduction, increasing business/profitability etc. which would result in overall benefit to the organisation. A Grievance Redressal Mechanism was also introduced to address the grievances of the employees, if any.

Induction training was imparted to 315 recruits. Training was also given to a cross-section of existing employees under specialised training programs.

237 employees/trainees were recruited in Financial Year 2007-08. The Corporation's attrition rate has been reduced to barely 7% this year as compared to 16% last year.

The Corporation implemented the revised compensation package for employees across all levels w.e.f 1st April 2008.

With a view to rewarding excellence in performance and motivating employees, performance linked incentive was disbursed to the employees. This was done on the basis of the recommendations of a reputed Human Resource Consulting Agency whose services were engaged for this purpose.

Regional Managers' and Branch Heads' meets were held. The meets helped in bringing greater awareness of the Corporation's goals, foster team spirit, and boost employee morale.

The Corporation appointed M/s.MXV Consulting as HR Consultant for studying the existing organizational



structure and to revamp the existing organizational structure with a view to making it a lean and flat organization so as to improve efficiency and productivity.

Subsidiary Companies

Your Corporation has four subsidiaries, namely, SHCIL Services Limited (SSL), SHCIL Projects Limited (SPL), SHCIL Commodities and Derivatives Trading Company Ltd., (SCDTCL) and Unitec Value Solutions Pte. Ltd., Singapore (UVS). The annual accounts of these companies are attached.

SSL is a member of Bombay Stock Exchange and your Corporation is a sub-broker of SSL. SSL had filed an application with Registrar of Companies (RoC) on July 16, 2009 for extension of holding Annual General Meeting (AGM) for the year ended March 31, 2009 till December 31, 2009. The RoC has granted extension till November 30, 2009. SPL is in the business of digitization and document management system.

A decision has been taken to wind up SCDTCL and UVS, Singapore.

Board of Directors

Shri B. Ravindranath and Shri R. C. Razdan were appointed as non-Executive Chairman and Managing Director & CEO of the Corporation on September 8, 2008 respectively.

Shri N. Balasubramanian resigned from the Board on July 7, 2008. Consequent to the decision of IFCI Limited, Shri Sanjeev Ghai, Nominee Director of IFCI Limited resigned on August 29, 2008. Their resignations were accepted by the Board.

Shri R. P. Singh, Chief General Manager – IFCI Limited was appointed by the Board of your Corporation on September 8, 2008 in the casual vacancy caused by resignation of Shri Sanjeev Ghai.

Shri Prakash P. Mallya was appointed by the Board of your Corporation as an Independent Director on September 22, 2008.

Shri A. R. Sekar will retire during the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Shri G. M. Ramamurthy will retire during the ensuing Annual General Meeting and does not offer himself for re-appointment.

Audit Committee

The Audit Committee comprises four Directors, viz., Shri Prakash P. Mallya, Shri S. C. Jain, Shri S. Viswanathan

and Shri R. P. Singh. The Committee met 4 times during the year. Shri N. Balasubramanian and Shri Sanjeev Ghai ceased to be a member of the Committee on July 7, 2008 and August 29, 2008 respectively consequent upon their resignation from the membership of the Board. Shri Prakash P. Mallya and Shri R. P. Singh were co-opted as members of the Audit Committee on September 22, 2008 and September 8, 2008 respectively.

Remuneration Committee

The Remuneration Committee comprises three Directors, viz, Shri S. C. Jain, Shri S. Viswanathan and Shri Sushant Kumar. The Committee met 3 times during the year.

Risk Management Committee

The Risk Management Committee comprises 4 Directors, viz., Shri G. M. Ramamurthy, Shri A. R. Sekar, Shri R. P. Singh and Shri Prakash P. Mallya. The Committee has since met 3 times during the year. Shri Sanjeev Ghai ceased to be a member of the Committee on August 29, 2008 consequent upon his resignation from the membership of the Board. Shri Prakash P. Mallya and Shri R. P. Singh were co-opted as members of the Risk Management Committee on September 22, 2008 and September 8, 2008 respectively.

The Corporation appointed M/s. KPMG as an external Risk Consultant Agency for risk analysis and management.

Committee for Purchase of Office Premises

The Committee for purchase of office premises consists of Shri S. C. Jain, Shri A. R. Sekar and Shri Prakash P. Mallya, Directors. The Committee met twice during the year. Based on the recommendations of the Committee, the Board of your Corporation has approved purchase of corporate office at Peninsula Centre Point, Parel, Mumbai 400 012. The Board has also approved the restoration and furnishing of Mhape premises.

Corporate Social Responsibility

The Corporation carries out its corporate social responsibility through its Trust – SHCIL Foundation. SHCIL Foundation has been providing medical relief, promotion of educational activities and other public welfare measures both directly as well through donation to other charitable organizations all over India. To name a few; Brain Tumour Foundation – Mumbai, Cancer Patients Aid Association – Mumbai, National Society for the Prevention of Blindness – Delhi, SoS Children's Villages of India – Delhi, Indian Association of Blood Cancer &

Allied Diseases – Kolkata, etc. A group of employees spread across the country volunteered to work with the charitable organizations in their leisure time / holidays by physical involvement in charitable activities.

Auditors

The present statutory auditors of the Corporation, M/s Kalyaniwalla and Mistry, retire at the ensuing Annual General Meeting and are eligible for reappointment.

The Corporation has an elaborate internal audit system. Internal Audit is carried out by a reputed firm of Chartered Accountants.

Transfer to Reserves

It is proposed to transfer an amount of Rs.700 lakh to the general reserve.

Fixed Deposits

The Corporation has not accepted any fixed deposits from the public. Hence, no information is required to be appended to this report.

Buy Back of Shares

During the financial year 2008-09, the Corporation has not announced any scheme of buy back of its shares from its shareholders. Accordingly, the requirement as to disclosure of reasons for failure to complete the buy back within the time specified under section 77 A of the Companies Act, 1956 does not arise.

Particulars of Employees U/S 217 (2a)

Since none of the employees of the Corporation earned income in excess of the amount specified under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the relevant provisions are not applicable.

Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988

- a) As the Corporation does not carry on manufacturing activities, particulars required to be disclosed with respect to conservation of energy and technology absorption in terms of Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.
- b) Foreign exchange earnings and outgo during the year under review:

Foreign Exchange earnings - Rs.Nil (Previous year nil)

Foreign Exchange outgo – Rs.440 lakh (previous year – Rs.230 lakh)

Directors Responsibility Statement

Pursuant to the provisions of the Section 217 (2AA) of the Companies Act, 1956, your Directors confirm:

- (i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Corporation at the end of the financial year and of the profit of the Corporation for that period;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act, for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities ;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

Acknowledgements

The Board places on record its appreciation for the valuable patronage, cooperation and faith of the customers, Banks and other financial institutions. The Board also expresses its sincere thanks to the Central and State Governments, Registrar of Companies, Reserve Bank of India, Securities and Exchange Board of India, Insurance Regulatory and Development Authority, Pension Fund Regulatory Development Authority, National Stock Exchange of India Limited, Bombay Stock Exchange Limited, National Securities Depository Limited, Central Depository Services Limited, Clearing Corporation of India Limited, Association of Mutual Funds and the shareholders for their cooperation and support in various spheres of the Corporation's activities. The Board of Directors also wishes to place on record its appreciation of the dedication and hard work of the staff and officers of the Corporation.

For and on behalf of the Board of Directors

August 1, 2009

B. Ravindranath
Non Executive Chairman



REPORT ON CORPORATE GOVERNANCE

(forming part of Directors' Report for the period ended March 31, 2009)

Corporation's philosophy on code of Governance

The Corporation is not a listed entity. Nevertheless, it endeavours to comply with Corporate Governance norms as specified under clause 49. The Corporation's philosophy on corporate governance recognizes the accountability of the Board & Officers and the importance of decisions to all constituents, including customers, employees, investors, business associates, regulatory authorities and the Community at large. The Corporation believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a period of time.

The Corporation has approved the adoption of a Code of Conduct for its Employees and Directors. The objective of this Code is to ensure observance of high ethical standards by the Directors and the Employees of the Corporation, and their commitment to the task of enhancing fairness and integrity of the system both in letter and in spirit.

Board of Directors

The Board sets the strategic goals for the Corporation, defines its policies, and oversees the implementation of these policies to enable actions that would lead to the attainment of the goals. The Board consists of nine members, of which six are nominated by the promoter organizations, two are independent directors and Managing Director & CEO who is on deputation from IDBI Bank Limited. The day-to-day management of the Corporation vests in the hands of the Managing Director and CEO.

The composition of the Board as on August 1, 2009 is as follows:

1. Shri B. Ravindranath, Nominee Director of IDBI Bank Limited & Non-Executive Chairman
2. Shri S. C. Jain, Nominee Director of SU-UTI
3. Shri S. Viswanathan, Nominee Director of LIC of India
4. Shri G. M. Ramamurthy, Independent Director
5. Shri A. R. Sekar, Nominee Director of General Insurers' (Public Sector) Association (GIPSA) member companies & the GIC
6. Shri Sushant Kumar, Nominee Director of ICICI Bank Limited
7. Shri R. P. Singh, Nominee Director of IFCI Limited
8. Shri Prakash P. Mallya, Independent Director
9. Shri R. C. Razdan, Managing Director & CEO

Details of the Board Meeting and Attendance

The Board of Directors meets atleast once in every three months. Eleven meetings were held during the financial year 2008-09. Details of Board Meetings held are as follows:

| Sr. No. | Date of the Board Meeting | Board Strength | No. of Directors present |
|---------|---------------------------|----------------|--------------------------|
| 1 | April 28, 2008 | 9 | 8 |
| 2 | June 23, 2008 | 9 | 7 |
| 3 | August 4, 2008 | 8 | 7 |
| 4 | September 8, 2008 | 8 | 6 |
| 5 | September 22, 2008 | 9 | 8 |
| 6 | November 3, 2008 | 9 | 7 |
| 7 | November 10, 2008 | 9 | 8 |
| 8 | November 26, 2008 | 9 | 6 |
| 9 | December 22, 2008 | 9 | 8 |
| 10 | February 2, 2009 | 9 | 9 |
| 11 | March 18, 2009 | 9 | 7 |

Attendance of Directors during 2008-09 at each of above meetings is as follows :

| Sr. no. | Name of the Director | No. of meetings held | No. of meetings attended | Date of appointment | Date of resignation |
|---------|-------------------------|----------------------|--------------------------|---------------------|---------------------|
| 1 | Shri Sanjeev Ghai | 11 | 2 (3) | July 17, 2004 | August 29, 2008 |
| 2 | Shri S. C. Jain | 11 | 11 (11) | June 12, 2006 | N.A. |
| 3 | Shri S. Viswanathan | 11 | 8 (11) | October 19, 2006 | N.A. |
| 4 | Shri G. M. Ramamurthy | 11 | 7 (11) | May 3, 2007 | N.A. |
| 5 | Shri N. Balasubramanian | 11 | 1 (2) | May 3, 2007 | July 7, 2008 |
| 6 | Shri Siby Antony | 11 | 1 (1) | June 2, 2007 | May 31, 2008 |
| 7 | Shri A. R. Sekar | 11 | 11 (11) | July 25, 2007 | N.A. |
| 8 | Shri R. C. Razdan | 11 | 11 (11) | September 4, 2007 | N.A. |
| 9 | Shri Sushant Kumar | 11 | 9 (11) | February 22, 2008 | N.A. |
| 10 | Shri B. Ravindranath | 11 | 10 (10) | June 1, 2008 | N.A. |
| 11 | Shri R. P. Singh | 11 | 4 (8) | September 1, 2008 | N.A. |
| 12 | Shri Prakash P. Mallya | 11 | 6 (7) | September 22, 2008 | N.A. |

(The figure in the bracket indicates the meetings held during the tenure of the Director)

The details of Directorships held by some of the Directors in other companies are as follows:

Shri B. Ravindranath

| Sr. No. | Name of company / Institution | Nature of interest |
|---------|--|--------------------|
| 1 | Lloyds Steel Industries Limited | Nominee Director |
| 2 | Small Industries Development Bank of India (SIDBI) | Nominee Director |
| 3 | Asset Reconstruction Company (India) Ltd., | Nominee Director |

Shri R. C. Razdan

| Sr. No. | Name of Company / Institution | Nature of interest |
|---------|-------------------------------|---|
| 1 | SHCIL Services Ltd., | Non-Executive Chairman (Nominee Director) |

Shri S. C. Jain

| Sr. No. | Name of company / Institution | Nature of interest |
|---------|-------------------------------|--------------------------------------|
| 1 | Hindustan Motors Ltd., | Director & Member of Audit Committee |

Shri G. M. Ramamurthy

| Sr. No. | Name of Company / Institution | Nature of interest |
|---------|--|-------------------------------------|
| 1 | Mangalore Refinery and Petrochemicals Limited | Nominee Director of IDBI Bank Ltd., |
| 2 | PPN Power Generating Co. Pvt. Ltd., | Nominee Director of IDBI Bank Ltd., |
| 3 | JM Financial Asset Reconstruction Company Pvt. Ltd., | Director |



Shri A. R. Sekar

| Sr. No. | Name of company / Institution | Nature of interest |
|---------|--|--------------------|
| 1 | The New India Assurance Co. Ltd., | Director |
| 2 | NIA (Trinidad & Co., Tobago) Ltd., Port of Spain | Director |
| 3 | The United Insurance Co. Ltd., Jordan | Director |
| 4 | SVC Superchem Ltd., Mumbai | Director |
| 5 | Saudi Indian Cooperative Insurance, Riyadh | Director |

Shri Prakash P. Mallya

| Sr. No. | Name of Company / Institution | Nature of interest |
|---------|-------------------------------|------------------------|
| 1 | IFCI Ltd., | Non-Executive Chairman |
| 2 | Bank of India | Shareholders' Director |

Shri R. P. Singh

| Sr. No. | Name of Company / Institution | Nature of interest |
|---------|-----------------------------------|--------------------|
| 1 | IFCI Financial Services Limited | Nominee Director |
| 2 | IFCI Commodity Ltd., | Nominee Director |
| 3 | IDBI Trusteeship Services Ltd., | Nominee Director |
| 4 | Mitcon Consultancy Services Ltd., | Nominee Director |
| 5 | Ispat Industries Ltd., | Nominee Director |
| 6 | Essar Oil Ltd., | Nominee Director |

Details of Audit Committee, Composition and the attendance

The scope of internal audit covers audit of Custodial operations, Depository Participant Operations, Derivatives, SGL, GOI bonds, Sub-broking activities, e-Stamping activities, other Products, Administration, Human Wealth Development, IT, e-Stamping, etc.

As mandated, the Corporation conducts a yearly Custodial Audit and reports to SEBI under Regulation 14(2) of the SEBI Custodial Regulations 1996. The Corporation also conducts audit of its depository participant activities and reports to depository under Regulation 46 of SEBI (Depository Participant) Regulation 1996 and Clause 10.3.1 of byelaws of NSDL and Clause 16.3 of byelaws of CDSL.

The Audit Committee met 4 times during the year. The details of attendance of the Directors at the Audit Committee meeting are as follows :

| Sr. No. | Name of the Director | No. of meetings held | No. of meetings attended |
|---------|---------------------------|----------------------|--------------------------|
| 1 | Shri Sanjeev Ghai* | 4 | 1 (2) |
| 2 | Shri S. Viswanathan | 4 | 3 (4) |
| 3 | Shri N. Balasubramanian** | 4 | 1 (1) |
| 4 | Shri S. C. Jain | 4 | 4 (4) |
| 5 | Shri R. P. Singh | 4 | 2 (2) |
| 6 | Shri Prakash P. Mallya | 4 | 2 (2) |

* resigned on August 29, 2008, ** resigned on July 7, 2008

(The figure in the bracket indicates the meetings held during the tenure of the Director.)

Details of Remuneration Committee, Composition and the attendance

The Remuneration Committee reviews the compensation package and other benefits payable to the employees at various levels, including the Directors, from time to time and recommends changes/ modifications in the same to the Board for its consideration and approval.

The Remuneration Committee met 3 times during the year. The details of attendance of the Directors at the Remuneration Committee meeting were as follows:

| Sr. No. | Name of the Director | No. of meetings held | No. of meetings attended |
|---------|----------------------|----------------------|--------------------------|
| 1 | Shri S. Viswanathan | 3 | 3 (3) |
| 2 | Shri S. C. Jain | 3 | 3 (3) |
| 3 | Shri Sushant Kumar | 3 | 3 (3) |

(The figure in the bracket indicates the meetings held during the tenure of the Director.)

Details of Risk Management Committee, Composition and the attendance

The Board had constituted a Risk Management Committee to review the various risks the Corporation was exposed to and consider the mitigation steps suggested by the business heads / departmental heads. The Committee had since met 3 times during the year.

The details of attendance of the Directors at the Risk Management Committee meeting were as follows:

| Sr. No. | Name of the Director | No. of meetings held | No. of meetings attended |
|---------|---------------------------|----------------------|--------------------------|
| 1 | Shri G. M. Ramamurthy | 3 | 2 (3) |
| 2 | Shri Sanjeev Ghai* | 3 | 1 (1) |
| 3 | Shri A. R. Sekar | 3 | 3 (3) |
| 4 | Shri R. P. Singh** | 3 | 2 (2) |
| 5 | Shri Prakash P. Mallya*** | 3 | 2 (2) |

* resigned on August 29, 2008, ** joined the Board on September 8, 2008 and *** joined the Board on September 22, 2008

(The figure in the bracket indicates the meetings held during the tenure of the Director)

Details of Committee Meeting for purchase of corporate office premises, Composition and the attendance

The Board constituted a Committee for assessing purchase of office premises. The Committee had since met once during the year.

The details of attendance of the Directors at the Committee Meeting were as follows:

| Sr. No. | Name of the Director | No. of meetings held | No. of meetings attended |
|---------|------------------------|----------------------|--------------------------|
| 1 | Shri S. C. Jain | 1 | 1 (1) |
| 2 | Shri A. R. Sekar | 1 | 1 (1) |
| 3 | Shri Prakash P. Mallya | 1 | 1 (1) |

(The figure in the bracket indicates the meetings held during the tenure of the Director)



Details of Committee for Transfer of Shares, Composition and the attendance

The Board constituted a Committee for Transfer of Shares of the Corporation. The Committee had met once during the year on December 19, 2008 and approved the registration of transfer of 4,20,000 shares of your Corporation from IIBI Ltd to IDBI Bank Ltd., Accordingly, the changed share holding pattern of your Corporation is as under :

| Equity Shareholders | Number of equity shares of face value Rs 10/- | % of total equity shares |
|---|--|---------------------------------|
| IDBI Bank Ltd | 39,90,000 | 18.95 |
| ICICI Bank Limited | 35,70,000 | 16.96 |
| IFCI Ltd | 35,70,000 | 16.96 |
| Administrator of the specified undertaking of the Unit Trust of India | 35,70,000 | 16.96 |
| Life Insurance Corporation of India | 31,50,000 | 14.97 |
| General Insurance Corporation of India | 6,30,000 | 2.99 |
| New India Assurance Company Limited | 6,30,000 | 2.99 |
| United India Insurance Company Limited | 6,30,000 | 2.99 |
| The Oriental Insurance Company Limited | 6,30,000 | 2.99 |
| National Insurance Company Limited | 6,30,000 | 2.99 |
| Others | 54,400 | 0.25 |
| Total | 2,10,54,400 | 100 |

The details of attendance of the Directors at the Transfer Committee Meeting were as follows:

| Sr. No. | Name of the Director | No. of meetings held | No. of meetings attended |
|----------------|-----------------------------|-----------------------------|---------------------------------|
| 1 | Shri G. M. Ramamurthy | 1 | 1 (1) |
| 2 | Shri A. R. Sekar | 1 | 1 (1) |
| 3 | Shri Sushant Kumar | 1 | 1 (1) |
| 4 | Shri R. P. Singh* | 1 | 1 (1) |

* joined the Board on September 8, 2008

(The figure in the bracket indicates the meetings held during the tenure of the Director)

General Meetings

Annual General Meeting (AGM) & Extraordinary General Meeting (EGM) of the Corporation are held at Mumbai and the details for the past three years are as under :

| General Meeting | 19th AGM | 20th AGM | 21st AGM | 3rd EGM |
|--------------------------------|--|--|--|--|
| Year | 2005-06 | 2006-07 | 2007-08 | 2007-08 |
| Venue | 44/1, Kalicharan Mehra Estate, Nr. Vikhroli Station Vikhroli West, Mumbai 400 079. | 44/1, Kalicharan Mehra Estate, Nr. Vikhroli Station Vikhroli West, Mumbai 400 079. | 44/1, Kalicharan Mehra Estate, Nr. Vikhroli Station Vikhroli West, Mumbai 400 079. | 224, Mittal Court, 'B' Wing, 2 nd Floor, Nariman Point, Mumbai 400 021. |
| Date and Day of Meeting | September 4, 2006 Monday | September 3, 2007 Monday | August 4, 2008 Monday | September 8, 2008 Monday |

The special resolutions passed during the last four General Meetings, were as under :

| Meeting no. | Resolution No. | Particulars of Resolution |
|-------------|----------------|---|
| AGM | | |
| 19 | 5 | Appointment of M/s. Kalyaniwalla & Mistry as Statutory Auditors of the Company |
| 19 | 10 | Appointment of Shri Partha Sadhak, son of former Director as employee of the Company |
| 19 | 12 | Investments of the Company pursuant to 372(A) of the Companies Act, 1956 |
| 20 | 4 | Appointment of M/s. Kalyaniwalla & Mistry as Statutory Auditors of the Company |
| 21 | 5 | Appointment of M/s. Kalyaniwalla & Mistry as Statutory Auditors of the Company |
| 21 | 9 | Appointment of Shri G. M. Ramamurthy as a part-time Legal Advisor |
| 21 | 10 | Amendment of Articles of Association of the Company – to substitute existing Article no. 180 w.r.t. Common Seal |
| EGM | | |
| 3 | 1 | Amendment of Articles of Association of the Company – inclusion of Article 60(A) Preemptive rights |

Disclosures

There were no transactions of the Corporation of material nature with its Directors or relatives etc. that may have potential conflict with the interest of the Corporation at large.

Communication

The accounts of the Corporation are audited every quarter and the audited quarterly financial results are placed before the Audit Committee for recommendation and the Board for approval.

However, the audited financial results for the financial year ended March 31, 2009 were published in leading newspapers.

Dividend history

| Dividend History of last five years | | | |
|-------------------------------------|----------------|------------------|---------------------------|
| Sr. no. | Financial year | Rate of dividend | Date of declaration (AGM) |
| 1 | 2003-04 | 20% | August 25, 2004 |
| 2 | 2004-05 | 25% | August 31, 2005 |
| 3 | 2005-06 | 30% | September 4, 2006 |
| 4 | 2006-07 | 50% | September 3, 2007 |
| 5 | 2007-08 | 50% | August 4, 2008 |

Pursuant to section 205C of the Companies Act, 1956, dividends that are unclaimed for a period of seven years get transferred to the Investors' Education and Protection Fund administered by the Central Government.



Shareholder Information

a) Annual General Meeting

Date, time & Venue of the
Annual General Meeting

September 25, 2009 at 1.00 p.m.
at 44/1, Kalicharan Mehra Estate,
Nr. Vikhroli Station, Vikhroli West,
Mumbai 400 079.

b) Date of Book closure / record date

Book closure date

September 25, 2009

c) Dividend payment date

Dividend after September 25, 2009 but within the statutory time limit

d) Listing on Stock Exchange

The Corporation is a closely held Public Limited Company and its shares are not listed in any stock exchange.

e) Share Transfer System

The Corporation has received one request for transfer of shares during the last three years.

f) Distribution of shareholding as on March 31, 2009.

The promoter institutions viz., IDBI Bank Limited, Administrator of the Specified Undertaking of Unit Trust of India, ICICI Bank Limited, IFCI Ltd., LIC of India, General Insurance Company of India, The Oriental Insurance Company Limited, The New India Assurance Company Limited, United India Insurance Company Limited, and National Insurance Company Limited hold 99.75% out of 21,054,400 equity shares of Rs.10 each issued and subscribed, the balance 0.25% of the shares are held by others.

g) Address for correspondence

The Company Secretary
Stock Holding Corporation of India Limited
224, Mittal Court, 'B' Wing, 2nd Floor, Nariman Point,
Mumbai - 400 021.

Date: August 1, 2009

Statement pursuant to section 212 of the Companies Act, 1956 relating to Subsidiary Companies

| S.N. | | Name of the Subsidiary Company | | | |
|------|--|---|--|--|--|
| | | SHCIL Services Limited | SHCIL Projects Limited | SHCIL Commodities and Derivative Trading Company Limited | Unitec Value Solutions, Pte Ltd., Singapore |
| 1 | The financial year of the subsidiary company ended on | March 31, 2009 | March 31, 2009 | March 31, 2009 | March 31, 2009 |
| 2 | Number of shares held by Stock Holding Corporation of India Limited along with its nominees in the subsidiary at the end of the financial year of the Subsidiary Companies | 2840000 equity shares of face value of Rs.10/- each | 1750000 equity share of face value of Rs.10/- each | 50007 equity shares of face value of Rs.10/- each | 100000 equity shares of face value 1 Singapore Dollar each |
| 3 | The net aggregate amount of profits/(losses) of the subsidiary so far as it concerns the members of the SHCIL and is not dealt within the accounts of SHCIL for the financial year ended March 31, 2009 | 1,24,14,234 | (Rs.15,86,953) | (Rs.57,486) | Sing \$ 68740 |
| 4 | The net aggregate amount of the Subsidiary Company's profits / (losses) so far as it concerns the members of SHCIL and is dealt with or provided for in the accounts of SHCIL for the financial year ended March 31, 2009 (Rs. in Thousands) | N.A. | N.A. | N.A. | N.A. |

Pursuant to the requirement of Section 212 of the Companies Act, 1956, Annual Accounts, Directors' Report and Auditors' Report of the Subsidiary Companies whose financial year has ended on March 31, 2009 have been attached.

For Stock Holding Corporation of India Limited

Shashikant L. Nayak
Company Secretary

L. Viswanathan
Executive Vice President

R. C. Razdan
Managing Director & CEO

Prakash P. Malliya
S. C. Jain
S. Viswanathan
Directors

Date : August 1, 2009



AUDITORS' REPORT

TO THE MEMBERS OF

STOCK HOLDING CORPORATION OF INDIA LIMITED

1. We have audited the attached Balance Sheet of **Stock Holding Corporation of India Limited** as at March 31, 2009 and also the Profit and Loss Account and Cash Flow statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. We report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of 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 such books.
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts and read with the other notes thereon, 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 state of affairs of the Company as at March 31, 2009;
 - ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the directors, other than nominee directors appointed by public financial institutions, as on March 31, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of
KALYANIWALLA & MISTRY
 Chartered Accountants

Viraf R. Mehta
 Partner

Place: Mumbai
 Dated: April 29, 2009

M. No.: 32083

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph (3) of our report of even date on the accounts of Stock Holding Corporation of India Limited for the year ended March 31, 2009.

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.
- (c) In our opinion, the fixed assets disposed off during the year do not affect the going concern assumption.
2. The Company does not have any inventory to which the provisions of the said clause are applicable.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms, or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. 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 purchases of fixed assets and sale of services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in the internal control system.
5. According to the information and explanations provided by the management, there are no contracts or arrangements during the year that need to be entered in the register required to be maintained under section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the

meaning of section 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder.

7. The Company has an internal audit system, which in our opinion, is commensurate with the size of the Company and nature of its business.
8. In our Opinion and according to the information and explanations given to us, the Central Government has not prescribed for maintenance of the cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the activities carried on by the Company.
9. (a) According to the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Wealth-tax, Custom duty, Excise-duty, cess and other statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no dues of Sales tax, Income tax, Customs Duty, Wealth Tax, Excise duty, Service tax or cess outstanding on account of any dispute, other than those stated hereunder:

| Name of Statute | Nature of Dues | Amount (In Lac) | Period to which the amount relates | Forum where dispute is pending |
|----------------------------------|-----------------|-----------------|------------------------------------|--------------------------------|
| Navi Mumbai Municipa Corporation | Municipal Taxes | 518.91 | 1998-2004 | Civil Court, Thane |
| Income Tax Act, 1961 | Income Tax | 735.00 | 2004-2005 | CIT(A) |

10. The Company does not have accumulated losses as at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial years.
11. According to the information and explanations given to us, and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, and other securities.



13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to the chit fund and nidhi / mutual benefit fund / societies.
14. In our opinion, the Company has maintained proper records of transactions and contracts in respect of investments purchased and sold during the year and timely entries have been made therein. The investments made by the Company are held in its own name except to the extent of the exemption under section 49 of the Act.
15. According to the information and explanation given to us and the records examined by us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. As per the records examined by us, no term loans were obtained by the Company from banks or financial institutions.
17. On the basis of overall examination of the balance sheet and cash flows of the Company and information and explanations given to us, we report that the company has not raised any funds on short term basis.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures.
20. The Company has not raised any money through a public issue.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants

Viraf R. Mehta
Partner
M. No.: 32083

Place: Mumbai
Dated: April 29, 2009

BALANCE SHEET AS AT MARCH 31, 2009

(Rs. in lakhs)

| | Schedules | As at March 31, 2009 | As at March 31, 2008 |
|---|-----------|-------------------------|-------------------------|
| SOURCES OF FUNDS : | | | |
| Shareholders' Funds | | | |
| Share Capital | 1 | 2,105 | 2,105 |
| Reserves and Surplus | 2 | 30,241 | 27,670 |
| | | 32,346 | 29,775 |
| APPLICATION OF FUNDS : | | | |
| Fixed Assets | | | |
| Gross Block | 3 | 12,479 | 12,046 |
| Less: Depreciation | | 9,252 | 8,371 |
| Net Block | | 3,227 | 3,675 |
| Capital Work In Progress | | 2,436 | 2,436 |
| | | 5,663 | 6,111 |
| Deferred Tax Asset | | 892 | 676 |
| Investments | 4 | 2,116 | 13,646 |
| Current Assets, Loans and Advances | | | |
| Inventories | 5 | * | 242 |
| Sundry Debtors | 6 | 2,515 | 2,889 |
| Cash and Bank Balances | 7 | 26,067 | 27,498 |
| Other Current Assets | 8 | 360 | 378 |
| Loans and Advances | 9 | 18,574 | 5,110 |
| | | 47,516 | 36,117 |
| Less: Current Liabilities and Provisions | | | |
| Current Liabilities | 10 | 21,378 | 24,143 |
| Provisions | 11 | 2,463 | 2,632 |
| | | 23,841 | 26,775 |
| Net Current Assets | | | |
| | | 23,675 | 9,342 |
| | | 32,346 | 29,775 |

* denotes amounts less than Rs 1 lakh

| | |
|--|----|
| SIGNIFICANT ACCOUNTING POLICIES | 16 |
| NOTES TO ACCOUNTS | 17 |

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

As per our report of even date

For and on behalf of
KALYANIWALLA & MISTRY

Chartered Accountants

Viraf R. Mehta

Partner

Shashikant L. Nayak

Company Secretary

L. Viswanathan

Executive Vice President
(Finance)

Signatures to Balance Sheet
and Schedules 1 to 11, 16 and 17

For and on behalf of the Board

R. C. Razdan

Managing Director & CEO

Prakash P. Mallya

S. C. Jain

S. Viswanathan

Directors

Place : Mumbai

Date : April 29, 2009



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

(Rs. in lakhs)

| | Schedules | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|-----------|------------------------------|------------------------------|
| INCOME : | | | |
| Income from Operations | 12 | 15,600 | 18,842 |
| Other Income | 13 | 7,163 | 3,619 |
| | | 22,763 | 22,461 |
| EXPENDITURE: | | | |
| Operating Expenses | 14 | 12,652 | 11,202 |
| Interest and finance charges | 15 | 117 | 134 |
| Depreciation | | 969 | 1,023 |
| | | 13,738 | 12,359 |
| PROFIT BEFORE TAXATION AND EXTRA ORDINARY ITEMS | | 9,025 | 10,102 |
| Provision for Taxation | | | |
| - Current Tax | | 2,550 | 3,225 |
| - Deferred Tax | | (217) | (116) |
| - Fringe Benefit Tax | | 56 | 50 |
| | | 6,636 | 6,943 |
| PROFIT AFTER TAXATION BEFORE EXTRA ORDINARY ITEMS | | 6,636 | 6,943 |
| Impairment loss on Fixed Assets (Net) | | 0 | 27 |
| | | 6,636 | 6,916 |
| PROFIT FOR THE YEAR AFTER EXTRA ORDINARY ITEMS | | 6,636 | 6,916 |
| Surplus brought forward | | 19,022 | 14,438 |
| Amount available for appropriation | | 25,658 | 21,354 |
| APPROPRIATIONS: | | | |
| Interim Dividend | | 2,737 | 0 |
| Proposed Final Dividend | | 737 | 1,053 |
| Tax on distributed profits | | 590 | 179 |
| Transfer to General Reserve | | 700 | 1,000 |
| Transfer to Staff welfare fund | | 0 | 100 |
| Balance carried forward | | 20,894 | 19,022 |
| | | 25,658 | 21,354 |
| Earnings per share before extraordinary items (Basic & Diluted) in Rupees. | | 31.52 | 32.98 |
| Earnings per share after extraordinary items (Basic & Diluted) in Rupees. | | 31.52 | 32.85 |
| SIGNIFICANT ACCOUNTING POLICIES | 16 | | |
| NOTES TO ACCOUNTS | 17 | | |

The Schedules referred to above form an integral part of the Profit and Loss Account

As per our report of even date
For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

Viraf R. Mehta

Partner

Shashikant L. Nayak

Company Secretary

L. Viswanathan

Executive Vice President
(Finance)

Signatures to Profit and Loss Account
and Schedules 12 to 17

For and on behalf of the Board

R. C. Razdan

Managing Director & CEO

Prakash P. Mallya

S. C. Jain

S. Viswanathan

Directors

Place : Mumbai
Date : April 29, 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

(Rs. in lakhs)

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|------------------------------|------------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Tax and extraordinary items | 9,025 | 10,102 |
| Adjusted for : | | |
| Depreciation | 969 | 1,023 |
| (Profit)/loss on sale of investments | (4,019) | (42) |
| (Profit)/Loss on sale of fixed assets | 8 | (1) |
| Dividend Income | (782) | (1,100) |
| Interest Income | (2,025) | (2,252) |
| Interest Expense | 117 | 134 |
| Bad debts written off | 381 | 100 |
| Provision for diminution in investment / (written back) | (28) | 12 |
| Provision for doubtful debts | 19 | 303 |
| Provision for claims | 196 | 133 |
| Operating Profit before working capital changes | 3,861 | 8,412 |
| Adjustment for : | | |
| Trade and other receivables | (6,010) | 3,567 |
| Trade Payables | (2,758) | (25,759) |
| Cash used in operations | (4,907) | (13,780) |
| Direct Taxes paid | (2,970) | 2,769 |
| Net Cash used in operating activities | (7,877) | (11,011) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets | (535) | (1,945) |
| Proceeds from sale of fixed assets | 5 | 20 |
| Proceeds from sale of investments | 1,692,481 | 3,569,476 |
| Purchase of Investments | (1,676,904) | (3,572,256) |
| Interest received | 2,042 | 2,275 |
| Dividend received | 782 | 1,100 |
| Money lent on repo transactions | (565,589) | (226,571) |
| Money received back on repo transactions | 558,715 | 237,553 |
| Net Cash from investing activities | 10,997 | 9,652 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Interest paid | (117) | (134) |
| Dividends Paid | (3,790) | (1,053) |
| Tax on Distributed Profit | (644) | (179) |
| Net cash used in financing activities | (4,551) | (1,366) |
| Net decrease in cash and cash equivalents | (1,431) | (2,725) |
| Cash and cash equivalents (Opening Balance) | 27,498 | 30,223 |
| Cash and cash equivalents (Closing Balance) | 26,067 | 27,498 |

Note :

- (1) The Company's bankers have sanctioned total fund-based limits of Rs. 2500 lakhs to finance working capital requirements. The entire limits were unutilised as on March 31, 2009
- (2) Cash and cash equivalents include bank deposits which are under lien towards security and margin money - Rs 7912 lakhs (previous year Rs 14195 lakhs)

As per our report of even date
For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants
Viraf R. Mehta
Partner

Shashikant L. Nayak
Company Secretary

L. Viswanathan
Executive Vice President
(Finance)

For and on behalf of the Board
R. C. Razdan
Managing Director & CEO

Prakash P. Malliya
S. C. Jain
S. Viswanathan
Directors

Place : Mumbai
Date : April 29, 2009



SCHEDULES FORMING PART OF ACCOUNTS

(Rs. in lakhs)

| | As at March 31, 2009 | As at March 31, 2008 |
|---|-------------------------|-------------------------|
| SCHEDULE 1 | | |
| SHARE CAPITAL | | |
| Authorised | | |
| 50,000,000 Equity shares of Rs. 10/- each | <u>5,000</u> | <u>5,000</u> |
| Issued, Subscribed and Paid-up | | |
| 21,054,400 Equity shares of Rs.10/- each fully paid up | <u>2,105</u> | <u>2,105</u> |
| | <u>2,105</u> | <u>2,105</u> |
| SCHEDULE 2 | | |
| RESERVES & SURPLUS | | |
| Securities Premium Account | | |
| Balance as per last Balance Sheet | 527 | 527 |
| General Reserve | | |
| Balance as per last Balance Sheet | 8,011 | 7,011 |
| Transfer from Profit and Loss account | 700 | 1,000 |
| | <u>8,711</u> | <u>8,011</u> |
| Staff Welfare Fund | | |
| Balance as per last Balance Sheet | 110 | 10 |
| Transfer from Profit and Loss account | - | 100 |
| | <u>110</u> | <u>110</u> |
| Welfare expenditure incurred during the year | (1) | |
| | <u>109</u> | <u>110</u> |
| Profit and Loss Account | | |
| Surplus as per account annexed | <u>20,894</u> | <u>19,022</u> |
| | <u>30,241</u> | <u>27,670</u> |

SCHEDULE 3

(Rs. in lakhs)

FIXED ASSETS :

| Particulars | GROSS BLOCK (At Cost) | | | | DEPRECIATION | | | | NET BLOCK | |
|---|-----------------------|------------|------------|---------------------|--------------------|-----------------|------------------|---------------------|---------------------|---------------------|
| | As at 1.04.2008 | Additions | Deductions | As at 31.03.2009 | Up to 1.04.2008 | For the Year | On Deductions | Up to 31.03.2009 | As at 31.03.2009 | As at 31.03.2008 |
| Tangible Assets | | | | | | | | | | |
| Leasehold Land * | 168 | - | - | 168 | 27 | 2 | - | 29 | 139 | 141 |
| Buildings * * | 1,523 | 45 | - | 1,568 | 314 | 63 | - | 377 | 1,191 | 1,209 |
| Plant & Machinery | 1,491 | 94 | 35 | 1,550 | 1,109 | 62 | 28 | 1,143 | 407 | 382 |
| Computers | 5,842 | 241 | 11 | 6,072 | 4,592 | 563 | 10 | 5,145 | 927 | 1,250 |
| Furniture & Fixtures | 885 | 14 | 29 | 870 | 731 | 34 | 25 | 740 | 130 | 154 |
| Office Equipment | 555 | 39 | 6 | 588 | 399 | 26 | 5 | 420 | 168 | 156 |
| Vehicles | 229 | - | 21 | 208 | 126 | 26 | 20 | 132 | 76 | 103 |
| Intangible Assets | | | | | | | | | | |
| Computer Software | 1,353 | 102 | - | 1,455 | 1,073 | 193 | - | 1,266 | 189 | 280 |
| As at 31.03.2009 | 12,046 | 535 | 102 | 12,479 | 8,371 | 969 | 88 | 9,252 | 3,227 | - |
| As at 31.03.2008 | 10,204 | 1,945 | 110 | 12,039 | 7,432 | 1,023 | 91 | 8,364 | - | 3,675 |
| Capital Work in progress (net of impairment provision Rs 846 lakhs, as at 31.03.08 - Rs 846 lakhs) | | | | | | | | | 2,436 | 2,436 |
| Total | | | | | | | | | 5,663 | 6,111 |

* Gross Block at at 1.4.2008 of the Leasehold Land and Accumulated Depreciation thereon have been grossed up by Rs 7 lakhs for depreciation charged off in previous years.

** Includes Rs.408/- being the cost of 8 shares held in a Co-op Housing society.

SCHEDULES FORMING PART OF ACCOUNTS

SCHEDULE 4 INVESTMENTS

| | Face Value | | Number | | Amount (Rs in lakhs) | | |
|--|-------------|-------------------|--------------------------------|----------------------------|----------------------|-------------------|-------------------|
| | (Rs) | As at 01.04.08 | Acquired during the year | Sold during the year | As at 31.03.09 | As at 31.03.09 | As at 31.03.08 |
| Long Term Investments | | | | | | | |
| Trade | | | | | | | |
| Equity Shares in Subsidiary Companies | | | | | | | |
| Unquoted | | | | | | | |
| SHCIL Projects Ltd. | 10 | 750,000 | 1,000,000 | - | 1,750,000 | 175 | 75 |
| SHCIL Commodities and Derivatives Trading Ltd. | 10 | 50,000 | - | - | 50,000 | 5 | 5 |
| Unitech Value Solutions Ltd. | SGD 1 | 100,000 | - | - | 100,000 | 29 | 29 |
| SHCIL Services Ltd. | 10 | 2,739,993 | 100,002 | - | 2,839,995 | 284 | 274 |
| | | | | | | 493 | 383 |
| Equity Shares in Other Companies | | | | | | | |
| Unquoted | | | | | | | |
| National Stock Exchange of India Ltd. | 10 | 3,199,998 | - | 115,200 | 3,084,798 | 540 | 560 |
| Investor Services of India Ltd. | 10 | 1,000,001 | - | - | 1,000,001 | 100 | 100 |
| | | | | | | 640 | 660 |
| Non Trade | | | | | | | |
| Equity Shares in Companies | | | | | | | |
| Quoted | | | | | | | |
| BHEL | 10 | - | 375 | - | 375 | 5 | - |
| Hindalco Ltd | 1 | - | 10,375 | - | 10,375 | 5 | - |
| HDFC Ltd | 10 | - | 335 | - | 335 | 5 | - |
| State Bank Of India | 10 | - | 460 | - | 460 | 5 | - |
| Tata Steel Ltd | 10 | - | 2,790 | - | 2,790 | 5 | - |
| | | | | | | 25 | - |
| Current Investments | | | | | | | |
| Non Trade | | | | | | | |
| Government Securities | | | | | | | |
| Quoted | | | | | | | |
| 6.85% Govt. of India .2012 | 6,000 | - | - | - | - | * | * |
| 6.20% Maharashtra SDL 2015 | 10,000 | - | - | - | - | * | * |
| 364 days Treasury Bill maturing 29/01/10** | 100,000,000 | - | - | - | - | 958 | - |
| 364 days Treasury Bill matured 18/07/08** | 50,000,000 | - | - | - | - | - | 470 |
| **(deposited as margin with CCIL) | | | | | | | |
| | | | | | | 958 | 470 |
| Mutual Funds | | | | | | | |
| Unquoted | | | | | | | |
| Liquid/Money Market Schemes | | | | | | | |
| LICMF Liquid Fund | 10 | 26,279,841 | 1,229,162,394 | 1,255,442,235 | - | - | 2,885 |
| UTI Liquid Fund Cash Plan | 1000 | 441,502 | 43,564,673 | 44,006,175 | - | - | 4,501 |
| Prudential ICICI Institutional Liquid Plan | 10 | 45,007,458 | 10,372,193,787 | 10,417,201,245 | - | - | 4,501 |
| | | | | | | - | 11,887 |
| Other Schemes | | | | | | | |
| HDFC Index Fund-Sensex Plus | 32 | 49,143 | 15,077 | 64,220 | - | - | 93 |
| HDFC Index Fund-Sensex Plan | 32 | 20,682 | 7,320 | 28,002 | - | - | 32 |
| HDFC Index Fund-Nifty Plan | 10 | 213,137 | 2,144,405 | 2,357,542 | - | - | 100 |
| Canara Robeco Nifty Index Plan | 10 | 123,869 | 197,718 | 321,587 | - | - | 34 |
| Birla Index Fund Growth Plan | 10 | 28,817 | 31,427 | 60,244 | - | - | 15 |
| | | | | | | - | 274 |
| Less: Provision for diminution | | | | | | - | 28 |
| | | | | | | - | 246 |
| Total | | | | | | 2,116 | 13,646 |
| Aggregate Book Value of Investments | | | | | | | |
| Quoted | | | | | | 983 | 470 |
| Unquoted | | | | | | 1,133 | 13,176 |
| | | | | | | 2,116 | 13,646 |
| Market Value of Quoted Investments | | | | | | 988 | 490 |
| * denotes amounts less than Rs 1 lakh | | | | | | | |



SCHEDULES FORMING PART OF ACCOUNTS

(Rs. in lakhs)

| | As at March 31, 2009 | As at March 31, 2008 |
|---|-------------------------|-------------------------|
| SCHEDULE 5 | | |
| INVENTORIES | | |
| Stock-in-trade | | |
| (At lower of cost and net realisable value) | | |
| Stock of securities | * | 242 |
| | * | 242 |
| | | |
| SCHEDULE 6 | | |
| SUNDRY DEBTORS | | |
| (Unsecured) | | |
| Outstanding for a period over six months | | |
| Considered good | 430 | 386 |
| Considered doubtful | 920 | 841 |
| | 1,350 | 1,227 |
| Other debts | | |
| Considered good | 2,085 | 2,503 |
| Considered doubtful | 18 | 86 |
| | 2,103 | 2,589 |
| | 3,453 | 3,816 |
| Less : Provision for doubtful debts | 938 | 927 |
| | 2,515 | 2,889 |
| | | |
| SCHEDULE 7 | | |
| CASH AND BANK BALANCES | | |
| Cash and stamps in hand | 78 | 361 |
| Balances with scheduled banks | | |
| - In current accounts | 8,694 | 8,266 |
| - In deposit accounts | 17,295 | 18,871 |
| | 26,067 | 27,498 |
| | | |
| SCHEDULE 8 | | |
| OTHER CURRENT ASSETS | | |
| Accrued income | 360 | 378 |
| | 360 | 378 |
| | | |
| * denotes amounts of less than Rs 1 lakh | | |

SCHEDULES FORMING PART OF ACCOUNTS

(Rs. in lakhs)

| | As at March 31, 2009 | As at March 31, 2008 |
|---|---------------------------------|---------------------------------|
| SCHEDULE 9 | | |
| LOANS AND ADVANCES | | |
| (Unsecured and considered good, unless stated otherwise) | | |
| Money lent on Repo transactions (secured by the underlying securities) | 6,874 | - |
| Advances to subsidiary companies | 5 | 8 |
| Advances recoverable in cash or in kind (net of provision for doubtful advances Rs. 5 lakhs 31.03.08 - Rs nil) | 219 | 373 |
| Amounts recoverable from Reserve Bank of India (net) | 1,503 | 1,067 |
| Staff loans | 692 | 681 |
| Advance payment of tax and taxes deducted at source (net of provision for taxation Rs.10,083 lakhs 31.03.08 - Rs. 7,476 lakhs) | 1,137 | 774 |
| Security and other deposits (including Rs 63 lakhs ,31.03.08 - Rs 563 lakhs with a subsidiary) (net of provision for doubtful deposits Rs. 3 lakhs 31.03.08 - Rs nil) | 8,144 | 2,207 |
| | 18,574 | 5,110 |
| SCHEDULE 10 | | |
| CURRENT LIABILITIES | | |
| Sundry creditors | | |
| - Total outstanding dues of Micro Enterprises & Small Enterprises | 0 | 0 |
| - Dues of other Creditors | 3,070 | 7,814 |
| Dues to subsidiary companies | 9 | 0 |
| Investor Education and Protection Fund (Unclaimed amounts shall be transferred to the fund when due) | | |
| Unclaimed dividend | 2 | 1 |
| Amount due on settlement (net) | 7,413 | 4,052 |
| Advances and deposits | 9,539 | 10,726 |
| Advance depository participant charges | 1,345 | 1,550 |
| | 21,378 | 24,143 |
| SCHEDULE 11 | | |
| PROVISIONS | | |
| Proposed final dividend | 737 | 1,053 |
| Tax on distributed profits | 125 | 179 |
| Provision for retirement benefits | 782 | 627 |
| Provision for claims | 819 | 773 |
| | 2,463 | 2,632 |



SCHEDULES FORMING PART OF ACCOUNTS

(Rs. in lakhs)

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|------------------------------|------------------------------|
| SCHEDULE 12 | | |
| INCOME FROM OPERATIONS (Gross) | | |
| Custodial services | 400 | 360 |
| Depository services | 12,376 | 15,782 |
| Commission and brokerage (net) | 2,267 | 1,611 |
| Derivatives clearing services | 507 | 979 |
| Others | 50 | 110 |
| | <u>15,600</u> | <u>18,842</u> |
| SCHEDULE 13 | | |
| OTHER INCOME | | |
| Interest (Gross) | | |
| - Govt. securities & bonds | 84 | 73 |
| - Repos & deposits with banks | 1,917 | 2,112 |
| - Others | 24 | 67 |
| (Tax deducted at source Rs 390 lakhs, previous year Rs 465 lakhs) | | |
| Dividend on long term investments | 328 | 216 |
| Dividend on current investments | 454 | 884 |
| Profit on sale of current investments (net) | 7 | 42 |
| Profit on sale of long term investments (net), an exceptional item | 4,012 | - |
| Profit from trading in securities (net) | - | 30 |
| Profit on sale of fixed assets (net) | - | 1 |
| Provisions for diminution in investments written back | 28 | - |
| Miscellaneous income | 309 | 194 |
| | <u>7,163</u> | <u>3,619</u> |

SCHEDULES FORMING PART OF ACCOUNTS

(Rs. in lakhs)

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|------------------------------|------------------------------|
| SCHEDULE 14 | | |
| OPERATING EXPENSES | | |
| Salaries, allowances & bonus | 5,236 | 3,778 |
| Contribution to provident fund and other funds | 561 | 317 |
| Staff welfare expenses | 300 | 286 |
| Outsourcing expenses | 275 | 250 |
| Depository/custodian fees | 454 | 961 |
| Software expenses | 220 | 188 |
| Rent (previous year includes arrears on settlement of dispute - Rs. 401 lakhs, an exceptional item) | 1,203 | 1,550 |
| Rates and taxes | 310 | 181 |
| Electricity | 495 | 434 |
| Insurance | 157 | 168 |
| Repairs and maintenance | | |
| - Buildings | 147 | 170 |
| - Plant & machinery | 304 | 350 |
| - Others | 29 | 20 |
| Travelling & conveyance | 214 | 192 |
| Postage & courier | 227 | 324 |
| Telephone & communication | 486 | 453 |
| Printing & stationery | 205 | 218 |
| Legal & professional | 104 | 142 |
| Technical know-how fees | 427 | 226 |
| Claims paid | 4 | 18 |
| Bad debts written off | 381 | 100 |
| Provision for doubtful debts/ advances | 19 | 303 |
| Provision for claims | 196 | 133 |
| Provision for diminution in investments | - | 12 |
| Loss from trading in securities (net) | 66 | - |
| Loss on sale of fixed assets (net) | 8 | - |
| Loss due to exchange rate fluctuation | 18 | - |
| Advertisement & publicity | 42 | 36 |
| Commission and brokerage to selling agents | 203 | 59 |
| Miscellaneous expenses | 361 | 333 |
| | 12,652 | 11,202 |
| SCHEDULE 15 | | |
| INTEREST AND FINANCE CHARGES | | |
| Interest on bank overdraft | - | 2 |
| Finance charges | 117 | 132 |
| | 117 | 134 |



SCHEDULE FORMING PART OF ACCOUNTS

SCHEDULE 16

SIGNIFICANT ACCOUNTING POLICIES

a) System of Accounting

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, in accordance with the generally accepted accounting principles in India and the accounting standards issued by the Institute of Chartered Accountants of India.

b) Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes expenses related to acquisition and installation of the concerned asset.

c) Investments

Long term investments are stated at cost of acquisition. Provision for diminution if any, in the value of each long-term investment is made to recognise a decline, other than of temporary nature. Current investments are carried at lower of cost and net realisable value.

d) Stock-in-trade

Securities held for trade and those devolved on the Corporation in the process of settlement are held as stock-in-trade. Securities are valued at lower of cost and net realisable value.

e) Computer Software

Computer software which forms an integral part of the related hardware is capitalised along with the hardware as fixed asset. Softwares which are not an integral part of computer hardware and from which future economic benefits are expected are treated as intangible assets and are amortised over their estimated useful life, namely three years. Costs related to development, upgradation and maintenance of existing software are charged to revenue.

f) Securities on Deposit

Securities on deposit and in the process of transfer are not recorded in the accompanying financial statements.

g) Corporate Actions

Benefits on securities and redemption money collected on behalf of clients are recorded in the financial statements on actual receipt.

h) Revenue Recognition

Custodial fees are accrued monthly on the basis of daily/ weekly average holdings in custody on the net asset value of holding in the electronic segment.

Service charges received are recognised as income on completion of post-trading operations. A post trading operation is treated as complete on settlement under the electronic segment and on lodgement/delivery of securities under the paper segment. Service charges for incomplete operations are treated as Advance Service Charges.

The annual maintenance charges received from beneficiary account holders / clearing members for depository services are amortised on time basis over the period of contract.

SCHEDULE FORMING PART OF ACCOUNTS

i) Depreciation

Depreciation is provided on the written down value method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets acquired / disposed during the year is provided on pro rata basis from/up to the month of acquisition/ disposal. Computer software, an intangible asset, is amortised over its estimated useful life, namely, three years.

Leasehold land is amortised on a straight line basis over the lease period.

j) Asset Impairment

The Corporation reviews the carrying values of tangible and intangible assets for any possible impairment at each balance sheet date. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net of selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on appropriate discount rate.

k) Employee Benefits

1. Defined Contribution Plan:

Employee Benefits in the form of Provident Fund, Family Pension Fund and Superannuation Fund are considered as defined contribution plans and the contributions are charged to profit and loss account of the year when the respective contributions are due.

2. Defined Benefit Plan:

Retirement benefit in the form of gratuity is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation using the projected unit credit method, as at the date of the balance sheet.

3. Compensated Absences:

Long term compensated absences are provided for on the basis of an actuarial valuation using the projected unit credit method as at the date of the balance sheet. Actuarial gains/losses, if any, are immediately recognised in the profit & loss account. Short term compensated absences are provided based on estimates.

l) Taxation

Provision for current income tax is made on the basis of the assessable income under the Income Tax Act, 1961.

Deferred income tax on account of timing differences between taxable income and accounting income for the year is accounted for by applying the tax rates and laws enacted or substantially enacted on the balance sheet date. Deferred tax assets other than unabsorbed depreciation and carried forward losses, subject to the consideration of prudence are recognised and carried forward only to the extent there is reasonable certainty that sufficient taxable income will be available in future, against which the deferred tax assets can be realised.

m) Provision and Contingent Liabilities

Provisions are recognised in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company.



SCHEDULE FORMING PART OF ACCOUNTS

SCHEDULE 17

NOTES TO ACCOUNTS

1. Background

Stock Holding Corporation of India Ltd. (SHCIL) was promoted by the public financial institutions and incorporated as a limited company on July 28, 1986. SHCIL provides custodial and depository services to institutional investors, mutual funds and retail investors. SHCIL is also India's largest depository participant having 193 offices/facilitation centers across the country.

2. Contingent Liabilities

(Rs. in lakhs)

| | As at March 31, 2009 | As at March 31, 2008 |
|---|-------------------------|-------------------------|
| A) Claims against the Company not acknowledged as debts | | |
| i) Income Tax demand against which the Company has preferred appeals | 735 | 973 |
| ii) Income Tax matters decided in favour of the company against which the Income Tax department has preferred appeals | 753 | - |
| iii) Claims by a bank in respect of cheques issued under the cash on payout scheme, refer to note 6 below | 2,445 | 2,445 |
| iv) Other claims not acknowledged | 315 | 182 |
| B) Bank Guarantees | | |
| i) provided to stock exchanges (backed by counter guarantees, cash collateral and securities) | 16,400 | 32,305 |
| ii) other Bank Guarantees | 526 | - |

3. Estimated amount of contracts to be executed on capital account, not provided for - Rs. 4,820 lakhs. (As at March 31, 2008- Rs. 245 lakhs).

4. Staff loans includes housing loan to the Company Secretary - Rs. 5.45 lakhs (As at March 31, 2008 - Rs.5.89 lakhs). Maximum balance outstanding during the period is Rs 5.89 lakhs.

5. Security and other deposits include deposits of Rs 790 lakhs (as at March 31, 2008 - Rs. 790 lakhs) placed with the licensors of premises taken on leave and licence basis. The said deposits are secured by way of mortgage by deposit of the title deeds of the said premises with the Corporation.

6. The Company had during the year 2000-01 undertaken a transaction of Rs.2,445 lakhs with a client through the Calcutta Stock Exchange (CSE) under the 'Cash on Payout' scheme for the sale of 7,20,000 equity shares of DSQ Industries Limited. The said transaction was confirmed by CSE based on which post dated cheques were issued. The cheques were stopped for payment before their due date by the Corporation as the underlying trade transaction was contended to be non-bonafide and disallowed by CSE. A Bank, which had granted financial assistance against the said cheques, has issued a notice of demand against the Corporation under Section 138 of the Negotiable Instrument Act, 1881. The Company has disputed the claim of the Bank and the matter is subjudice.

SCHEDULE FORMING PART OF ACCOUNTS

7. The movement in provision for claims is as under :

(Rs. in lakhs)

| | As at March 31, 2009 | As at March 31, 2008 |
|---------------------------|-------------------------|-------------------------|
| Opening Balance | 773 | 640 |
| Additions during the year | 196 | 164 |
| Reversed during the year | 150 | 31 |
| Closing balance | 819 | 773 |

8. Deferred Tax

The major components of deferred tax assets and liabilities arising on account of timing differences are as under: -

(Rs. in lakhs)

| | As at March 31, 2009 | As at March 31, 2008 |
|---------------------------------------|-------------------------|-------------------------|
| Provision for doubtful debts/advances | 322 | 315 |
| Provision for claims | 278 | 263 |
| Retirement benefits | 266 | 213 |
| Municipal taxes | 198 | 181 |
| | <u>1064</u> | <u>972</u> |
| Deferred Tax Liabilities | | |
| Depreciation | 172 | 296 |
| Net Deferred Tax Asset | <u>892</u> | <u>676</u> |

9. Balances with scheduled banks in deposit accounts includes fixed deposits with banks aggregating to Rs 4,724 lakhs (As at March 31, 2008- Rs. 7,982 lakhs) against which lien has been marked by the respective banks as security for guarantees issued on behalf of the Company. It also includes fixed deposits with banks aggregating to Rs 3,188 lakhs (As at March 31, 2008 - Rs. 6,213 lakhs) deposited with the exchanges against margin.



10 Balances with Co-operative Banks :

(Rs. in lakhs)

| Name of the Bank | As at March 31, 2009 | | As at March 31, 2008 | |
|---------------------------|----------------------|---------|----------------------|---------|
| | Outstanding Bal | Max Bal | Outstanding Bal | Max Bal |
| Veraval People Co-op Bank | 0.34 | 0.94 | 0.56 | 1.07 |
| Amanath Co-op Bank | - | - | 0.05 | 0.05 |

11 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act 2006, to whom the the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

12 Amount due on settlement (net) represents amounts payable to clearing house, clients and brokers, as under:

(Rs. in lakhs)

| | As at March 31, 2009 | | As at March 31, 2008 | |
|----------------|----------------------|---------------|----------------------|---------------|
| | Due to | Due From | Due to | Due From |
| Clearing House | 4,126 | 572 | 19,641 | - |
| GOI-Stampduty | 559 | - | 50 | - |
| Clients | 35,021 | 35,483 | 9,936 | 26,035 |
| Brokers | 3,762 | - | 460 | - |
| | <u>43,468</u> | <u>36,055</u> | <u>30,087</u> | <u>26,035</u> |
| Net Payable | <u>7,413</u> | | <u>4,052</u> | |

13 Employee Benefits:

The company has recognised the following amounts in the profit and loss Account for the year:

A) Defined Contribution Plan

| | As at March 31, 2009 | As at March 31, 2008 |
|--|-------------------------|-------------------------|
| Contribution to Employees' Provident Fund | 279 | 245 |
| Contribution to Employees' Superannuation Fund | 39 | 26 |

B) Defined Benefit Plans & other Long Term Employee Benefit

Valuations of the defined benefit obligation on account of gratuity has been carried out by an independent actuary as at the Balance sheet date based on the following assumptions

Actuarial Assumptions:

| | As at March 31, 2009 | As at March 31, 2008 |
|----------------------------------|-------------------------|-------------------------|
| a) Discount Rate | 7.50% | 8.00% |
| b) Rate of Return on Plan Assets | 8.00% | 8.00% |
| c) Salary Escalation | 5.00% | 5.00% |

Actuarial Assumptions:**i) Change in Benefit Obligation**

| | As at March 31, 2009 | As at March 31, 2008 |
|--|---------------------------------|---------------------------------|
| Liability at the beginning of the year | 32,400,253 | 40,792,526 |
| Interest Cost | 2,772,015 | 3,250,500 |
| Current Service Cost | 4,548,695 | 6,932,730 |
| Benefit Paid | (4,597,514) | (14,188,007) |
| Actuarial (gain)/loss on obligations | 17,006,678 | (4,387,496) |
| Liability at the end of the year | 52,130,128 | 32,400,253 |

ii) Fair value of Plan Assets

| | | |
|--|--------------------|--------------|
| Fair Value of Plan Assets at the beginning of the year | 8,487,696 | 10,534,172 |
| Expected Return on Plan Assets | 1,132,648 | 1,211,252 |
| Contributions | 7,969,167 | 11,700,482 |
| Benefit Paid | (4,597,514) | (14,188,007) |
| Actuarial gain/(loss) on Plan Assets | (479,557) | (770,203) |
| Fair Value of Plan Assets at the end of the year | 12,512,440 | 8,487,696 |
| Total Actuarial Gain/(Loss) to be recognised | 17,486,235 | 3,617,293 |

iii) Actual Return on Plan Assets

| | | |
|--------------------------------------|------------------|-----------|
| Expected Return on Plan Assets | 1,132,648 | 1,211,252 |
| Actuarial gain/(loss) on Plan Assets | (479,557) | (770,203) |
| Actual Return on Plan Assets | 653,091 | 441,049 |

iv) Amount Recognised in the Balance Sheet :

| | | |
|--|---------------------|-----------------|
| Liability at the end of the year | 52,130,128 | 32,400,253 |
| Fair Value of Plan Assets at the end of the year | 12,512,440 | 8,487,696 |
| Difference | (39,617,688) | (23,912,557) |
| Unrecognised Past Service Cost | - | - |
| Unrecognised Transition Liability | - | - |
| Amount Recognised in the Balance Sheet | (39,617,688) | (23,912,557.00) |

v) Expenses Recognised in the Income Statement :

| | | |
|-------------------------------------|--------------------|-------------|
| Current Service Cost | 4,548,695 | 6,932,730 |
| Interest Cost | 2,772,015 | 3,250,500 |
| Expected Return on Plan Assets | (1,132,648) | (1,211,252) |
| Recognition of Transition Liability | - | - |
| Actuarial Gain or Loss | 17,486,235 | (3,617,293) |
| Expense Recognised in P&L | 23,674,297 | 5,354,685 |



vi) Basis used to determine expected rate of return on assets :

Expected rate of return on investments is determined based on the assessment made by the Company at the beginning of the year for returns over the entire life of the related obligation. The gratuity scheme is invested in a group gratuity cum assurance policy offered by Life Insurance Corporation of India

vii) General descriptions of significant defined plans

Gratuity is payable to all eligible employees of the Company on superannuation, death and resignation in terms of provisions of the payment of Gratuity

Act or as per the Company's scheme whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn base salary.

C) Other Long Term Employee Benefits

The long term employee benefits in the form of leave encashment have been determined using the projected unit credit method as at the Balance Sheet date on the basis of an actuarial valuation

14 Disclosure in respect of Operating Leases :-

The Company has taken various premises on leave and licence basis . The leave and license agreements are not cancellable and range between 1 year to 5 years and are renewable by mutual consent. Leave and license agreements being similar in substance to operating leases , the particulars of the significant leasing arrangements are as under :

| | (Rs.in lakhs) | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2009 | Year ended March 31, 2008 |
| i) Total of minimum lease payments for a period not later than 1 year | 231 | 356 |
| later than 1 year and not later than 5 years | - | 523 |
| ii) Lease payments recognised in profit and loss for the year | 713 | 760 |

In absence of any agreements for license fees for the Mittal Court premises, the same have been included only in (ii) above.

| | (Rs.in lakhs) | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2009 | Year ended March 31, 2008 |
| 15 Managerial Remuneration | | |
| Salary and allowances | 9 | 12 |
| Contribution to provident fund and other funds | 1 | 1 |
| Perquisites (estimated monetary value) | 11 | 4 |
| | <u>21</u> | <u>17</u> |

16 Miscellaneous Income includes provisions no longer required written back Rs 230 lakhs , previous year Rs nil.

17 The Company has during the year sold 115,200 shares in the National Stock Exchange Ltd, a long term trade investment.

Profit on sale thereof amounting to Rs 4,012 lakhs has been disclosed as an exceptional item, being a material non recurring income.

18 Particulars of Stock- in- trade

| Holdings | No. of Units | | Amount (Rs in lakhs) | | |
|--|--------------|---------------|----------------------|----------------|---------------|
| | Face Value | As on 01.4.08 | As on 31.03.09 | As on 31.03.09 | As on 31.3.08 |
| ABB | 2 | 1,000 | - | - | 12 |
| Allahabad Bank | 10 | 1,500 | - | - | 1 |
| Ambuja Cements Ltd. | 2 | 8,000 | - | - | 10 |
| Andhra Bank | 10 | 14,000 | - | - | 10 |
| Ashok Leyland | 1 | 4,000 | - | - | 1 |
| Ballarpur Industries | 2 | 16,500 | - | - | 5 |
| BEML | 10 | 600 | - | - | 6 |
| Britannia Industries | 10 | 573 | - | - | 8 |
| Century Textiles | 10 | 1,600 | - | - | 12 |
| Container Corporation | 10 | 600 | - | - | 10 |
| Crompton Greaves Ltd. | 2 | 200 | - | - | 1 |
| DLF | 2 | 1,700 | - | - | 11 |
| Hind Zinc Ltd. | 10 | 1,000 | - | - | 5 |
| Idea Cellular | 10 | 4,900 | - | - | 5 |
| India Cement | 10 | 2,000 | - | - | 4 |
| Indian Hotels Company Ltd. | 1 | 4,500 | - | - | 5 |
| MTNL | 10 | 7,000 | - | - | 7 |
| Mahindra & Mahindra | 10 | 800 | - | - | 5 |
| Mangalore Refinery and Petrochemicals Ltd. | 10 | 7,000 | - | - | 5 |
| NTPC | 10 | 7,500 | - | - | 15 |
| ONGC | 10 | 500 | - | - | 5 |
| Power Grid Ltd. | 10 | 4,000 | - | - | 4 |
| Proctor and Gamble | 10 | 400 | - | - | 3 |
| Reliance Capital | 10 | 8 | 8 | - | * |
| Reliance Communication Ventures Ltd. | 5 | 1,676 | 176 | - | 8 |
| Reliance Industries | 10 | 1,676 | 176 | * | 34 |
| Reliance Infrastructure Ltd. | 10 | 13 | 13 | - | * |
| Reliance Natural Resources Ltd | 5 | 176 | 176 | - | * |
| Reliance Petroleum Ltd. | 10 | 2,050 | - | - | 3 |
| Shipping Corporation Ltd. | 10 | 3,300 | - | - | 7 |
| SBI | 10 | 1,740 | - | - | 28 |
| Suzlon Energy Ltd. | 2 | 4,400 | - | - | 12 |
| Zee Telefilms | 1 | 900 | - | - | 2 |
| | | 105,812 | 549 | * | 244 |

* denotes amounts of less than Rs 1 lakh



19 Particulars of securities purchased and sold during the year

(Rs.in lakhs)

| | Year ended March 31, 2009 | | Year ended March 31, 2008 | |
|--|------------------------------|--------|------------------------------|---------|
| | No of Units | Amount | No of Units | Amount |
| Government Securities | | | | |
| 7.38% Govt. Securities 2015 | - | 960 | - | - |
| 6.65% Govt Securities 2009 | - | - | - | 1,969 |
| 8.24% Govt Securities 2018 | - | 463 | - | - |
| 6.57% Govt Securities 2011 | - | 1,439 | - | - |
| 7.59% Govt Securities 2016 | - | 490 | - | - |
| | - | 3,352 | - | 1,969 |
| Mutual Fund Units | | | | |
| Liquid/Money Market Schemes | | | | |
| Franklin Templeton Mutual Fund | - | - | 1,650,396 | 16,505 |
| IDBI Principal Mutual Fund | - | - | 168,335,119 | 16,830 |
| Kotak Mahindra Mutual Fund | - | - | 117,219,926 | 14,330 |
| Sundaram Mutual Fund | - | - | 31,703,514 | 3,200 |
| Reliance Diversified Power Sector Fund | - | - | 83,917 | 25 |
| Canbank Index Fund | - | - | 128,276 | 35 |
| HDFC Liquid Cash Plan | 66,781,169 | 7,100 | - | - |
| UTI Money Market Fund | 291,680,671 | 48,095 | 458,397,517 | 81,028 |
| | 358,461,840 | 55,195 | 777,518,665 | 131,953 |

20 Auditor's Remuneration (excluding service tax)

(Rs.in lakhs)

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|------------------------------|------------------------------|
| Audit fees | 19 | 19 |
| Tax Audit fees | 2 | 2 |
| Taxation matters | 5 | 3 |
| Certification charges | * | * |
| Reimbursement of out of pocket expenses | * | * |
| | 26 | 24 |

* denotes amounts of less than Rs 1 lakh

21 Expenditure in foreign currency

(Rs.in lakhs)

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|-------------------------|------------------------------|------------------------------|
| Travelling expenses | 3 | 2 |
| Technical know-how fees | 427 | 215 |
| Others | 10 | 13 |
| Total | 440 | 230 |

22 Earnings Per Share

(Rs.in lakhs)

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|------------------------------|------------------------------|
| Weighted average number of shares outstanding during the year (Nos) | 21,054,400 | 21,054,400 |
| Net profit before extra ordinary items (Rs. in lakhs) | 6,636 | 6,943 |
| Net profit after extra ordinary item (Rs. in lakhs) | 6,636 | 6,916 |
| Basic and diluted earnings per share of Rs 10/- each excluding extra ordinary items (Rs.) | 31.52 | 32.98 |
| Basic and diluted earnings per share of Rs 10/- each including extra ordinary items (Rs.) | 31.52 | 32.85 |

23 Segment Reporting

The Corporation's main business is to provide custodial and depository participant services to its clients. All other activities of the Corporation revolve around the main business. As such, there are no separate reportable segments, as per the Accounting Standard on 'Segment Reporting (AS 17)' issued by the Institute of Chartered Accountants of India.

24 Related Parties**a. List of Related Parties****Subsidiary Companies**

SHCIL Services Limited

SHCIL Projects Limited

SHCIL Commodities and Derivatives Trading Ltd.

Unitech Value Solutions Pte Ltd.

Associates

IDBI Bank Ltd

IFCI Ltd

ICICI Bank Ltd.

UTI 1 (Administrator of the Specified Undertaking of Unit Trust of India)

Life Insurance Corporation of India Ltd.

General Insurance Corporation of India Ltd. and its erstwhile subsidiaries



Key Management Personnel

R. C. Razdan - Chairman and Managing Director upto September 7, 2008 . Managing Director and CEO w.e.f. September 8, 2008

b. Transactions with Related Parties during the year

| Particulars | Year ended March 31, 2009 | | | Year ended March 31, 2008 | | |
|---|---------------------------|------------|---------------------------|---------------------------|------------|---------------------------|
| | Subsidiaries | Associates | Key management personnel; | Subsidiaries | Associates | Key management personnel; |
| Service charges received | - | 5,323 | - | - | 6,374 | - |
| Rent & Maintenance paid | 76 | 412 | - | 95 | 460 | - |
| Reimbursement of office expenses | 14 | - | - | 10 | - | - |
| Sitting Fees paid | - | 5 | - | - | 6 | - |
| Insurance Premium paid | - | 153 | - | - | 167 | - |
| Gift Card Purchased | - | 72 | - | - | - | - |
| Claims Paid | - | - | - | - | 76 | - |
| Claims Received | - | - | - | - | 96 | - |
| Dividends paid | - | 3780 | - | - | 1,050 | - |
| Technical know-how fees | 237 | - | - | 226 | - | - |
| Managerial Remuneration | - | - | 21 | - | - | 17 |
| Brokerage received | 871 | - | - | 1,002 | - | - |
| License fees paid for sub-broking terminals | 10 | - | - | 9 | - | - |
| Sale of fixed assets | - | - | - | 11 | - | - |
| Purchase of Fixed Assets | 6 | - | - | 28 | - | - |
| Renovation expenses | - | - | - | 31 | - | - |
| Transaction charges received | - | - | - | 38 | - | - |
| Investments made | 110 | - | - | 334 | - | - |
| Deposits repaid | 500 | - | - | - | - | - |
| Outstanding balances | | | | | | |
| Trade and other Receivables | 68 | 884 | - | 81 | 2,895 | - |
| Deposits placed | 63 | - | - | 563 | - | - |

* denotes amounts of less than Rs 1 lakh

c The Significant Related Party Transaction are as under :

(Rs.in lakhs)

| Nature of Transaction | As at March 31, 2009 | As at March 31, 2008 |
|---|----------------------|----------------------|
| Service Charges received | | |
| LIC | 3,914 | 4,510 |
| GICI & its subsidiaries | 1,138 | 1,456 |
| Rent & Maintainance paid | | |
| IDBI Bank Ltd | 412 | 427 |
| SHCIL Services ltd | 76 | 95 |
| UTI1 | | 33 |
| Reimbursement of office expenses | | |
| SHCIL Services ltd | 14 | 10 |

(Rs.in lakhs)

| Nature of Transaction | As at March 31, 2009 | As at March 31, 2008 |
|--|-------------------------|-------------------------|
| Sitting Fees paid | | |
| NIA | 2 | 1 |
| IFCI | 1 | 1 |
| IDBI Bank Ltd | 1 | 1 |
| ICICI Bank Ltd | 1 | 1 |
| LIC | - | 2 |
| Insurance Premium paid | | |
| NIA | 153 | 167 |
| Gift Cards Purchased | | |
| IDBI Bank Ltd | 72 | - |
| Claims Paid | | |
| NIA | - | 76 |
| Claims Received | | |
| NIA | - | 96 |
| Dividends Paid | | |
| LIC | 568 | 158 |
| ICICI Bank Ltd | 643 | 179 |
| UTI 1 | 643 | 179 |
| GICI & its Subsidiaries | 567 | 158 |
| IFCI Ltd | 643 | 179 |
| IDBI Bank Ltd | 698 | 179 |
| Technical know-how fees | | |
| Unitech Value Solutions Pte Ltd. | 237 | 226 |
| Managerial Remuneration | | |
| R. Jayaraman Iyer | - | 3 |
| R. K. Bansal | - | 6 |
| R. C. Razdan | 21 | 8 |
| Brokerage received | | |
| SHCIL Services Ltd | 871 | 1,002 |
| License fees paid for sub-broking terminals | | |
| SHCIL Services Ltd | 10 | 9 |
| Sale of fixed assets | | |
| SHCIL Services Ltd | - | 11 |
| Purchase of Fixed Assets | | |
| SHCIL Services Ltd | 6 | 28 |
| Renovation Expenses | | |
| SHCIL Services Ltd | - | 31 |
| Software Development expenses | | |
| SHCIL Projects Limited | - | - |



(Rs.in lakhs)

| Nature of Transaction | As at March 31, 2009 | As at March 31, 2008 |
|-------------------------------------|-------------------------|-------------------------|
| Transaction charges received | | |
| SHCIL Services Ltd | - | 38 |
| Investments made | | |
| SHCIL Projects Ltd | 100 | 50 |
| SHCIL Services Ltd | 10 | 250 |
| Deposits Repaid | | |
| SHCIL Services Ltd | 500 | - |
| Outstanding Balances | | |
| Trade & other Receivable | | |
| LIC | 755 | 2,478 |
| GICI & its Subsidiaries | 82 | 341 |
| SHCIL Services Limited | 63 | 76 |
| Deposit Placed | | |
| SHCIL Services Ltd | 63 | 563 |

* denotes amounts of less than Rs 1 lakh

25 Figures for the previous year have been regrouped wherever necessary, so as to make them comparable with those of the current year.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI PART (IV) OF THE COMPANIES ACT, 1956

| | | |
|-----|---|---------------------------------|
| I | Registration Details | |
| | Registration Number | 40506 |
| | State Code | 11 |
| | Balance Sheet Date | 31.03.09 |
| II | Capital Raised during the year (Amount in Rs. Lakhs) | |
| | Public issue | Nil |
| | Right issue | Nil |
| | Bonus issue | Nil |
| | Private Placement | Nil |
| III | Position of mobilisation and deployment of Funds (Amount in Rs. Lakhs) | |
| | Total Liabilities | 32,346 |
| | Total Assets | 32,346 |
| | Sources of Funds | |
| | Paid Up Capital | 2,105 |
| | Reserves and Surplus | 30,241 |
| | Secured Loans | Nil |
| | Unsecured Loans | Nil |
| | Application of Funds | |
| | Net Fixed Assets | 5,663 |
| | Investments | 2,116 |
| | Net current Asset | 23,675 |
| | Deferred Tax Asset | 892 |
| | Miscellaneous Expenditure | Nil |
| | Accumulated Losses | Nil |
| IV | Performance of the Company (Amount in Rs. Lakhs) | |
| | Turnover | 22,763 |
| | Total Expenditure | 13,738 |
| | Profit Before Tax | 9,025 |
| | Profit After Tax before extraordinary items | 6,636 |
| | Profit After Tax and extraordinary items | 6,636 |
| | Dividend Rate % | 165% |
| V | Generic Names of Three Principal Products / Services of the Company (as per monetary Terms) | Custody and Depository Services |

SUBSIDIARIES

SHCIL SERVICES LIMITED

SHCIL PROJECTS LIMITED

SHCIL COMMODITIES AND DERIVATIVES TRADING COMPANY LIMITED

UNITEC VALUE SOLUTIONS PTE. LIMITED, SINGAPORE

BOARD OF DIRECTORS (AS ON JULY 2, 2009)

R. C. Razdan

Non Executive Chairman

P. H. Kutumbe

M. Ramaprasad

V. S. Nair

Nitin Jog

Dinesh Shah

Whole Time Director

Mitul Palankar

Company Secretary

Statutory Auditors

M/s. Kalyaniwalla & Mistry

DIRECTORS' REPORT

The Directors have the pleasure in presenting their Fourteenth Report on the business and operations of the Company and the Financial Accounts for the year ended March 31, 2009.

BUSINESS:

The Company is in the business of Stock Broking and member of BSE Cash Segment. The Stock Broking service is offered to individual investors and institutional clients. The Company has obtained membership from National Stock Exchange (NSE) for trading in Cash and F & O Segment. The registration of the same by SEBI is expected in near future.

OPERATIONS:

During the year, the company has earned a profit before tax of Rs. 28,673,486/-. The profit after tax is Rs. 12,414,234/-. The financial results are summarized below:

| Particulars | 2008-09 Rs. | 2007-08 Rs. |
|------------------------------|----------------|----------------|
| Total Income | 187,498,970 | 208,688,096 |
| Profit/ (Loss) Before Tax | 28,673,486 | 10,776,910 |
| Profit/ (Loss) After Tax | 12,414,234 | 14,458,327 |

Brokerage sharing ratio

SHCIL Services Limited (SSL's) net worth before end of financial year 08-09 was inadequate as per eligibility criteria set forth by Stock Exchanges. As infusion of capital by Stock Holding Corporation of India Limited (SHCIL) was thwarted, SSL approached SHCIL to approve higher brokerage ratio in favour of SSL at 50:50 (SHCIL: SSL) to meet net worth criteria for the financial year 2008-09 as against 75:25 earlier agreed to. SHCIL agreed with the request. As a result, SSL showed profit for the financial year 2008-09 in addition to meeting net worth norms of Stock Exchanges.

DIVIDEND:

With a view to conserving resources for business/ expansion your Directors do not recommend any dividend for financial year 2008-09.

DIRECTORS:

Mr. M. Ramaprasad, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for appointment.

Mr. R. C. Razdan who was appointed as an additional Director and Non Executive Chairman on October 18, 2007 was confirmed as a Director in the Annual General Meeting held on July 31, 2008.

Mr. V. S. Nair who was appointed as an additional Director on January 9, 2008 was confirmed as a Director in the Annual General Meeting held on July 31, 2008.

AUDIT COMMITTEE:

Your Company has constituted an Audit Committee, which consists of Mr. P. H. Kutumbe, Mr. Nitin Jog and Mr. V. S. Nair as Committee members. The Audit Committee had five meetings during the financial year.

STATUTORY AUDITORS:

M/s. Kalyaniwala & Mistry, Chartered Accountants were appointed as Statutory Auditors of the Company for the financial year 2008-09.

PARTICULARS OF THE EMPLOYEES UNDER SECTION 217(2A):

None of the employees of the Company were in receipt of remuneration exceeding the limits (i.e. Rs. 24,00,000/- per annum if employed throughout the financial year or Rs. 2,00,000 if employed for part of the financial year or paid remuneration in excess of that payable to the Whole-time Director) in respect of whom the particulars are required to be given in the Directors' Report u/s 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

FIXED DEPOSITS:

The Company has not accepted any Fixed Deposits from the Public during the financial year 2008-09.

BUY BACK OF SHARES:

During the financial year 2008-09, the Company has not announced any scheme of buy back of its shares from its shareholders. Accordingly, the requirement as to disclosure of reasons for failure to complete the buy back within the time specified under section 77A of the Companies Act, 1956 does not arise.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report Directors) Rules 1988.

- A) Conservation of Energy: Nil
- B) Technology Absorption: Nil
- C) Research & Development: Nil
- D) Foreign Exchange Earnings & Outgo: Nil

INVESTIGATIONS:

Investigation had been ordered into the affairs of the Company particularly in the context of allotment of shares to certain parties. These investigations point out that the allotments were void.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- (i) in the preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so

as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.

- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the Directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS:

The Board places on record its appreciation of the valuable patronage, cooperation and goodwill of Securities and Exchange Board of India, Stock Holding Corporation of India Ltd., Bombay Stock Exchange Ltd., National Stock Exchange Ltd., Clients, Banks & Financial Institutions and the staff and officers of the Company.

**For and on behalf of the
Board of Directors**

**Dinesh Shah
Whole Time Director**

**Nitin Jog
Director**

Place: Mumbai
Date: July 2, 2009

AUDITORS' REPORT

TO THE MEMBERS OF SHCIL SERVICES LIMITED

1. We have audited the attached Balance Sheet of SHCIL Services Limited as at March 31, 2009, the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are 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, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give 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 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 it appears from our examination of the books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, where applicable.
- e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, 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 state of affairs of the Company as at March 31, 2009, and
 - ii) in the case of the Profit and Loss Account, of the profit for the year ended on March 31, 2009.
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on March 31, 2009.
5. On the basis of the written representations received from the directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of

Kalyaniwalla and Mistry
Chartered Accountants

Vinayak M. Padwal
Partner
M. No. 49639

Place : Mumbai
Date : July 02, 2009

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph (3) of our report of even date on the accounts of SHCIL Services Limited for the year ended March 31, 2009.

- 1) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the Company during the year. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were reported on such verification.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets have not been disposed off by the Company during the year which could affect the going concern assumption.
- 2) (a) The Company has not granted any loans, secured or unsecured to a Company listed in the register maintained under Section 301 of the Companies Act, 1956.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- 3) In our opinion and according to the information and explanations given to us, the internal control procedures are commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and sale of services.
- 4) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of all the contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanation given to us, the transactions recorded in register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 5) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder.
- 6) The Company has an internal audit system, which is commensurate with the size and nature of its business.
- 7) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed for maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of the activities carried on by the Company.
- 8) (a) According to the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Customs Duty, Excise Duty, cess and other statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax or cess outstanding on account of any dispute.
- 9) The Company does not have accumulated losses, as at the end of the financial year, and it has not incurred cash losses in the current financial year. Also, it has not incurred any cash losses in immediately preceding financial year.
- 10) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- 11) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares and other securities.
- 12) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/ mutual benefit fund/ societies.

- 13) In our opinion, the Company has maintained proper records of the transactions and contracts in respect of investments purchased and sold during the year and timely entries have been made therein. The investments made by the Company are held in its own name.
- 14) According to the information and explanations given to us and the records examined by us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 15) As per the records examined by us, no term loans were obtained by the Company from banks or financial institutions.
- 16) On the basis of an overall examination of the balance sheet and cash flows of the Company and the information and explanations given to us, we report that the Company has not utilized the funds raised on short-term basis for long-term investment.
- 17) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 18) The Company did not issue any debentures during the year.
- 19) The Company has not raised any money through a public issue during the year.
- 20) Based on the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- For and on behalf of
- Kalyaniwalla and Mistry**
Chartered Accountants
- Vinayak M. Padwal**
Partner
M. No. 49639
- Place : Mumbai
Date : July 02, 2009

Balance Sheet As at March 31, 2009

| | Schedule | As at March 31, 2009 Rs. | As at March 31, 2008 Rs. |
|---|----------|--------------------------------|--------------------------------|
| SOURCES OF FUNDS: | | | |
| SHAREHOLDERS' FUNDS | | | |
| Share Capital | 1 | 53,862,500 | 53,862,500 |
| Reserves and Surplus | | 11,780,610 | - |
| | | <u>65,643,110</u> | <u>53,862,500</u> |
| APPLICATION OF FUNDS: | | | |
| FIXED ASSETS | | | |
| Gross Block | 2 | 64,369,744 | 66,264,182 |
| Less: Accumulated Depreciation | | 42,990,162 | 24,976,798 |
| Net Block | | 21,379,582 | 41,287,384 |
| Add: Capital Work-In-Progress | | 500,000 | 1,762,962 |
| | | <u>21,879,582</u> | 43,050,346 |
| INVESTMENTS | 3 | 750,000 | 1,500,000 |
| DEFERRED TAX ASSETS | 4 | 1,442,596 | 5,497,312 |
| CURRENT ASSETS, LOANS AND ADVANCES | | | |
| Stock In Trade | 5 | 76,214 | 167,800 |
| Sundry Debtors | 6 | 21,638,973 | 26,112,209 |
| Cash and Bank Balances | 7 | 547,080,140 | 407,523,420 |
| Other Current Assets | 8 | 2,440,683 | 2,942,271 |
| Loans and Advances | 9 | 28,124,000 | 38,443,909 |
| | | <u>599,360,010</u> | 475,189,609 |
| LESS: CURRENT LIABILITIES AND PROVISIONS | | | |
| Current Liabilities | 10 | 551,931,642 | 461,773,979 |
| Provisions | 11 | 5,857,436 | 10,234,412 |
| | | <u>557,789,078</u> | 472,008,391 |
| NET CURRENT ASSETS | | 41,570,932 | 3,181,218 |
| PROFIT AND LOSS ACCOUNT | | - | 633,624 |
| | | <u>65,643,110</u> | <u>53,862,500</u> |
| SIGNIFICANT ACCOUNTING POLICIES | | | |
| NOTES ON ACCOUNTS | 17 18 | | |

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

As per our report of even date

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants

Vinayak M. Padwal
Partner
Membership No. 49639

Place : Mumbai
Date : July 02, 2009

Mitul Palankar
Company Secretary

Maya Sawant
Head -Finance

Signatures to Balance Sheet and Schedules 1 to 11,17 and 18

For and on behalf of the Board

R.C.Razdan
Non Executive Chairman

Dinesh Shah
Whole Time Director

P.H.Kutumbe
M.Ramaprasad
V.S.Nair
Nitin Jog
Directors

Profit And Loss Account For the year ended March 31, 2009

| | Schedule | Year ended March 31, 2009 Rs. | Year ended March 31, 2008 Rs. |
|--|-----------------|--|--|
| INCOME : | | | |
| Income From Operations | 12 | 178,951,676 | 208,975,935 |
| Other Income | 13 | 8,547,294 | (287,838) |
| | | 187,498,970 | 208,688,097 |
| EXPENDITURE: | | | |
| Employee Cost | 14 | 21,317,132 | 28,052,267 |
| Sub - Brokerage Expenses | | 87,180,089 | 100,502,241 |
| Other Operating & Administrative Expenses | 15 | 30,983,001 | 49,686,774 |
| Interest And Financial Charges | 16 | 393,197 | 663,600 |
| Depreciation | | 18,952,065 | 19,006,305 |
| | | 158,825,484 | 197,911,187 |
| PROFIT/(LOSS) BEFORE TAXATION | | 28,673,486 | 10,776,910 |
| Provision for Taxation | | | |
| Current Tax | | 12,500,000 | 1,000,000 |
| Fringe Benefit Tax | | 245,000 | 450,000 |
| Deferred Tax | | 4,054,716 | (5,131,417) |
| PROFIT/(LOSS) FOR THE YEAR | | 11,873,770 | 14,458,327 |
| Excess Provision For IT Of Earlier Years | | 540,464 | - |
| PROFIT/(LOSS) AFTER TAXATION | | 12,414,234 | 14,458,327 |
| Balance Brought Forward | | (633,624) | (15,091,951) |
| PROFIT/(LOSS) CARRIED FORWARD | | 11,780,610 | (633,624) |
| Earning Per Share Before & After Extraordinary Items (Basic & Diluted) In Rs. | | 3.55 | 6.93 |
| SIGNIFICANT ACCOUNTING POLICIES | 17 | | |
| NOTES ON ACCOUNTS | 18 | | |

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

As per our report of even date

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants

Vinayak M. Padwal
Partner
Membership No. 49639

Place : Mumbai
Date : July 02, 2009

Mitul Palankar
Company Secretary

Maya Sawant
Head -Finance

Signatures to Profit & Loss Account
and Schedules 12 to 18

For and on behalf of the Board

R.C.Razdan
Non Executive Chairman

Dinesh Shah
Whole Time Director

P.H.Kutumbe
M.Ramaprasad
V.S.Nair
Nitin Jog
Directors

Cash Flow Statement for the year ended March 31, 2009

| | Year ended March 31, 2009 (Rs.) | Year ended March 31, 2008 (Rs.) |
|--|--|--|
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Profit / (Loss) Before Tax | 28,673,487 | 10,776,910 |
| Adjustments for : | | |
| (Profit)/Loss on Sale of Investment | (3,545) | (178,674) |
| Depreciation | 18,952,065 | 19,006,305 |
| Loss on Sale/Discard of Fixed Assets | 125,313 | 47,160 |
| Income from Dividend | (397,302) | (155,619) |
| Interest Earned | (6,160,514) | (5,984,562) |
| Interest Expense | 17,175 | 9,996 |
| Provision for Doubtful Debts | (77,091) | (805,491) |
| Bank and Financial Charges | 376,022 | 653,603 |
| Provision for Doubtful Deposits | - | 375,000 |
| Provision for Difference in Bank Reconciliation | 4,464,000 | 9,000,000 |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 45,969,610 | 32,744,628 |
| Adjustments for : | | |
| Trade & Other Receivables | 7,139,554 | 35,474,390 |
| Trade Payables | 83,275,983 | 211,105,902 |
| Cash Generated / (used) from Operations | 136,385,147 | 279,324,920 |
| Direct Taxes (Paid)/Refund | (3,880,682) | (4,313,204) |
| NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES (A) | 132,504,465 | 275,011,716 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (165,614) | (30,068,347) |
| Proceeds on Sale of Fixed Assets | 799,704 | 1,782,991 |
| Capital Advance | (500,000) | (1,762,962) |
| Purchase of Investments | (490,333,323) | (15,000,000) |
| Proceeds from Sale of Investments | 491,086,869 | 33,482,346 |
| Dividend Received | 397,302 | 155,619 |
| Interest Earned | 6,160,514 | 3,832,079 |
| NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES (B) | 7,445,452 | (7,578,274) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Issue of Share Capital | | 25,000,000 |
| Interest Expense | (17,175) | (9,996) |
| Bank and Finance Charges | (376,022) | (653,604) |
| NET CASH GENERATED FROM/(USED IN) FROM FINANCING ACTIVITIES (C) | (393,197) | 24,336,400 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C) | 139,556,720 | 291,769,841 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 407,523,420 | 115,753,579 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 547,080,140 | 407,523,420 |

As per our report of even date

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants

Vinayak M. Padwal
Partner
Membership No. 49639

Place : Mumbai
Date : July 02, 2009

Mitul Palankar
Company Secretary

Maya Sawant
Head -Finance

For and on behalf of the Board

R.C.Razdan
Non Executive Chairman

Dinesh Shah
Whole Time Director

P.H.Kutumbe
M.Ramaprasad
V.S.Nair
Nitin Jog
Directors

Schedules forming part of Balance Sheet as at March 31, 2009

| | As at March 31, 2009 Rs. | As at March 31, 2008 Rs. |
|---|--------------------------------|--------------------------------|
| SCHEDULE 1 : SHARE CAPITAL | | |
| <u>Authorised</u> | | |
| 5,000,000 (previous year 5,000,000) equity shares of Rs.10/- each | 50,000,000 | 50,000,000 |
| 5,000,000 (previous year 5,000,000) 7% non - cumulative convertible preference share of Rs. 10/- each | 50,000,000 | 50,000,000 |
| | 100,000,000 | 100,000,000 |
| <u>Issued, Subscribed and Paid-up</u> | | |
| 3,500,000 (previous year ended 31.03.08 - 3,500,000) equity shares of Rs.10/- each fully paid up | 35,000,000 | 35,000,000 |
| 1,886,250 (previous year ended 31.03.08 - 1,886,250) 7% non - cumulative convertible preference shares of Rs.10/- each | 18,862,500 | 18,862,500 |
| | 53,862,500 | 53,862,500 |

Schedule forming part of Balance Sheet as at March 31, 2009

Schedule 2 : FIXED ASSETS

(Amount in Rs.)

| Particulars | Gross Block | | | Depreciation | | | Net Block | |
|--------------------------|----------------------|------------------|------------------|----------------------|----------------------|--|----------------------|----------------------|
| | As at April 01, 2008 | Additions | Deductions | As at March 31, 2009 | As at April 01, 2008 | Depreciation for the Year Ended March 31, 2009 | As at March 31, 2009 | As at March 31, 2008 |
| Tangible Assets | | | | | | | | |
| Leasehold Improvements | 6,511,884 | - | 1,976,983 | 4,534,901 | 2,286,381 | 1,137,395 | 2,530,169 | 4,225,503 |
| Furniture & Fixtures | 1,858,744 | - | 725,591 | 1,133,153 | 551,473 | 77,356 | 278,025 | 1,307,271 |
| Office Equipments | 1,691,096 | 110,851 | 116,750 | 1,685,197 | 200,110 | 88,186 | 279,916 | 1,490,986 |
| Plant & Machinery | 699,962 | - | - | 699,962 | 55,383 | 33,248 | 88,631 | 644,579 |
| Motor Car | 887,546 | - | - | 887,546 | 53,768 | 84,317 | 138,085 | 833,778 |
| Computer Hardware | 40,497,209 | 70,763 | 1,019,690 | 39,548,282 | 14,653,146 | 13,309,023 | 27,529,918 | 25,844,063 |
| Intangible Assets | | | | | | | | |
| Computer Software | 14,117,741 | 1,762,962 | - | 15,880,703 | 7,176,537 | 4,968,881 | 12,145,418 | 6,941,204 |
| Grand Total | 66,264,182 | 1,944,576 | 3,839,014 | 64,369,744 | 24,976,798 | 19,698,406 | 42,990,162 | 41,287,384 |
| Previous Year | 38,879,457 | 30,068,347 | 2,683,622 | 66,264,182 | 6,823,964 | 19,006,305 | 41,287,384 | 32,055,493 |

Depreciation of Rs.745,295 is adjusted on account of leasehold premises written back during the year.

Schedules forming part of Balance Sheet as at March 31, 2009

SCHEDULE 3 : INVESTMENT

| Scrip Name | Face Value (Rs.) | Number | | | | Amount Rs. | |
|--|------------------|---------------------|----------------------------|------------------------|----------------------|----------------------|----------------------|
| | | As at April 1, 2008 | Acquired during the period | Sold during the period | As at March 31, 2009 | As at March 31, 2009 | As at March 31, 2008 |
| <u>Long Term Investment At Cost</u> | | | | | | | |
| <u>Unquoted</u> | | | | | | | |
| G K Management Services (I) Ltd. | 10 | 150,000 | - | 75,000 | 75,000 | 750,000 | 1,500,000 |
| <u>Mutual Fund</u> | | | | | | | |
| ICICI Prudential Mutual Fund | | - | 250,000 | 250,000 | - | - | - |
| UTI Liquid Fund | | - | 2,429 | 2,429 | - | - | - |
| LIC Mutual Fund | | - | 44,201,175 | 44,201,175 | - | - | - |
| | | | | | | 750,000 | 1,500,000 |
| <u>Current Investment</u> | | | | | | - | - |
| Total | | | | | | 750,000 | 1,500,000 |

Aggregate Book Value Of Investment

| | | |
|-----------------------------------|----------------|------------------|
| Quoted | - | - |
| Unquoted | 750,000 | 1,500,000 |
| | <u>750,000</u> | <u>1,500,000</u> |
| Market Value of Quoted Investment | - | - |

Schedules forming part of Balance Sheet as at March 31, 2009

| | As at March 31, 2009 Rs. | As at March 31, 2008 Rs. |
|---|--------------------------------|--------------------------------|
| SCHEDULE 4 : DEFERRED TAX ASSETS | | |
| <u>Deferred tax assets</u> | | |
| Provision for difference in bank reconciliation | 1,541,786 | 3,029,400 |
| Provision for doubtful debts / advances | 1,097,762 | 1,239,277 |
| Diminution in value of investments | 46,875 | 12,468 |
| Provision for leave encashment | 385,227 | 208,087 |
| Business loss of P.Y. carried forward | - | 942,012 |
| Unabsorbed depreciation of P.Y. carried forward | - | 5,048,720 |
| | 3,071,650 | 10,479,964 |
| <u>Deferred tax liabilities</u> | | |
| Difference in Net Block | 1,629,054 | 4,982,652 |
| | 1,442,596 | 5,497,312 |

SCHEDULE 5 : STOCK IN TRADE

| Scrip Name | Face Value (Rs.) | Number | | | | Amount Rs. | |
|---------------------------------|------------------|---------------------|----------------------------|------------------------|----------------------|----------------------|----------------------|
| | | As at April 1, 2008 | Acquired during the period | Sold during the period | As at March 31, 2009 | As at March 31, 2009 | As at March 31, 2008 |
| AIA Engineering | *2 | 100 | - | - | 500 | 169,074 | 169,074 |
| Aurcocok | 10 | - | 500 | 500 | - | - | - |
| Aztec Soft Ltd. | 3 | 100 | - | - | 100 | 10,186 | 10,186 |
| Bajaj Auto Finance | 10 | - | 42 | 42 | - | - | - |
| Central bank of india | 10 | - | 300 | 300 | - | - | - |
| Dhanalakshmi Bank | 10 | - | 100 | - | 100 | 9,773 | - |
| GMR Infrastructure | 2 | - | 200 | 200 | - | - | - |
| ICICI Bank | 10 | - | 50 | 50 | - | - | - |
| Indbull Real | 2 | - | 2,236 | 2,236 | - | - | - |
| Jaiprakash Association | 10 | - | 75 | 75 | - | - | - |
| Reliance Industries | 10 | - | 6 | 6 | - | - | - |
| Reliance Natural Resources | 5 | 96 | - | - | 96 | 22,093 | 22,093 |
| SRF Ltd | 10 | 15 | - | - | 15 | 2,997 | 2,997 |
| Other | - | 496 | - | 496 | - | - | 496 |
| | | | | | | 214,123 | 204,842 |
| Less : Provision For Diminution | | | | | | 137,909 | 37,042 |
| | | | | | | 76,214 | 167,800 |
| Total | | | | | | 76,214 | 167,800 |

*The face value of the shares of AIA Engineering changed from Rs.10/- to Rs.2/- from October 21, 2008.

Schedules forming part of Balance Sheet as at March 31, 2009

| | As at March 31, 2009 Rs. | As at March 31, 2008 Rs. |
|---|--------------------------------|--------------------------------|
| SCHEDULE 6 : SUNDRY DEBTORS | | |
| (Unsecured) | | |
| <u>Outstanding for a period over 6 months</u> | | |
| Considered good | 579,820 | 579,820 |
| Considered doubtful | 2,606,192 | 1,438,556 |
| | <u>3,186,012</u> | <u>2,018,376</u> |
| <u>Other debts</u> | | |
| Considered good | 21,059,152 | 25,532,389 |
| Considered doubtful | 623,468 | 1,868,194 |
| | <u>24,868,632</u> | <u>29,418,959</u> |
| Less : Provision for doubtful debts | 3,229,659 | 3,306,750 |
| | <u>21,638,973</u> | <u>26,112,209</u> |
| SCHEDULE 7 : CASH AND BANK BALANCES | | |
| Cash on hand | 5,529 | 5,619 |
| <u>Balances with Scheduled Banks</u> | | |
| In current account | 478,074,611 | 320,981,231 |
| In deposit account | 69,000,000 | 86,536,570 |
| | <u>547,080,140</u> | <u>407,523,420</u> |
| SCHEDULE 8 : OTHER CURRENT ASSETS | | |
| Accrued interest on fixed deposit | 2,244,723 | 2,942,271 |
| Accrued income | 195,960 | - |
| | <u>2,440,683</u> | <u>2,942,271</u> |

Schedules forming part of Balance Sheet as at March 31, 2009

| | As at March 31, 2009 Rs. | As at March 31, 2008 Rs. |
|---|--------------------------------|--------------------------------|
| SCHEDULE 9 : LOANS AND ADVANCES | | |
| (Unsecured and considered good, unless stated otherwise) | | |
| Base capital deposit | 16,000,000 | 16,000,000 |
| Security deposit - premises and utilities | 4,588,021 | 5,364,021 |
| Advances recoverable in cash or in kind | 962,742 | 1,930,609 |
| Advance payment of taxes (net of provisions for taxes 14,345,000/-; previous year 1,968,528/-) | (761,052) | 7,734,738 |
| PMS | 2,472,383 | 3,889,198 |
| Other advances | 4,861,906 | 3,525,343 |
| | <u>28,124,000</u> | <u>38,443,909</u> |
| SCHEDULE 10 : CURRENT LIABILITIES | | |
| Sundry Creditors | | |
| Total outstanding dues of micro, small & medium enterprises | - | - |
| Dues to client | 517,587,542 | 380,663,038 |
| Dues to other creditors | 25,571,717 | 20,764,181 |
| PMS | 2,472,383 | 4,046,760 |
| Deposits | 6,300,000 | 56,300,000 |
| | <u>551,931,642</u> | <u>461,773,979</u> |
| SCHEDULE 11 : PROVISIONS | | |
| Provision for | | |
| Retirement benefits | 1,321,436 | 1,234,412 |
| Difference in bank reconciliation | 4,536,000 | 9,000,000 |
| | <u>5,857,436</u> | <u>10,234,412</u> |

Schedules forming part of Profit and Loss Account for the year March 31, 2009

| | Year ended March 31, 2009 Rs. | Year ended March 31, 2008 Rs. |
|--|-------------------------------------|-------------------------------------|
| SCHEDULE 12 : INCOME FROM OPERATIONS | | |
| Brokerage | 175,838,008 | 206,066,339 |
| Demat charges from client | 1,871,500 | - |
| Cheque dishonour charges | 590,300 | 239,200 |
| Account opening charges | 137,567 | 1,682,747 |
| PMS - management fees | 343,164 | 64,362 |
| ODIN charges | 171,137 | 195,000 |
| Profit on sale of current investments | - | 724,744 |
| Commission | - | 3,543 |
| | 178,951,676 | 208,975,935 |
| SCHEDULE 13 : OTHER INCOME | | |
| Dividend from mutual funds & others | 397,302 | 155,619 |
| Interest on fixed deposits (TDS : CY - 1,261,324/- , PY - 1,214,225/-) | 6,160,514 | 5,926,343 |
| Interest on deposits with others(TDS : CY - NIL , PY - 13,064/-) | - | 58,219 |
| Misc income | 1,989,478 | (6,428,019) |
| | 8,547,294 | (287,838) |

Schedules forming part of Profit and Loss Account for the year March 31, 2009

| | Year ended March 31, 2009 Rs. | Year ended March 31, 2008 Rs. |
|---|-------------------------------------|-------------------------------------|
| SCHEDULE 14 : EMPLOYEE COST | | |
| Salaries, allowance & bonus | 18,914,400 | 25,006,140 |
| Contribution to provident fund and other funds | 1,286,970 | 1,776,246 |
| Staff welfare expenses | 1,115,762 | 1,269,881 |
| | <u>21,317,132</u> | <u>28,052,267</u> |
| SCHEDULE 15 : OTHER OPERATING EXPENSES | | |
| Advertisement | 6,998 | 141,160 |
| Connectivity charges | 3,026,236 | 4,021,915 |
| Depository charges | 2,967 | 97,092 |
| Directors sitting fees | 185,000 | 243,000 |
| Electricity | 1,261,771 | 1,514,917 |
| Insurance | 190,680 | 187,274 |
| Legal fees | 112,483 | 2,512,088 |
| Professional fees | 1,915,394 | 6,416,277 |
| Miscellaneous expenses | 1,549,613 | 1,581,485 |
| Office expenses | 1,081,236 | 1,769,492 |
| Outsourcing expenses | 1,436,337 | 1,169,638 |
| Postage & courier | 355,058 | 283,227 |
| Printing & stationery | 853,021 | 1,241,979 |
| Rent | 20,343,656 | 10,890,988 |
| Repairs & maintenance | 1,826,134 | 2,138,389 |
| Telephone & communication | 560,762 | 950,030 |
| Travelling & conveyance | 538,322 | 2,970,034 |
| Advances / bad debts written off | 29,753 | 3,102,546 |
| Loss on sale of assets | 125,313 | 47,160 |
| Loss on sale of shares | 22,491 | - |
| Provision for doubtful deposits | - | 375,000 |
| Provision for differences in bank reconciliation | (4,464,000) | 9,000,000 |
| Provision for diminution in value of investments | 100,867 | (161,427) |
| Provision for doubtful debts | (77,091) | (805,490) |
| | <u>30,983,001</u> | <u>49,686,774</u> |
| SCHEDULE 16 : INTEREST & FINANCIAL CHARGES | | |
| Interest | 17,175 | 9,996 |
| Bank & financial charges | 376,022 | 653,604 |
| | <u>393,197</u> | <u>663,600</u> |

SCHEDULE 17**SIGNIFICANT ACCOUNTING POLICIES****a) Accounting Convention:**

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, in accordance with the generally accepted accounting principles in India and the Accounting standards issued by the Institute of Chartered Accountants of India.

b) Use of Estimates:

The presentation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

c) Revenue Recognition:

Brokerage income is recognised on accrual basis.

Interest Income is recognised on accrual basis.

d) Fixed Assets:

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes expenses related to acquisition and installation of the concerned asset.

e) Depreciation:

Depreciation is provided on the straight line method at rates specified in the Schedule XIV of the Companies Act, 1956 except leasehold improvements, computer hardware and software. The leasehold improvements are amortized over the period of lease and computer hardware is written off over the period of three years. Depreciation on assets acquired / disposed during the year is provided on pro rata basis from / upto the date of acquisition / disposal. Computer software, an intangible asset, is amortized over its estimated useful life namely, of three years.

f) Asset Impairment:

The company reviews the carrying value of the tangible and intangible assets for any possible impairment at each balance sheet date. An impairment loss is recognized when carrying amount of an asset exceeds its recoverable amount. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value based on appropriate discount rate.

g) Investments:

Investments are classified into current and long term investments. Current investments are stated at lower of cost or market value. Long terms investments are stated at cost. Provisions, if any, in the value of each long term investment is made to recognize a decline, other than of temporary nature.

h) Stock-in-trade:

Securities held for trade and those devolved on the company in the process of settlement of transactions are held as stock-in-trade. Securities are valued at lower of cost and net realisable value.

i) Taxation:

Provision for current income tax is made on the basis of the assessable income under the Income Tax Act, 1961. Deferred income tax on account of timing difference between taxable income and accounting income for the

year is accounted for by applying the tax rates and laws enacted or substantially enacted on the balance sheet date. Deferred tax assets subject to the consideration of prudence are recognised and carried forward only to the extent there is reasonable certainty that sufficient taxable profits will be available in future against which the deferred tax assets can be realised.

j) Provision & Contingent Liabilities:

Provisions are recognised in the accounts in respect of present probable obligations, the amount of which can be reliably estimated. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed on the occurrence of one or more uncertain future events not within the control of the company.

k) Securities on Deposit:

Securities on deposit and in the process of transfer to / from client / exchange are not recorded in the accompanying financial statements.

l) Employee Benefits:

1. Defined Contribution Plan:

Employee Benefits in the form of Provident Fund, Family Pension Fund and Superannuation Fund are considered as defined contribution plans and the contributions are charged to Profit and Loss Account of the year when the respective contributions are due.

2. Defined Benefit Plan:

Retirement benefit in the form of Gratuity is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation using the projected unit credit method, as at the date of the Balance Sheet.

3. Other long term benefits:

Long term compensated absences are provided for on the basis of an actuarial valuation using the projected credit unit method as at the date of the balance sheet. Actuarial gains/losses, if any, are immediately recognised in Profit & Loss Account.

SCHEDULE 18**NOTES ON ACCOUNTS****1. Background**

SHCIL Services Limited (formerly National Depository Corporation of India Ltd.) was incorporated on 14th February, 1995 and is engaged in the business of broking and advisory services. The Company has no branches/offices across the country.

2. Estimated amount of contracts remaining to be executed on capital account - Rs. 2,080,000/- (Previous Year - Rs. 2,080,000/-)

3. Fixed Deposits

- a. Fixed Deposits amounting to Rs. NIL (Previous Year - Rs. 40,000,000/-) have been pledged with the Corporation Bank towards margin money against Bank Guarantees issued by the said Bank in favour of Bombay Stock Exchange Ltd.
- b. Fixed Deposits amounting to Rs. 32,500,000/-(Previous Year - Rs. NIL) have been placed as collateral with the Corporation Bank towards overdraft facility availed from the Bank.
4. Amount receivable / payable from / to clients / exchanges on account of broking transactions are accounted in the books on the date of settlement instead of on the date of transaction.
5. The bank accounts, client accounts and sub-broker accounts balances are subject to reconciliation, adjustments and confirmation.
6. **Expenditure in Foreign Currency**

| Particulars | Year ended March 31, | |
|-------------------------|----------------------|---------------|
| | 2009 (Rs.) | 2008 (Rs.) |
| Directors' Sitting Fees | - | 5,000 |
| Total | - | 5,000 |

7. Earning Per Share

| Particulars | Year ended March 31, | |
|--|----------------------|------------|
| | 2009 | 2008 |
| Number of Shares at the beginning of the year | 3,500,000 | 1,000,000 |
| Number of Shares at the end of the Year | 3,500,000 | 3,500,000 |
| Weighted average of Shares outstanding during the year | 3,500,000 | 2,086,066 |
| Net Profit / (Loss) for the year ended (Rs.) | 12,414,234 | 14,458,327 |
| Less : Preference dividend on Non-cumulative shares provided for (Rs.) | - | - |
| Net Profit / (Loss) Available for equity shareholders (Rs.) | 12,414,234 | 14,458,327 |
| Basic & Diluted earning per share (Rs.) | 3.55 | 6.93 |

8. The Company is in the process of compiling the information regarding the status of the suppliers as defined under the "Micro, Small, and Medium Enterprises Development Act 2006". Based on the information available with the Company, the amount overdue as on March 31, 2009 on account of principal amount together with interest aggregates to Rs. NIL.

9. Auditor's Remuneration

| Particulars | Year ended March 31, | |
|----------------|----------------------|----------------|
| | 2009 (Rs.) | 2008 (Rs.) |
| Audit Fees | 400,000 | 100,000 |
| Tax Audit Fees | 100,000 | 50,000 |
| Other Services | - | 75,000 |
| Total | 500,000 | 225,000 |

10. Disclosure pursuant to Accounting Standard –15 (Revised) 'Employee Benefits'

- a. Effective from April 1, 2007, the company has adopted Accounting Standard 15(revised 2005) on "Employee Benefits" issued by ICAI.
- b. The Company has recognized the following amounts in the Profit and Loss Account for the year:

A)

| Particulars | As at March 31, | |
|--|-----------------|---------------|
| | 2009 (Rs.) | 2008 (Rs.) |
| Contribution to Employees' Provident Fund | 661,822 | 934,024 |
| Contribution to Employees' Superannuation Fund | 107,698 | 127,422 |
| Contribution to Employees' Pension Scheme | 384,851 | 532,668 |

- B)** Defined Benefit Plans & other Long Term Employee Benefit valuations in respect of Gratuity have been carried out by an independent actuary as at the Balance sheet date based on the following assumptions:

| Actuarial Assumption | | As at March 31, | |
|----------------------|-------------------------------|-----------------|-----------|
| | | 2009 % | 2008 % |
| a | Discount Rate | 7.5 | 8 |
| b | Rate of Return on plan Assets | 8 | 8 |
| c | Salary Escalation | 5 | 5 |

i) Change in Benefit Obligation

| Particulars | As at March 31, | |
|--|-----------------|---------------|
| | 2009 (Rs.) | 2008 (Rs.) |
| Liability at the beginning of the year | 235,209 | 113,017 |
| Interest Cost | 35,157 | 29,425 |
| Current Service Cost | 204,251 | 254,793 |
| Actuarial (gain)/loss on obligations | 80,915 | (162,027) |
| Liability at the end of the year | 555,532 | 235,209 |

ii) Fair value of Plan Assets

| Particulars | As at March 31, | |
|--|-----------------|---------------|
| | 2009 (Rs.) | 2008 (Rs.) |
| Fair Value of Plan Assets at the beginning of the year | 294,719 | 79,549 |
| Expected Return on Plan Assets | 34,772 | 24,990 |
| Contributions | 139,933 | 232,824 |
| Actuarial gain/(loss) on Plan Assets | (1,484) | (24,990) |
| Fair Value of Plan Assets at the end of the year | 467,940 | 312,373 |
| Total Actuarial Gain/(Loss) To Be Recognised | (82,399) | 137,037 |

iii) Actual Return on Plan Assets

| Particulars | As at March 31, | |
|--------------------------------------|-----------------|---------------|
| | 2009 (Rs.) | 2008 (Rs.) |
| Expected Return on Plan Assets | 34,772 | 24,990 |
| Actuarial gain/(loss) on Plan Assets | (1,484) | (24,990) |
| Actual Return on Plan Assets | 33,288 | - |

iv) Amount Recognised in the Balance Sheet

| Particulars | As at March 31, | |
|--|-----------------|---------------|
| | 2009 (Rs.) | 2008 (Rs.) |
| Liability at the end of the year | 555,532 | 235,209 |
| Fair Value of Plan Assets at the end of the year | 467,940 | 312,373 |
| Difference | (87,592) | 77,164 |
| Unrecognised Past Service Cost | - | - |
| Unrecognised Transition Liability | - | - |
| Amount Recognised in the Balance Sheet | (87,592) | 77,164 |

v) Expenses Recognised in the Income Statement

| Particulars | As at March 31, | |
|--------------------------------|-----------------|---------------|
| | 2009 (Rs.) | 2008 (Rs.) |
| Current Service Cost | 204,251 | 254,793 |
| Interest Cost | 35,157 | 29,425 |
| Expected Return on Plan Assets | (34,772) | (24,990) |
| Actuarial Gain or Loss | 82,399 | 137,037 |
| Expense Recognised in P& L | 287,035 | 122,192 |

vi) Basis used to determine expected rate of return on assets

Expected rate of return on investments is determined based on the assessment made by the Company at the beginning of the year on the return expected on its existing portfolio since these are generally held to maturity, along with the estimated incremental investments to be made during the year.

vii) General descriptions of significant defined plans

Gratuity is payable to all eligible employees of the company on superannuation, death and resignation in terms of provisions of the payment of Gratuity Act or as per the Company's scheme whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn base salary.

11. Related Parties

List of Related Parties

a. Holding Company

Stock Holding Corporation of India Limited

b. Fellow Subsidiary

SHCIL Projects Limited

c. Key Management Personnel

Dinesh Shah - Whole Time Director

Transactions with related party during the year ended March 31, 2009

(Amount in Rs.)

| Nature of transaction | Holding Company | Fellow Subsidiary | Associate / Firm | Key Managerial Personnel | Total |
|--------------------------------------|---|--------------------------------|---------------------------------|--------------------------|---|
| Service charges received | 670,528 <i>3,315,584</i> | - | - | - | 670,528 <i>3,315,584</i> |
| Service charges paid | 97,745,906 <i>104,339,774</i> | - | - | - | 97,745,906 <i>104,339,774</i> |
| Interest Income | - | - | <i>58,219</i> | - | <i>58,219</i> |
| Reimbursement of Expenses (Net) | 10,063,338 <i>11,337,139</i> | 7,500 <i>30,000</i> | 87,495 <i>815,850</i> | - | 10,158,333 <i>12,182,989</i> |
| Managerial Remuneration | 2,223,880 <i>504,747</i> | - | - | <i>544,738</i> | 2,223,880 <i>1,049,485</i> |
| Purchase of Fixed Assets | - <i>781,000</i> | - | - | - | <i>781,000</i> |
| Sale of Fixed Assets | 574,108 <i>5,512,500</i> | - | - | - | 574,108 <i>5,512,500</i> |
| Placement of Deposits | - <i>290,000,000</i> | - | - | - | <i>290,000,000</i> |
| Repayment of Deposits | 50,000,000 <i>260,000,000</i> | - | <i>7,500,000</i> | - | 50,000,000 <i>267,500,000</i> |
| Sale of Investments | - <i>8,388,104</i> | - | - | - | <i>8,388,104</i> |
| Subscription to Share Capital | - <i>25,000,000</i> | - | - | - | <i>25,000,000</i> |
| Outstanding balances | | | | | |
| Trade and other receivable/(payable) | (9,939,905) <i>871,994</i> | 61,032 <i>38,532</i> | - <i>862</i> | - | (9,878,873) <i>911,388</i> |
| Deposits receivable/(payable) | (6,300,000) <i>56,300,000</i> | - | - | - | (6,300,000) <i>56,300,000</i> |

*The figures in italics are for the year ended March 31, 2008.

12. Leases

The company's significant leasing agreements are in respect of operating lease for office premises and residential premises. These leasing agreements are cancelable and renewable by mutual consent on mutually acceptable terms. The net aggregate lease rental payable by the company is charged to profit and loss account as rent amounting to Rs. 20,343,656/- (Previous Year Rs. 10,890,888/-).

13. Managerial Remuneration

Managerial Remuneration paid /payable to Directors for the year is as follows:

| Particulars | As at March 31, | |
|------------------------------------|------------------|------------------|
| | 2009 (Rs.) | 2008 (Rs.) |
| Salary | 1,809,644 | 975,296 |
| Contribution to PF | 51,671 | 55,483 |
| Contribution to Retirement Benefit | 92,989 | - |
| Telephone / Newspaper | 15,109 | 18,706 |
| Total | 1,969,413 | 1,049,485 |

14. Segment Reporting

The company's main business is to provide broking services to its clients. As such, there are no separate reportable segments, as per the Accounting Standard on "Segment Reporting" (AS 17) issued by ICAI.

15. Additional information required under Schedule VI, Part II of the Companies Act, 1956 to the extent not applicable has not been given.
16. Figures for the corresponding previous year have been regrouped, recast and rearranged to conform to those of current year.

**Balance Sheet Abstract and the Company's General Business Profile
As per Schedule VI, Part IV of the Companies Act, 1956**

I Registration Details

| | |
|--------------------|------------|
| Registration No. | 85602 |
| State Code | 11 |
| Balance Sheet Date | 31/03/2009 |

II Capital Raised During The Year (Amount in Rs. Thousands)

| | |
|-------------------|-----|
| Public Issue | NIL |
| Rights Issue | NIL |
| Bonus Issue | NIL |
| Private Placement | NIL |

III Position of Mobilisation And Deployment of Funds (Amount in Rs. Thousands)

| | |
|-------------------|--------|
| Total Liabilities | 65,643 |
| Total Assets | 65,643 |

Sources of Funds

| | |
|--------------------|--------|
| Paid-Up Capital | 53,862 |
| Reserves & Surplus | 11,781 |
| Secured Loans | NIL |
| Unsecured Loans | NIL |

Application of Funds

| | |
|--------------------------|--------|
| Net Fixed Assets | 21,379 |
| Capital Work in Progress | 500 |
| Investments | 750 |
| Net Current Assets | 41,571 |
| Deferred Tax Assets | 1,443 |
| Accumulated Losses | 0 |

IV Performance of Company (Amount in Rs. Thousands)

| | |
|---------------------------|---------|
| Total Income | 187,499 |
| Total Expenditure | 158,825 |
| Profit/Loss(-) Before Tax | 28,674 |
| Profit/Loss(-) After Tax | 12,414 |
| Earnings Per Share In Rs. | 3.55 |
| Dividend Rate (%) | NIL |

**V Generic Names of Three Principal Products/Services of Company
(As Per Monetary Terms)**

| | |
|--------------------------|---------------|
| Item Code No. (ITC Code) | *** N.A. |
| Product Description | Stock Broking |

*** No item code has been assigned to "Stock Broking" under Indian Trade Classification.

R. C Razdan
Non Executive Chairman

Dinesh Shah
Whole Time Director

Mitul Palankar
Company Secretary

P. H. Kutumbe
Director

M. Ramaprasad
Director

Place : Mumbai
Date : July 02, 2009

Maya Sawant
Head – Finance

V. S. Nair
Director

Nitin Jog
Director

Board of Directors

G.S.P.Sinha

L.Viswanathan

R.H.Mewawala

J.S.Narang

Manoj Borkar

Sanjeev Vivrekar

Chief Executive Officer

M/s D.A.Kamat & Co, Mumbai

Whole time Practicing Company Secretary

Statutory Auditors

M/s PKF Sridhar & Santhanam, Mumbai

Performance Highlights

For the Period ended
March 31, 2009
(Amt in Rs)

Earnings:

| | |
|------------------------|-----------|
| Income From Operations | 1,500,646 |
| Dividend Income | 191,112 |

Expenses:

| | |
|----------------------------|-------------|
| Operating Expenses | 2,612,911 |
| Preliminary Expenses w/o | - |
| Depreciation | 512,554 |
| Loss before Taxation | (1,433,707) |
| Provision for Deferred Tax | 137,309 |
| Provision for FBT | 15,937 |
| Loss After Taxation | (1,586,953) |

Assets Employed:

| | |
|----------------------------------|-------------------|
| Net Fixed Assets | 2,697,037 |
| Investments | 867,535 |
| Current Assets, Loans & Advances | 11,916,181 |
| Profit & Loss Account | (3,509,355) |
| Current Liabilities & Provisions | 1,338,018 |
| Total Assets | 17,652,090 |

Financed by:

| | |
|--------------------------|-------------------|
| Share Capital | 17,500,000 |
| Deferred Tax Liabilities | 152,090 |
| Total Funds | 17,652,090 |

DIRECTORS' REPORT

The Directors are pleased to present the third Annual Report of your Company along with the audited Statement of Accounts for the F.Y. ended March 31, 2009.

Financial Results

(Rs in Lakh)

| Particulars | March 31, 2009 | March 31, 2008 |
|----------------------------------|-------------------|-------------------|
| Income from Operations | 15.00 | 14.13 |
| Other Income | 1.91 | 3.21 |
| Expenditure | 31.25 | 29.98 |
| Loss before Tax | (14.33) | (12.64) |
| Provision for FBT & Deferred Tax | 1.53 | (0.06) |
| Loss after Tax | (15.86) | (12.70) |

Operations

At present SPL is into low-end job of scanning documents, this will help SPL to meet the tender participation requirements norms in long run.

As per the approved business plan 2008-13 revised to 2009-14, SPL appointed the CEO w.e.f from April 1, 2009. In line with approved business plan SPL has started the recruitment, infrastructure development and software development of Document Management system, which will be gradually, scaled upto Enterprise content management System.

SPL is in the process of taking over the Physical custody of non-securities document from SHCIL once the valuation process is completed. To expand the physical custody and operation SPL is in discussion with SHCIL for allocating office space of approx 10,000Sqft area and approx 15000sqft area for vaults and document storage in Mhape.

Once the rent rates are approved SPL intends to build state-of -the -art document storage facility at Mhape with robotics/stacker crane. Till then SPL will build a temporary storage at Mhape to meet the business needs.

Dividend

In view of operational loss of Rs 15.86 Lakhs the Directors do not recommend any dividend for the F.Y. ended March 31,2009.

Board of Directors

Shri G.S.P. Sinha, Shri L. Viswanathan, Shri R.H.Mewawala, Shri Manoj Borkar, and Shri J.S.Narang were the Directors of the Company,

Shri Sanjeev Vivrekar joined the Board as Additional Director on February 18, 2009. The shareholders approved his appointment at the Extra Ordinary General Meeting held on March 25, 2009 as CEO and Director w.e.f April 01, 2009

Shri Manoj Borkar and Shri J.S. Narang, Directors will retire at the ensuing Annual General Meeting and are eligible for re-appointment

Statutory Auditors

The present Statutory Auditors of the Company M/s Sridhar & Santhanam, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Compliance Certificate

The Company has appointed M/s D. A. Kamat & Co. whole time practicing Company Secretary to issue compliance certificate for the financial year 2008-09. Pursuant thereto, SPL is in receipt of Secretarial Compliance Certificate from M/s D.A. Kamat & Co.

Transfer to Reserves

As the Company has incurred a loss there is no need to transfer any amount to general reserve.

Fixed Deposits

The Company has not accepted any fixed deposits from public. Hence no information is required to be appended to this report.

Buy Back of Shares

During the financial year 2008-09, the Company has not announced any scheme of buy back of its shares from its shareholders. Accordingly the requirement as to disclosure of reasons for failure to complete the buy back within the time specified under Section 77A of the Companies Act, 1956 does not arise.

Particulars of Employees Under Section 217(2a)

Since none of the employees of the Company earned income in excess of the amount specified under the

provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the relevant provisions are not applicable.

Companies (Disclosure of particulars in the Report of the Board of Directors) - Rules 1988

- a) As the Company does not carry out manufacturing activities, particulars required to be disclosed with respect to conservation of energy and technology absorption in terms of Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.
- b) Foreign Exchange earning and outgoing during the year under review:
- | | |
|----------------------------|-----|
| Foreign Exchange earnings- | NIL |
| Foreign Exchange outgo- | NIL |

Director's Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, Directors state that,

- In the preparation of annual accounts the applicable accounting standards have been followed;
- Accounting policies selected were applied consistently. Reasonable and prudent judgements and estimates were made so as to give a true and

fair view of the state of affairs of the Company as at the end of March 31, 2009 and of the Company for the period ended on that date;

- Proper and sufficient care has been taken 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 the preventing and detecting frauds and other irregularities;
- The annual accounts of the Company have been prepared on going concern basis.

Acknowledgements

The Board places on record its appreciation of the valuable cooperation and goodwill of the customers & banks. The Board also expresses its sincere thanks to the Central and State Governments and to the Stock Holding Corporation of India Ltd for their cooperation and support in various spheres of the Companies activities. The Board of Directors also wishes to place on record its appreciation of the dedication and hard work of the staff and officers of the Company.

**For and on behalf of the
Board of Directors**

Place: Mumbai
Date : June 30, 2009

G. S. P. Sinha
Chairman of the Meeting

AUDITORS' REPORT

To The Members of SHCIL Projects Ltd.

1. We have audited the attached balance sheet of SHCIL Projects Ltd as at March 31, 2009, the profit and loss account for the period ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are 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 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:
 - (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, profit and loss account dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the balance sheet, profit and loss account and Notes to accounts 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 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 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 explanations given to us, the said accounts read with the notes there on 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:
 - (a) In the case of the balance sheet, of the state of affairs of the company as at March 31, 2009;
 - (b) In case of the profit and loss account, of the loss for the period ended on that date;

For PKF Sridhar & Santhanam

Chartered Accountants

S.Prasana Kumar

Partner

Membership No. 212354

Place: Mumbai

Date: April 23, 2009

Annexure to the Auditors' Report

Re : SHCIL Projects Ltd.

Referred to in paragraph 3 of our report of even date, In terms of the information and explanations given to us and the books and records examined by us in the course of audit and to the best of our knowledge and belief, we state that:

1. a) The Company is maintaining proper records for all major assets showing full particulars including quantitative details and situation of fixed assets.
- b) The fixed assets have been physically verified by the management at periodic intervals ; no material discrepancies were noticed on such verification.
- c) The Company has not sold or disposed off any assets during the year.
2. The Company has not granted or taken any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act 1956.
3. There is adequate internal control procedure commensurate with the size of the company and the nature of its business for purchase of fixed assets; and for sale of goods and services. During the course of our audit, we have not observed any continuing failures to correct major weaknesses in internal controls.
4. The Company has an internal audit system, which in our opinion, is commensurate with the size of the company and nature of its business.
5. a) The Company is regular in depositing with appropriate authorities undisputed statutory

dues including Provident fund, investor education protection fund, Employees' State Insurance, Income tax, Sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues ,as applicable to it.

- b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty were in arrears, as on March 31, 2009 for a period of more than six months from the date they become payable.
- c) There are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess, which have not been deposited on account of any dispute.
6. On an overall examination of the Balance sheet of the Company, funds raised on short term have not been used for long-term uses.
7. No fraud on or by the Company has been noticed or reported during the year
8. Clauses (ii), (v), (vi), (viii), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi), (xviii),(xix) and (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company during the year under review.

For PKF Sridhar & Santhanam

Chartered Accountants

S.Prasana Kumar

Partner

Membership No. 212354

Place: Mumbai

Date: April 23, 2009

**FORM
(S E E R U L E 3)
Compliance Certificate**

Registration No. 11- 163728

Nominal Capital Rs. 10, 00, 00,000/-

To,

The Members of

SHCIL PROJECTS LIMITED

I have examined the registers, records, books and papers of SHCIL PROJECTS 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 March 31, 2009. In my opinion and to the best of my information and according to the examinations carried by me and explanations furnished to me/us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies or other authorities under the Act and the rules made hereunder.
3. The Company is a Public Limited Company with an Authorised Share Capital of Rs. 100,000,000.
4. The Board of Directors duly met 6 (Six) times respectively on April 10, 2008, June 06, 2008, September 16, 2008, November 12, 2008, February 18, 2009, March 30, 2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has not closed its Register of members during the financial year.
6. The Annual General Meeting of the Company for the Financial year ending on March 31, 2008 was held on July 14, 2008 and the resolution passed thereat were duly recorded in the minutes book maintained for the purpose.
7. One Extra ordinary meeting was held during the financial year on March 18, 2009.
8. The company has not advanced any loan to its Directors and/or persons or firms or companies referred to in Section 295 of the Act after complying with the provisions of the Act.
9. The company has duly complied with the provisions of sec 297 of the act in respect of contracts specified in that Section wherever it is required.
10. The company has made the necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, regarding appointment of directors of the Company has not obtained any approvals from the Board of Directors, Members, or Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13. The Company:
 - i. Has delivered all the certificates of securities on allotment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - ii. Was not required to deposit any amount in a separate bank account as no dividend was declared during the financial year under scrutiny.
 - iii. Was not required to post warrants for dividends to any members of the Company as no dividend was declared during the financial year under scrutiny.
 - iv. Was not required to transfer any amount in the unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to investor Education and Protection Fund.
 - v. Had duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and the appointment of Directors,

Additional Directors, Alternate Directors and Directors to fill casual vacancies, have been duly made.

15. The Company has appointed Mr. Sanjeev Vivrekar as a Chief Executive Officer of the Company, in the EGM held on March 18, 2009, after acquiring approval from the members.
16. The Company has not appointed any sole-selling agents during the year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Companies Act, 1956.
18. The directors have disclosed their interest in other firms/companies to the Board or Directors pursuant to the provisions of the Act and the rules made hereunder.
19. The company has received the Shareholders' approval under Section 81(1A) of the Act in the EGM held on March 18, 2009 to make a preferential allotment of Equity Shares of 42,50,000 Equity Shares of Rs. 10/- each, in tranches to its Holding Company, Stock Holding Corporation of India Limited. Pursuant to this resolution, the Company has made an allotment of 10,00,000 Equity Shares on March 30, 2009.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preferences shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, Rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowings during the financial year and hence do not attract

provisions of Section 293(1)(d) of the Companies Act, 1956.

25. The company has not issued any loans and investments, or given guarantees or provided securities to other bodies corporate during the year outside the purview of the provisions of Section 372A of the Companies Act.
26. 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.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association during the financial year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the Company during the financial year under scrutiny.
32. The company has not received any money as security from its employees during the financial year under scrutiny.
33. The company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

Practicing Company Secretary

Place: Mumbai
Date: June 30, 2009

D. A. Kamat
C. P. No. : 4965

Annexure A

Registers as maintained by the Company

1. Register of members and share ledger u/s.150
2. Register of directors, managing directors, etc. U/s. 303
3. Register of share transfers
4. Register of charges u/s.143
5. Register of contracts, companies and firms in which directors etc are interested u/s. 301(3)
6. Register of Directors shareholding u/s 307

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 March 31, 2009.

1. Filed E- Form No 23 dated 14/07/2008 for appointment of Statutory Auditors vide SRN A45548435 on 24/09/2008 with additional fees.
2. Filed E – Form No 23AC and E – Form No 23ACA for Balance Sheet and Profit and Loss Account for Financial year ending March 31, 2008 vide SRN P20531166 on 18/08/2008 with additional fees.
3. Filed E – Form No 20B for Annual Return of the Company dated July 14, 2008 vide SRN P21206495 on 13/09/2008 with additional fees.
4. Filed E-Form No 66 for Compliance Certificate for Financial Year ending March 31, 2008 vide SRN P20758025 on 28/08/2008 with additional fees.

Practicing Company Secretary

Place: Mumbai
Date: June 30, 2009

D. A. Kamat
C. P. No. : 4965

BALANCE SHEET AS AT MARCH 31, 2009

| | Schedule | As at March 31, 2009 Rs. | As at March 31, 2008 Rs. |
|---|----------|--------------------------------|--------------------------------|
| SOURCES OF FUNDS: | | | |
| Shareholders' Funds | | | |
| Share Capital | 1 | 17,500,000 | 7,500,000 |
| Deferred Tax Liability | | 152,090 | 14,781 |
| | | <u>17,652,090</u> | <u>7,514,781</u> |
| APPLICATION OF FUNDS : | | | |
| Fixed Assets | | | |
| Gross Block | 2 | 3,264,148 | 136,170 |
| Less: Depreciation | | 567,111 | 54,557 |
| Net Block | | <u>2,697,037</u> | <u>81,613</u> |
| Investments | | | |
| | 3 | 867,535 | 5,326,423 |
| Current Assets, Loans and Advances | | | |
| Sundry Debtors | 4 | 353,778 | - |
| Unbilled Revenue | | 805,264 | |
| Cash and Bank Balances | 5 | 10,146,381 | 3,698 |
| Loans and Advances | 6 | 610,757 | 563,014 |
| | | <u>11,916,181</u> | <u>566,712</u> |
| Less: Current Liabilities and Provisions | | | |
| Current Liabilities & Provisions | 7 | 1,338,018 | 382,369 |
| | | <u>1,338,018</u> | <u>382,369</u> |
| Net Current Assets | | | |
| Profit & Loss Accounts | | 10,578,163 | 184,344 |
| | | <u>3,509,355</u> | <u>1,922,402</u> |
| | | <u>17,652,090</u> | <u>7,514,781</u> |
| SIGNIFICANT ACCOUNTING POLICIES | 10 | | |
| NOTES TO ACCOUNTS | 11 | | |

The Schedules referred to above form an integral part of the Balance Sheet As per our report of even date

For and on behalf of
PKF SRIDHAR & SANTHANAM
Chartered Accountants

S . Prasana Kumar
(M. No-212354)
Partner

Place : Mumbai
Date : April 23, 2009

Signatures to Balance Sheet and Schedules 1 to 7, 10 and 11

for and on behalf of the Board
Sanjeev Vivrekar
Chief Executive Officer

L. Viswanathan
R. H. Mewawala
Manoj Borkar
Directors

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

| | Schedule | (Amt in Rs.) Year ended March 31, 2009 Rs. | (Amt in Rs.) Year ended March 31, 2008 Rs. |
|--|-----------------|---|---|
| INCOME : | | | |
| Income from Operations | 8 | 1,500,646 | 1,413,760 |
| Dividend Income From Investments | | 191,112 | 321,215 |
| | | 1,691,757 | 1,734,975 |
| EXPENDITURE: | | | |
| Operating Expenses | 9 | 2,612,911 | 2,944,246 |
| Preliminary Expenses Written Off | | - | - |
| Depreciation | 2 | 512,554 | 54,408 |
| | | 3,125,465 | 2,998,654 |
| LOSS BEFORE TAXATION | | (1,433,707) | (1,263,679) |
| Provision for Taxation | | | |
| - Current Tax | | - | - |
| - Deferred Tax | | 137,309 | 1,081 |
| - Fringe Benefit Tax | | 15,937 | 5,300 |
| LOSS AFTER TAXATION | | (1,586,953) | (1,270,060) |
| Balance brought forward | | (1,922,402) | (652,342) |
| Amount available for appropriation | | (3,509,355) | (1,922,402) |
| APPROPRIATIONS: | | | |
| Proposed Dividend | | - | - |
| Tax on distributed profits | | - | - |
| Transfer to General Reserve | | - | - |
| Balance carried forward | | (3,509,355) | (1,922,402) |
| Earnings/(loss) per share before extraordinary items (Basic & Diluted) in Rupees | | (2.06) | (1.69) |
| SIGNIFICANT ACCOUNTING POLICIES | 10 | | |
| NOTES TO ACCOUNTS | 11 | | |

The Schedules referred to above form
an integral part of the Balance Sheet
As per our report of even date

For and on behalf of
PKF SRIDHAR & SANTHANAM
Chartered Accountants

S . Prasana Kumar
(M. No-212354)
Partner

Place : Mumbai
Date : April 23, 2009

Signatures to Balance Sheet
and Schedules 2 and 8 to 11

for and on behalf of the Board
Sanjeev Vivrekar
Chief Executive Officer

L. Viswanathan
R. H. Mewawala
Manoj Borkar
Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

| | Year ended March 31, 2009 | Year ended March 31, 2008 |
|---|--------------------------------------|--------------------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(loss) before Tax and extraordinary items | (1,433,707) | (1,263,679) |
| Adjusted for : | | |
| Depreciation | 512,554 | 54,408 |
| Dividend Income | (191,112) | (321,215) |
| Interest Income | | |
| Operating Profit before working capital changes | (1,112,265) | (1,530,486) |
| Adjustment for : | | |
| Trade and other receivables | (1,206,785) | 1,796,267 |
| Trade Payables | 955,649 | (2,053,603) |
| Cash \generated from / (used in) operations | (1,363,402) | (1,787,822) |
| Direct Taxes paid | (15,937) | (5,300) |
| Net Cash from / (used in) operating activities | (1,379,339) | (1,793,122) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets | (3,127,978) | 0 |
| Proceeds from sale of investments | 4,458,888 | 1,378,785 |
| Dividend received | 191,112 | 321,215 |
| Net Cash from / (used in) investing activities | 1,522,022 | 1,700,000 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issuance of Share Capital | 10,000,000 | - |
| Interest paid | - | - |
| Dividend Paid | - | - |
| Tax on Distributed Profit | - | - |
| Net cash used in financing activities | 10,000,000 | - |
| Net increase / (decrease) in cash and cash equivalents | 10,142,683 | (93,122) |
| Cash and cash equivalents (Opening Balance) | 3,698 | 96,820 |
| Cash and cash equivalents (Closing Balance) | 10,146,381 | 3,698 |

For and on behalf of
PKF SRIDHAR & SANTHANAM
Chartered Accountants

S . Prasana Kumar
(M. No-212354)
Partner

Place : Mumbai
Date : April 23, 2009

for and on behalf of the Board
Sanjeev Vivrekar
Chief Executive Officer

L. Viswanathan
R. H. Mewawala
Manoj Borkar
Directors

SCHEDULES FORMING PART OF ACCOUNTS

| | (Amt in Rs) As at March 31, 2009 | (Amt in Rs) As at March 31, 2008 |
|--|--|--|
| SCHEDULE 1 | | |
| SHARE CAPITAL | | |
| Authorised | | |
| 50,00,000 Preference shares of Rs. 10/- each | 50,000,000 | 50,000,000 |
| 50,00,000 Equity shares of Rs 10/- each | 50,000,000 | 50,000,000 |
| | <u>100,000,000</u> | <u>100,000,000</u> |
| Issued, Subscribed and Paid-up | | |
| 17,50,000 Equity shares of Rs.10/- each | 17,500,000 | 7,500,000 |
| fully paid up, with Stock Holding Corporation of India Ltd | <u>17,500,000</u> | <u>7,500,000</u> |

SCHEDULE 2 FIXED ASSETS :

| Particulars | GROSS BLOCK (At Cost) | | | | DEPRECIATION | | | | (Amt in Rs) NET BLOCK | |
|------------------|-----------------------|-----------|------------|---------------------|--------------------|------------------------------|------------------|---------------------|---------------------------|---------------------|
| | As at 1.04.2008 | Additions | Deductions | As at 31.03.2009 | Up to 31.3.2008 | For the period 2008-09 | On deductions | Up to 31.03.2009 | As at 31.3.2008 | As at 31.03.2009 |
| Computers | 136,170 | - | - | 136,170 | 54,557 | 32,645 | - | 87,202 | 81,613 | 48,968 |
| Scanners | | 3,127,978 | | 3,127,978 | | 479,908.92 | | 479,909 | - | 2,648,069 |
| As at 31.03.2009 | 136,170 | - | - | 3,264,148 | 54,557 | 512,554 | - | 567,111 | 81,613 | 2,697,037 |
| | - | - | - | - | - | - | - | - | - | - |

| | Face Value Rs. | (Amt in Rs) As at March 31, 2009 | (Amt in Rs) As at March 31, 2008 |
|---|----------------------|--|--|
| SCHEDULE 3 | | | |
| INVESTMENTS | | | |
| Trade-Unquoted | | | |
| Current Investments | | | |
| Mutual Funds | | | |
| Unquoted | | | |
| 867.353 Standard Chartered Liquidity Manager - Plus - Daily Dividend (Now IDFC Mutual Fund) | 1,000.21 | 867,535 | 5,326,423 |
| | | <u>867,535</u> | <u>5,326,423</u> |
| SCHEDULE 4 | | | |
| SUNDRY DEBTORS | | | |
| (Unsecured & Considered Good) | | | |
| Outstanding for a period less than six months | | 353,778 | - |
| | | <u>353,778</u> | <u>-</u> |

SCHEDULES FORMING PART OF ACCOUNTS

| | (Amt in Rs) As at March 31, 2009 | (Amt in Rs) As at March 31, 2008 |
|--|--|--|
| SCHEDULE 5 | | |
| CASH AND BANK BALANCES | | |
| Cash and stamps in hand | - | 2,290 |
| Balances with scheduled banks | | |
| - In current accounts | 10,146,381 | 1,408 |
| | <u>10,146,381</u> | <u>3,698</u> |
| SCHEDULE 6 | | |
| LOANS AND ADVANCES | | |
| (Unsecured and considered good, unless stated otherwise) | | |
| Advances recoverable in cash or in kind | 115,260 | 82,077 |
| Advance Payment of Tax ,Tax Deducted at Source | 482,497 | 480,437 |
| (net of Provision for Fringe Benefit Tax Rs.34237/-) | | |
| Security and other deposits | 13,000 | 500 |
| | <u>610,757</u> | <u>563,014</u> |
| SCHEDULE 7 | | |
| CURRENT LIABILITIES | | |
| Sundry creditors | | |
| Due to SHCIL | 456,344 | 287,702 |
| Due to Others | 881,674 | 94,667 |
| | <u>1,338,018</u> | <u>382,369</u> |
| SCHEDULE 8 | | |
| INCOME FROM OPERATIONS | | |
| Income from Digitalisation Services and related Software Sales | 1,500,646 | 1,413,760 |
| | <u>1,500,646</u> | <u>1,413,760</u> |

SCHEDULES FORMING PART OF ACCOUNTS

| | (Amt in Rs) As at March 31, 2009 | (Amt in Rs) As at March 31, 2008 |
|--------------------------------|--|--|
| SCHEDULE 9 | | |
| OPERATING EXPENSES | | |
| Software Expenses | - | 44,000 |
| Salaries & Staff welfare | 1,128,988 | 1,187,244 |
| Service Charges | - | 681,756 |
| Outsourcing Expenses | 554,304 | - |
| Legal & Professional Charges | 94,292 | 30,825 |
| Accountancy Charges | - | 32,500 |
| Director's Sitting Fees | 155,000 | 145,000 |
| Traveling & Conveyance Others | 369,365 | 122,094 |
| Consulting Fees | - | 127,053 |
| Advertisement | 960 | 6,000 |
| Rent Rates & Taxes | 42,500 | 41,737 |
| Telephone & Telecommunication | 20,236 | 43,797 |
| Postage, Printing & Stationery | 44,034 | 10,157 |
| Repairs & Maintenance | 95,902 | 15,486 |
| Audit Fee | 35,000 | 35,000 |
| Interest and Bank Charges | 230 | 3,098 |
| Commission | 40,883 | 159,639 |
| Deposit Written Off | - | 250,000 |
| Other Expenses | 15,271 | 8,860 |
| Insurance | 15,945 | - |
| | <u>2,612,911</u> | <u>2,944,246</u> |

SCHEDULES FORMING PART OF ACCOUNTS

SCHEDULE 10

SIGNIFICANT ACCOUNTING POLICIES

A) System of Accounting

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, in accordance with the generally accepted accounting principles in India.

B) Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes expenses related to acquisition and installation of the concerned asset.

C) Investments

Current investments are stated at cost of acquisition or market value which ever is lower.

D) Revenue recognition

Service revenue is recognised on completion of work. For services, which are not completed and are in progress, the revenue is accrued based on percentage completion method.

Dividend income from investment is recognized as and when right to receive the income is established.

E) Depreciation

Depreciation is provided on the written down value method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions/disposal during the year is calculated on pro-rata basis from the date of acquisition/disposal.

F) Taxation

Provisions for current income tax is made on the basis of the assessable income under the Income Tax Act, 1961. Deferred income tax on account of timing difference between taxable income & accounting income for the year is accounted for by applying tax rates & laws enacted or substantially enacted on the balance sheet date. Deferred Tax asset is recognized only when there is a virtual certainty of future available taxable profit for set off if the company has a carried forward loss as per Income Tax Act.

G) Provision and Contingent Liabilities

Provisions are recognized when there is a present obligation as a result of past events where it is probable that there will be outflow of resource to settle the obligation and when a reliable estimate of the amount of the obligation can be made. When any such present obligation cannot be measured or where a realistic estimate of the obligation cannot be made Contingent liabilities are recognized. Contingent liabilities are also recognized when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more certain future events not wholly within the control of the company.

SCHEDULE 11

NOTES TO ACCOUNTS

1 Background

SHCIL Projects Ltd.(SPL), promoted by Stock Holding Corporation of India Ltd as a limited company was incorporated on August 10, 2006. The company commenced its operation from 21st September 2006 with an objective to provide project facilitation, data conversion and digitalization. SHCIL has acquired 500,000 shares from other shareholders and by virtue of which SHCIL becomes the 100% holding company of SHCIL Projects Ltd.

2 Deferred Tax

The deferred tax liability is on account of timing difference in accounting treatment, as under

(Amt in Rs.)

| | As at March 31, 2009 | As at March 31, 2008 |
|---------------------------------|-------------------------|-------------------------|
| Deferred Tax Liabilities | | |
| Depreciation | 1,52,090 | 14,781 |
| Deferred Tax Liability | <u>1,52,090</u> | <u>14,781</u> |

- 3 The Company is a signatory to the Memorandum and Articles of Association of Hannobe Technologies Private Limited (HTPL) including therein a subscription of 40,000 shares of Rs.10/- each on 2nd January 2007. HTPL was incorporated on 22nd February 2007. However as per Board Resolution passed on 25th June 2007, the Company decided not to subscribe these shares and hence no payments were made towards the same. Further in the Board meeting held on December 13, 2007, it was decided to complete the legal formalities of subscribing these shares and disposing of the same immediately thereof. Consequently, this has not been shown under Investments.

4 Payment to Auditors

(Amt in Rs)

| | For the year ended March 31,2009 | March 31,2008 |
|--|-------------------------------------|---------------|
| Statutory Audit Fees (Excluding Service Tax) | 35,000 | 35,000 |
| | <u>35,000</u> | <u>35,000</u> |

- 5 Based on the transactions during the accounting period, the company qualifies as a Small and Medium Sized Enterprise ("SME") and has availed the exemption / relaxation permitted for SMEs from the disclosure requirements under the accounting standards applicable in India.
- 6 Figures for the previous period have been regrouped wherever necessary, so as to make them comparable with those of the current year.

As per our report of even date

For PKF Sridhar and Santhanam
Chartered Accountants

S. Prasana Kumar
Partner
M.No. 212354.

Date: April 23, 2009
Place: Mumbai

For and on behalf of the Board

Sanjeev Vivrekar
CEO

R.H.Mewawala
L Viswanathan
Manoj Borkar
Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI PART (IV) OF THE COMPANIES ACT, 1956

I Registration Details

| | |
|----------------------------|--------------------------------|
| Corporate Identity Number: | U7414MH2006PLC163728-2006-2007 |
| State Code | 11 |
| Balance Sheet Date | 31.03.2009 |

II Capital Raised during the year (Amt in Rs. Thousands)

| | |
|-------------------|--------|
| Public Issue | NIL |
| Right Issue | NIL |
| Bonus Issue | NIL |
| Private Placement | 17,500 |

III Position of mobilization and deployment of Funds (Amt in Thousands)

| | |
|-------------------|--------|
| Total Liabilities | 17,652 |
| Total Assets | 17,652 |

Sources of Funds

| | |
|---------------------------|--------|
| Paid Up Capital | 17,500 |
| Reserves & Surplus | - |
| Secured & Unsecured Loans | - |
| Deferred Tax Liability | 152 |

Application of Funds

| | |
|-------------------------|--------|
| Net Fixed Assets | 2,697 |
| Investments | 868 |
| Net Current Assets | 10,578 |
| Profit and Loss Account | (3509) |

IV Performance of the Company (Amt in Rs Thousands)

| | |
|---|---------|
| Turnover | 1,691 |
| Total Expenditure | 3,125 |
| Loss Before Tax | (1,434) |
| Loss After Tax before extraordinary items | (1,434) |
| Loss After Tax and extraordinary items | (1,434) |
| Dividend Rate % | NIL |

V Generic Names of Three Principal Products/ System and Services of the Company

Document Management
Service, Project facilitation
Service

Board of Directors

Manoj Borkar

Umesh Punde

R. Anand

M/s D.A.Kamat & Co, Mumbai

Whole time Practicing Company Secretary

Statutory Auditors

M/s Kalyaniwalla & Mistry, Mumbai

DIRECTORS' REPORT

The Directors are pleased to present the 14th Annual Report of your Company along with the audited Statement of Accounts for the year ended March 31, 2009.

The Company has not commenced operations or any activities.

Dividend

The Directors do not recommend any dividend for the year ended March 31, 2009.

Board of Directors

Shri R. Anand will retire at the ensuing Annual General Meeting and is eligible for reappointment.

Statutory Auditors

The present Statutory Auditors of the Company M/s Kalyaniwalla & Mistry, retire at the ensuing Annual General Meeting and are eligible for reappointment.

Fixed Deposits

The Company has not accepted any fixed deposits from public. Hence no information is required to be appended to this report.

Buy Back of Shares

During the financial year 2008-09, the Company has not announced any scheme of buy back of its shares from its shareholders. Accordingly the requirement as to disclosure of reasons for failure to complete the buy back within the time specified under Section 77A of the Companies Act, 1956 does not arise.

Transfer of Shares

On May 13, 2009, the Board of Directors approved the transfer of 1 equity share bearing distinctive nos. 001 to 001 in favour of Shri Jagdish Thakur, nominee of Stock Holding Corporation of India Ltd.

Particulars of Employees Under Section 217(2a)

Since none of the employees of the Company earned income in excess of the amount specified under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the relevant provisions are not applicable.

Companies (Disclosure Of Particulars In The Report of The Board Of Directors)-rules 1988

- a) As the Company does not carry out manufacturing activities, particulars required to be disclosed with respect to conservation of energy and technology absorption in terms of Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.
- b) Foreign Exchange earning and outgoing during the year under review:

Foreign Exchange earnings- Nil

Foreign Exchange outgo- Nil

Director's Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, Directors state that

- In the preparation of accounts, the applicable accounting standards have been followed.
- Accounting policies selected were applied consistently. Reasonable and prudent judgements and estimates were made so as to give a true and fair view of the state of affairs of the Company as at the end of March 31, 2009 and of the profit of the Company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting record in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for the preventing and detecting frauds and other irregularities.
- The annual accounts of the Company have been prepared on going concern basis.

As the Company has not commenced operations, there is no internal audit system.

Reply to the comments on Auditors Report

The Auditors have made a comment in the para no. 4 (e) of the Auditors report, Annexure to the Auditors Report relating to the annual accounts of the company in point no. 3 and Point no. 6

Following are the pointwise reply of the Directors.

In reply to the comments made by the Auditors in para No. 4 (e),

Directors would like to state that since Company has not yet commenced any operation and subsequent to directives of holding company SHCIL, Directors have decided to voluntarily wind up the affairs of the Company

Comments made by the Auditors in Point No. 3 ,

The Directors would like to state that since the company is yet to commence any business, the need for an internal audit system for the company has not risen.

Comments made by the Auditors in Point No. 6 ,

The comments made by the Auditors in Point No. 6 are true as the Company does not have any income during the period.

Members' Voluntary winding up

Since the Company has not commenced any operations, the Board of Directors' have in their Board Meeting held on January 14, 2009 made the decision to voluntary wind up the affairs of the Company. The Board of Directors' have recommended Mr D.A. Kamat to be appointed as the Liquidator of the Company. The Board seeks the consent of the members through the mode of Special Resolution for the purpose of voluntary winding up and Special Resolution for the purpose of appointment of Liquidator in the ensuing AGM of the Company

**For and on behalf of the
Board of Directors**

Manoj Borkar

Chairman of the Meeting

Place: Mumbai

Date : July 20, 2009

AUDITORS' REPORT

TO THE MEMBERS OF

SHCIL COMMODITIES AND DERIVATIVES TRADING COMPANY LIMITED

1. We have audited the attached Balance Sheet of SHCIL Commodities and Derivatives Trading Company Limited (*formerly Indian Securities Depository Nominee Company Limited*) as at March 31, 2009 and also the Profit and Loss Account and Cash Flow statements of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are 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, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give 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 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 it appears from our examination of the books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, where applicable.
- e) Attention is drawn to Note No. 5 Schedule 4 of notes to accounts regarding the decision taken by the Board of directors of the Company to voluntarily wind up the affairs, since the Company has not commenced its operations.
- f) *Subject to para (e) above*, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, 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 state of affairs of the Company as at March 31, 2009, and
 - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date.
 - iii) in the case of Cash Flow statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of
Kalyaniwalla and Mistry
Chartered Accountants
Vinayak M. Padwal
Partner
M. No. (F) 49639

Place: Mumbai,
Date: May 13, 2009.

Annexure to the Auditors' Report

Referred to in paragraph (3) of our report of even date on the accounts for the year March 31, 2009 of SHCIL Commodities and Derivatives Trading Limited (formerly Indian Securities Depository Nominee Company Limited).

1. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
2. The company has not accepted any deposits from the public within the meaning of section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.
3. *The Company did not have an internal audit system during the year.*
4. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed for maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of the activities carried on by the Company.
5. (a) According to the records examined by us, the Company did not have any liability in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Customs Duty, Excise Duty, cess and other statutory dues.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax or cess outstanding on account of any dispute.
6. *The Company have accumulated losses, as at the end of the financial year and has incurred cash losses in the current and immediately preceding financial years as the Company has not as yet commenced operations.*
7. Based on the records examined by us, the Company has no dues payable to any financial institution, bank or debenture holders.
8. The Company has not granted loans and advance on the basis of security by way of pledge of shares and other securities.
9. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/ mutual benefit fund/ societies.
10. According to the information and explanations given to us and the records examined by us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. As per the records examined by us, no term loans were obtained by the Company from banks or financial institutions.
12. On the basis of an overall examination of the balance sheet and cash flows of the Company and the information and explanations given to us, we report that the Company has not raised any funds on short-term basis.
13. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
14. The Company did not issue any debentures during the year
15. The Company has not raised any money through a public issue during the year.
16. Based on the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For and on behalf of

Kalyaniwalla and Mistry
Chartered Accountants
Vinayak M. Padwal
Partner
M. No. (F) 49639

Place: Mumbai
Date: May 13, 2009.

SHCIL COMMODITIES AND DERIVATIVES TRADING COMPANY LIMITED
(Formerly INDIAN SECURITIES DEPOSITORY NOMINEE COMPANY LIMITED)

FORM
(S E E R U L E 3)
Compliance Certificate

Registration No. 11- 163728

Nominal Capital Rs. 10,000,000/-

To,

The Members of

**SHCIL COMMODITIES AND DERIVATIVES
TRADING COMPANY LIMITED**

I have examined the registers, records, books and papers of **SHCIL Commodities and Derivatives Trading Company 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 March 31, 2009. In my opinion and to the best of my information and according to the examinations carried by me and explanations furnished to me/us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies or other authorities under the Act and the rules made hereunder.
3. The Company is a Public Limited Company with an Authorised Share Capital of Rs.10,000,000.
4. The Board of Directors duly met 7 times respectively on April 21, 2008, June 16, 2008, August 21, 2008, October 16, 2008, January 14, 2009, February 18, 2009, March 03, 2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has not closed its Register of members during the financial year.
6. The Annual General Meeting of the Company, for the financial year ended on March 31, 2008 was held on July 23, 2008 after giving due notice to the members of the Company and the resolution passed thereat were duly recorded in the minutes book maintained for the purpose
7. No Extra ordinary meeting was held during the financial year.
8. The company has NOT advanced any loan to its Directors and/or persons or firms or companies referred to in Section 295 of the Act after complying with the provisions of the Act.
9. The company has duly complied with the provisions of sec 297 of the act in respect of contracts specified in that Section wherever it is required.
10. The company has made the necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, regarding appointment of directors of the Company has not obtained any approvals from the Board of Directors, Members, or Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13. The Company:
 - i. Has delivered all the certificates of securities on allotment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - ii. Was not required to deposit any amount in a separate bank account as no dividend was declared during the financial year under scrutiny.
 - iii. Was not required to post warrants for dividends to any members of the Company as no dividend was declared during the financial year under scrutiny.
 - iv. Was not required to transfer any amount in the unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to investor Education and Protection Fund.
 - v. Had duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the company is duly constituted and the appointment of Directors, Additional Directors, Alternate Directors and Directors to fill casual vacancies, have been duly made.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Companies Act, 1956. However, the Company has filed a compounding application for holding of Annual General Meeting beyond the statutory period of 15 months u/s 166(1).
18. The directors have disclosed their interest in other firms/companies to the Board or Directors pursuant to the provisions of the Act and the rules made hereunder.
19. The company has not issued any shares, debentures or any security during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preferences shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, Rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowings during the financial year and hence do not attract provisions of Section 293(1) (d) of the Companies Act, 1956.
25. The company has not issued any loans and investments, or given guarantees or provided securities to other bodies corporate during the year outside the purview of the provisions of Section 372A of the Companies Act.
26. 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.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect of name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association during the financial year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the Company during the financial year under scrutiny.
32. The company has not received any money as security from its employees during the financial year under scrutiny.
33. The company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

Practicing Company Secretary

D. A. Kamat

C. P. No. : 4965

Place: Mumbai

Date: May 6, 2009

Annexure A

Registers as maintained by the Company

1. Register of members and share ledger u/s.150
2. Register of directors, managing directors, etc. U/s. 303
3. Register of share transfers
4. Register of charges u/s.143
5. Register of contracts, companies and firms in which directors etc are interested u/s. 301(3)
6. Register of Directors shareholding u/s 307

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, 2007.

1. Filed Form 23AC and 23ACA dated 31.03.08 with ROC on 15.04.09 with late fees vide SRN No.P31893738.
2. Filed Form 23AC and 23ACA dated 31.03.07 with ROC on 20.08.08 with late fees VIDE SRN No.P20531166.
3. Filed Form 20B dated 31.03.08 with ROC vide SRN A959648048 dated 21.04.2009.
4. Filed Form 20B dated 31.03.07 with ROC vide SRN P18993329 dated 21.05.2008.
5. Filed Form 23 dated 12.02.2008 for re-appointment of statutory auditors u/s 224 (A) with ROC on 15.05.2008 vide A37646684.
6. Filed Form 23 dated 23.07.2009 for re-appointment of statutory auditors u/s 224 (A) with ROC on 10.04.2009 vide SRN A59648048.
7. Filed with ROC Form 61 for compounding offences u/s 621A for the Company filed vide SRN A43976901 dated 29.08.2008.
8. Filed with ROC Form 61 for compounding offences u/s 621A for R. Anand, Director vide SRN A43977248 dated 29.08.2008.
9. Filed with ROC Form 61 for compounding offences u/s 621A for Umesh Pande, Director vide SRN A43977792 dated 29.08.2008.
10. Filed with ROC Form 61 for compounding offences u/s 621A for Bharat Mommaya, Director vide SRN A43978055 dated 29.08.2008.
11. Filed with ROC Form 61 for compounding offences u/s 621A for Manoj Borkar, Director vide SRN A43978139 dated 29.08.2008.

Practicing Company Secretary

D. A. Kamat

C. P. No. : 4965

Place: Mumbai

Date: May 6, 2009

BALANCE SHEET AS AT MARCH 31, 2009

| | Schedule | As at March 31, 2009 (Rupees) | As at March 31, 2008 (Rupees) |
|--|-----------------|--|--|
| SOURCES OF FUNDS: | | | |
| Share Capital | 1 | 500,070 | 500,070 |
| | | 500,070 | 500,070 |
| APPLICATION OF FUNDS: | | | |
| Currents Assets, Loans and Advances | | | |
| Cash and Bank Balance | 2 | 170,843 | 415,302 |
| Less: Current Liabilities and Provisions | | | |
| Current Liabilities | 3 | - | 186,973 |
| Net Current Assets | | 170,843 | 228,329 |
| Profit & Loss Account | | 329,227 | 271,741 |
| | | 500,070 | 500,070 |
| NOTES TO ACCOUNTS | 4 | | |

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

Signatures to the Balance Sheet
and Schedules 1 to 4

As per our Report of even date

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

Vinayak M. Padwal

Partner

Place : Mumbai

Date : May 13, 2009

For and on behalf of the Board

Manoj Borkar

Umesh Punde

Directors

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

| | Schedule | As at March 31, 2009 (Rupees) | As at March 31, 2008 (Rupees) |
|---|----------|-------------------------------------|-------------------------------------|
| INCOME : | | | |
| Income from Operations | | - | - |
| Other Income | | - | - |
| | | <u>-</u> | <u>-</u> |
| | | <u>-</u> | <u>-</u> |
| EXPENDITURE: | | | |
| Professional & Legal fees | | 50,868 | 29,552 |
| Audit Fees | | 6,618 | 6,742 |
| General Expenses | | - | 2,600 |
| | | <u>57,486</u> | <u>38,894</u> |
| | | <u>57,486</u> | <u>38,894</u> |
| LOSS FOR THE YEAR | | 57,486 | 38,894 |
| Loss brought forward from previous year | | 271,741 | 232,847 |
| | | <u>271,741</u> | <u>232,847</u> |
| | | <u>329,227</u> | <u>271,741</u> |
| | | <u>329,227</u> | <u>271,741</u> |
| Notes to Accounts | 4 | | |

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

Signatures to the Profit & Loss Account
and Schedule 4

As per our Report of even date

For and on behalf of

KALYANIWALLA & MISTRY
Chartered Accountants

Vinayak M. Padwal
Partner

Place : Mumbai
Date : May 13, 2009

For and on behalf of the Board

Manoj Borkar
Umesh Punde
Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

| | Year ended March 31, 2009 (Rupees) | Year ended March 31, 2008 (Rupees) |
|--|--|--|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(Loss) before Tax | (57486) | (38894) |
| Operating Profit/(Loss) before working capital changes | <u>(57486)</u> | <u>(38894)</u> |
| Adjustment for : | | |
| Trade Payables | (186973) | 18794 |
| Cash used in operations | (244459) | (20100) |
| Direct Taxes paid | - | - |
| Net Cash used in operating activities | <u>(244459)</u> | <u>(20100)</u> |
| B CASH FLOW FROM INVESTING ACTIVITIES | - | - |
| C CASH FLOW FROM FINANCING ACTIVITIES | - | - |
| Net decrease in cash and cash equivalents | <u>(244459)</u> | <u>(20100)</u> |
| Cash and cash equivalents (Opening Balance) | 415302 | 435402 |
| Cash and cash equivalents (Closing Balance) | 170843 | 415302 |

As per our Report of even date

Signatures to the Cash Flow Statement

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

Vinayak M. Padwal

Partner

Place : Mumbai

Date : May 13, 2009

For and on behalf of the Board

Manoj Borkar**Umesh Punde**

Directors

SCHEDULES FORMING PART OF ACCOUNTS

| | As at Mar 31,2009 (Rupees) | As at March 31,2008 (Rupees) |
|--|----------------------------------|------------------------------------|
| SCHEDULE 1 | | |
| SHARE CAPITAL | | |
| Authorised | | |
| 900,000 Equity shares of Rs 10/- each | 9,000,000 | 9,000,000 |
| 100,000 Unclassified shares of Rs 10/- each | 1,000,000 | 1,000,000 |
| | <u>10,000,000</u> | <u>10,000,000</u> |
| Issued, Subscribed and Paid-up | | |
| 50,007 Equity shares of Rs 10/- each fully paid up | 500,070 | 500,070 |
| | <u>500,070</u> | <u>500,070</u> |
| SCHEDULE 2 | | |
| CASH & BANK BALANCES | | |
| Cash on hand | 2,414 | 5,970 |
| Balance with schedule bank in current account | 168,429 | 409,332 |
| | <u>170,843</u> | <u>415,302</u> |
| SCHEDULE 3 | | |
| CURRENT LIABILITIES | | |
| Sundry Creditors | - | 186,973 |
| | <u>-</u> | <u>186,973</u> |

SCHEDULES FORMING PART OF ACCOUNTS

SCHEDULE 4

NOTES TO ACCOUNTS

1. Background

SHCIL Commodities And Derivatives Trading Limited (formerly Indian Securities Depository Nominee Company Limited) was incorporated in the year 1995. The Company is yet to commence Operations.

2. Significant Accounting Policies

a. Accounting Convention

The Financial Statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the generally accepted accounting principles in India and the accounting standards issued by ICAI to the extent applicable.

3. Other information required to be given under part II of Schedule VI to the Company's Act, 1956 to the extent not applicable has not been given.
4. Figures for the previous year have been regrouped wherever necessary, so as to make them comparable with those of the current year.
5. Since the company has not commenced operations, the Board of Directors have in their board meeting held on January 14, 2009 made the decision to voluntary windup the affairs of the company. The approval from the shareholders for the same is awaited

BOARD OF DIRECTORS (AS ON JUNE 15, 2009)

Venkataraman Srinivasan

Jatinder Pal Singh Narang

Statutory Auditors

MGI N RAJAN ASSOCIATES
Certified Public Accountants,
Singapore

DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements of the company for the year ended 31 March 2009.

Directors:

The directors in office at the date of this report are:-

Jatinder Pal Singh Narang

Venkataraman Srinivasan

Arrangements to enable directors to acquire shares or debentures:

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisition of shares or debentures of the company or any other body corporate.

Directors' Interest in Shares or Debentures:

No director had an interest in any shares or debentures of the Company or related corporations either at the beginning (or date of appointment, if later) or the end of the financial year.

Directors' contractual benefits: During the year, no director has received or become entitled to receive a benefit by reason of a contract made by the company or by a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest other than those disclosed in the financial statements.

Options granted:

During the year, there were no options to take up unissued shares of the Company.

Options exercised:

During the year, no shares have been issued by virtue of the exercise of options granted.

Options outstanding:

There were no shares options outstanding as at 31 March 2009.

Independent Auditor:

The Independent auditor, MGI N Rajan Associates has expressed its willingness to accept re-appointment.

Jatinder Pal Singh Narang

Director

Venkataraman Srinivasan

Director

Singapore

Date: 15 June 2009

STATEMENT BY DIRECTORS

In our opinion, the accompanying balance sheet, income statement, statement of changes in equity and cash flow statement together with the notes thereon, are drawn up so as to give a true and fair view of the state of affairs of the company as at 31 March 2009 and of the results of the business, changes in equity and cash flows of the company for the financial year ended on that date and at the date of this statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

Jatinder Pal Singh Narang

Director

Venkataraman Srinivasan

Director

Signed at Singapore,

Date: 15 June, 2009

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF UNITEC VALUE SOLUTIONS PTE. LTD.

(Incorporated in the Republic of Singapore)

We have audited the accompanying financial statements of the company, which comprise the balance sheet of the Company as at 31 March 2009, the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap.50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a systems of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;
- (b) Selecting and applying appropriate accounting policies; and
- (c) Making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the

financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion:-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 31 March 2009 and the results, changes in equity and cash flows of the company for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND CERTIFIED
PUBLIC ACCOUNTANTS
SINGAPORE**

Date: 15 June, 2009

BALANCE SHEET AS AT 31 MARCH 2009

| | Note | 2009 S\$ | 2008 S\$ |
|---------------------------------------|-------------|---------------------|---------------------|
| Current Assets | | | |
| Cash and cash equivalents | 5 | 194,732 | 118,138 |
| Trade receivables | 6 | - | 704,604 |
| Total Assets | | 194,732 | 822,742 |
| LIABILITIES AND EQUITY | | | |
| Current Liabilities | | | |
| Trade payables | 7 | 52,788 | 756,604 |
| Accrued expenses | | 20,220 | 14,220 |
| Due to Director | 8 | - | 481 |
| Due to holding company (non-trade) | 9 | 13,523 | 13,523 |
| Provision for taxation | | 1,547 | - |
| | | 88,078 | 784,828 |
| Equity | | | |
| Issued capital | 10 | 100,000 | 100,000 |
| Retained profits/Accumulated (losses) | | 6,654 | (62,086) |
| | | 106,654 | 37,914 |
| Total Liability and Equity | | 194,732 | 822,742 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

| | Note | 2009 S\$ | 2008 S\$ |
|---|----------|----------------|-------------|
| REVENUE | 3 | 672,170 | 685,767 |
| Cost of sales | | (583,333) | (685,767) |
| Gross Profit | | 88,837 | - |
| Add: Other income-excess provision return back | | 280 | - |
| | | 89,117 | - |
| Less: Expenses | | | |
| Administrative expenses | | 3,830 | 15,764 |
| Other operating expenses | | 15,000 | 23,635 |
| | | 18,830 | 39,399 |
| Profit/(Loss) for the year before tax | | 70,287 | (39,399) |
| Tax expense | 4 | 1,547 | - |
| Profit/(Loss) for the year after tax | | 68,740 | (39,399) |

The annexed notes form an integral part of and should be read in conjunction with these financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2009

| | Issued Capital | Retained profits/ Accumulated (losses) | Total |
|---------------------------------|---------------------------|---|----------------|
| | S\$ | S\$ | S\$ |
| Balance at 31 March 2007 | 100,000 | (22,687) | 77,313 |
| (Loss) for the year | - | (39,399) | (39,399) |
| Balance at 31 March 2008 | 100,000 | (62,086) | 37,914 |
| Profit for the year | - | 68,740 | 68,740 |
| Balance at 31 March 2009 | 100,000 | 6,654 | 106,654 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

| | Note | 2009 S\$ | 2008 S\$ |
|--|------|----------------|------------------|
| Cash flows from operating activities | | | |
| Net Profit/(Loss) for the year before tax | | 70,287 | (39,399) |
| Adjustment for: | | | |
| Excess provision written back | | (280) | - |
| Operating profit/(Loss) before reinvestment of capital | | 70,007 | (39,399) |
| (Increase)/Decrease in trade receivables | | 704,604 | (662,132) |
| (Increase)/Decrease in other receivables | | - | (3,737) |
| Increase/(Decrease) in due to holding company | | - | - |
| Increase/(Decrease) in accruals and directors account | | 5,799 | (71,579) |
| Increase/(Decrease) in trade payables | | (703,816) | 619,504 |
| Cash generated from/(used in) operations | | 76,594 | (157,343) |
| Tax (paid) | | - | - |
| Tax refund | | - | - |
| Net Cash flows from/(used in) operating activities | | 76,594 | (157,343) |
| Cash flows from investing activities | | - | - |
| Cash flows from financing activities | | | |
| Security deposit pledged | | - | 15,000 |
| Net Cash flows from financing activities | | - | 15,000 |
| Net Increase/(decrease) in cash & cash equivalents | | 76,594 | (142,343) |
| Cash & cash equivalents at the beginning of the year | | 118,138 | 260,481 |
| Cash & cash equivalents at the end of the year 5 | | 194,732 | 118,138 |

The annexed notes form an integral part of and should be read in conjunction with these financial statements

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

1. GENERAL INFORMATION

The financial statements of the company for the year ended 31 March 2009 were authorised for issue in accordance with a resolution of the directors on the date of the Statement by Directors.

The company is incorporated as a limited liability company and domiciled in the Republic of Singapore.

The principal activity of the company is that of investment holding and provision of computer systems integration services. However the company has ceased its business activities and the directors of the company are proposing to strike off under Section 344 of the Act.

The company's registered office is located at 3, Killiney Road, #04-08/09, Winsland House I, Singapore -068805.

The company is a wholly-owned subsidiary of Stock Holding Corporation of India Limited, incorporated in India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared under realisation basis and in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of the financial statements in conformity with Singapore Financial Reporting Standards requires using of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current event and actions, actual results may ultimately differ from those estimates

New Accounting Standards and FRS Interpretations

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2008. The Company's assessment of the impact of adopting those standards, amendments and interpretations that are relevant to the Company is set out below:

The Company has adopted FRS 107 Financial instruments: Disclosures and Amendments to FRS 1 presentation of Financial Statements-Capital Disclosures on 1 January 2008.

FRS 107 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including minimum disclosures about credit risk, liquidity risk and market risk (including sensitivity analysis to market risk). It replaces the disclosure requirements in FRS 32: Financial instruments: Disclosure and Presentation. The amendment to FRS 1 introduces disclosures about the level of an entity's capital and how it manages capital.

2.2 Basis of preparation

The Company has assessed the impact of FRS 107 and the amendments to FRS 1 and concluded that the main additional disclosures will be the credit risks disclosures required by FRS 107, as well as the capital disclosures required by the amendment to FRS 1.

New Accounting Standards and FRS Interpretations not yet adopted

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

The Company has not applied the following accounting standards which are relevant (including their consequential amendments) and interpretations that have been issued as of the balance sheet date but are not yet effective:

| Reference | Description | Effective for annual periods beginning on or after |
|-----------|--|--|
| FRS 1 | - Presentation of Financial Statements Revised presentation | 1 January 2009 |

2.3 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

Revenue from granting of license is generally recognized from the acceptance and commencement of the license under the agreement entered into by the licensee over the period of the license granted.

2.4 Income taxes

The liability method of tax effect accounting is adopted by the company. Current taxation is provided at the current taxation rate based on the tax payable on the income for the financial year that is chargeable to tax. Deferred taxation is provided at the current taxation rate on all temporary differences existing at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognized for all taxable temporary differences (unless the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss).

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized (unless the deferred tax asset arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss). The statutory tax rates enacted at the balance sheet date are used to determine deferred income tax.

2.5 Financial Assets

Loans and receivables

Loans and receivables include "cash and cash equivalents", "trade and other receivables" in the balance sheet.

These financial assets are initially recognized at fair value plus transaction cost and subsequently carried at mortised cost using the effective interest method.

The Company assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognised an allowance for impairment when such evidence exists. Allowance for impairment is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

2.6 Trade and other payables

Trade payables, accruals and payables to holding company are carried at fair value, and subsequently measured at amortized at cost, using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

2.7 Related party

For the purpose of these financial statements, parties are considered to be related to the company if the company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the company and the party are subject to common control or significant influence. Related parties may be individuals or other entities.

2.8 Cash and cash equivalents

Cash and cash equivalents are stated in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash on hand, and in bank.

2.9 Share Capital

Proceeds from issuance of ordinary shares are recognized as share capital in equity.

2.10 Fair Value Estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

3. REVENUE

| | 2009 S\$ | 2008 S\$ |
|-------------|----------------|----------------|
| License fee | 672,170 | 685,767 |
| | <u>672,170</u> | <u>685,767</u> |

License fee for the current year include an amount S\$ 18,837/- prior year income.

4. TAX EXPENSE

| | 2009 S\$ | 2008 S\$ |
|-------------|-------------|-------------|
| Current tax | 1,547 | - |

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on company's profit/ (loss) as a result of the following:

| | 2009 S\$ | 2008 S\$ |
|---|--------------|-------------|
| Profit/(Loss) before tax | 70,287 | (39,399) |
| Tax on above @ 17% (2008:18%) | 11,949 | (7,092) |
| Tax on Non deductibles | 2,550 | - |
| Utilisation of deferred tax assets not recognized earlier | (10,555) | - |
| Deferred tax assets not recognised | - | 7,092 |
| Partial tax exemption | (2,397) | - |
| | <u>1,547</u> | <u>-</u> |

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

5. CASH AND CASH EQUIVALENTS

| | 2009 S\$ | 2008 S\$ |
|--------------|----------------|----------------|
| Cash at bank | 194,732 | 118,138 |
| | <u>194,732</u> | <u>118,138</u> |

6. TRADE RECEIVABLES

| | 2009 S\$ | 2008 S\$ |
|--------------------------------|-------------|----------------|
| Trade debtors- Holding company | - | 269,100 |
| Unbilled revenue | - | 416,667 |
| GST | - | 18,837 |
| | <u>-</u> | <u>704,604</u> |

7. TRADE PAYABLES

| | 2009 S\$ | 2008 S\$ |
|---------------|---------------|----------------|
| Trade payable | 52,788 | 339,937 |
| Provisions | - | 416,667 |
| | <u>52,788</u> | <u>756,604</u> |

8. DUE TO DIRECTOR

This non-trade is unsecured, interest-free with no fixed repayment terms of principal or interest.

9. DUE TO HOLDING COMPANY

The non-trade amount is unsecured, interest-free and repayable on demand.

10. SHARE CAPITAL

| | 2009 S\$ | 2008 S\$ |
|-----------------------------------|----------------|----------------|
| Issued & fully paid up | | |
| 100,000 Ordinary shares | <u>100,000</u> | <u>100,000</u> |

11. RELATED PARTY TRANSACTIONS

| | 2009 S\$ | 2008 S\$ |
|--|-------------|-------------|
| INCOME | | |
| Sales to holding company | 672,170 | 685,767 |
| EXPENSES | | |
| Rental to a company in which a director has a financial interest | - | 9,000 |

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

12. FINANCIAL RISK MANAGEMENT

The company does not have any written financial risk management policies and guidelines. The company does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange. The company's exposure to financial risks associated with financial instruments held in the ordinary course of business includes:

a) Price risk

i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company is not exposed to currency risk as the payables are in Singapore dollar.

ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The company has no interest-bearing financial instruments, hence, is not exposed to any movements in market interest rates.

iii) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The company does not hold any quoted or marketable financial instrument, hence, is not exposed to any movements in market prices.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The company is not exposed to any credit risk.

Cash is held with financial institutions of good standing.

(c) Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The company ensures that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

Trade and other payables mature within next 12 months.

(d) Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount.

The company is not exposed to any cash flows risk as it does not have any monetary financial instruments with variable interest rates.

13. CAPITAL MANAGEMENT

The company has ceased its business operations and the directors are proposing to strike off under section 344 of the Act. Hence the capital management is not applicable.



BRANCHES/FACILITATION CENTRES

| SR. NO. | REGION / LOCATION | TELEPHONE | ADDRESS |
|---------|-----------------------|------------------------------------|---|
| | Western Mumbai | | |
| 1 | Mittal Court | 022-22045483, 22045499 | 224, Mittal Court B Wing, 2nd Floor, Nariman Point Mumbai - 400 021 |
| 2 | Vikhroli | 022-25795280, 25795281 | 44/1, Kalicharan Mehra Estate L.B.S. Marg, Near Vikhroli Station, Vikhroli West, Mumbai - 400 079 |
| 3 | Fort | 022-22622677, 22675960/61 | 12/14 UTI Bulding Bank Street Cross lane near Old Custome House, Fort Mumbai - 400 023 |
| 4 | Andheri | 022-26230909/26230910/ 26230912 | Shop No. 4, Parsian Apartments, V.P. Road Next To Zorostrrian Co-Op. Bank Ltd. Off S. V. Road, Andheri (West), Mumbai - 400058 |
| 5 | Vile Parle | 022-26161108, 26161101 26161092 | 104, Shyam Kamala Opp Vile Parle Station Vile Parle(E), Mumbai - 400 057 |
| 6 | Goregaon | 022-28787336, | G-2 Unique Towers, Ground Floor, Gaiwadi Indl. Estate, Near Kamats Club, Off S V Road, Goregaon(W), Mumbai - 400 062 |
| 7 | Borivali | 022-28332104, 28332085 | Shop - No - 10, Ground Floor, Madhumilan Co-Op Housing Society, Mangal Kunj, S.V.Road, Borivali - West, Mumbai - 400 092 |
| 8 | Ghatkopar | 022-25024790, 25024795 | Shop No. 2/3, Ground Floor Vishwa Nagar Co. Hsg. Soc., Ghatkopar(E), Mumbai - 400 077 |
| 9 | Chembur | 022-25288358, 25288430 | Basaveshwar Bhavan, Basaveshwar Chowk D K Sandhu Marg, Opp. Malhar Restaurant, Chembur, Mumbai - 400 071 |
| 10 | Vashi | 022-27897174, 27897168 | 11-12, Thakkar Tower, Ground Floor Near Uti Institute Of Capital Markets, Sector 17, Vashi, Navi Mumbai - 400 703 |
| 11 | Mahalaxmi | 022-23526220 | Rewa Apartments, B - Wing, Near Bank Of India, Opp. Cadbury House, Bhulabhai Desai Rd., Mahalaxmi, Mumbai - 400 026 |
| 12 | Dadar | 022-24151722, 24151706 | Neelkanth Niwas, Ground Floor Purandare Park Society, 169/C Dr. Ambedkar Road, Dadar T. T., Mumbai - 400014 |
| 13 | Mulund | 022-25907617/18 | Shop No.2, Koteswar Apartments Rhb Road, Near ICICI Bank Opp. Shamrao Vittal Bank, Mulund - West, Mumbai - 400 080 |
| 14 | Kalyan | 0251-2315421/22/23/24 | Gala no 110, Vasant Vihar Complex, Chandulal Joshi Compaund opp. Railway Station, Kalayn (W) - 421 301 |
| 15 | Dombivli | 0251-2861199 | C/O Dombivli Nagarik Sahakari Bank Ltd. 1st Flr, Guruprasad Building, Behind Shivaji Statue Manpada Road, Dombivli (East) - 421 202 |
| 16 | Thane | 022-25453790, 25453791 | Hari Kunj, Shop No.1, Adjacent To Jupiter Scan Centre, Opp Saraswati Marathi High School Naupada, Thane West - 400602 |
| | Maharashtra | | |
| 17 | Nagpur | 0712-244356, 6611595 | 3 Floor Saraf Court Opp. Yashwant Stadium, Dhantoli, Nagpur - 440 012 |
| 18 | Amravati | 0721-6522774, 2560470 | Block No. 82, Gulshan Market, Mofussil Plots, Nr. Panchasheel Talkies, Jaistambh Chowk, Amravati - 444 601 |
| 19 | Chandrapur | 07172-270302 | 2nd Floor Raghuvanshi Complex, Near Azad Garden, Main Road Chandrapur - 442 702. |
| 20 | Yavatmal | 07232-244884 | Shop No-1, Lower Ground Floor, Pitashri Subhash Data Bajoria Plaza, Yavatmal - 445 001. |
| 21 | Aurangabad | 0240-22362421, 2360376 | 106, Apna Bazar opp Guru Nanank Petrol Pump Jalna Road, Aurangabad - 431 005. |
| 22 | Pune | 020-25521843, 25520418 | Sneh Leela Complex, 1st Floor, Apte Road Deccan Gymkhana, Pune - 411004 |
| 23 | Kolhapur | 0231-2663123 | Ayodhya Towers, 4th Floor 511 Kh 'E' ward Near Dhabholkar Corner, Stn Road, Kolhapur - 416 001 |

BRANCHES/FACILITATION CENTRES

| SR. NO. | REGION / LOCATION | TELEPHONE | ADDRESS |
|-------------------------------|-------------------|-------------------------|--|
| 24 | Nasik | 0253-2571869 | F 8, 1ST Floor, Suyojit Sankul, adjacent to Rajiv Gandhi Bhavan (NMC), Sharapur Road, Nasik - 400 022 |
| 25 | Sangli | 0233-2523252 | Gometesh Padmavati 111/112, Mahaveer Nagar, Sangli - 416 416 |
| 26 | Jalgaon | 0257-2222690 | C/o Shree Mahavir Shakari Bank Ltd. 87, Polan peth, Dana Bazar, A:D 447, Jalgaon - 425 001 |
| 27 | Chinchwad | 020-27654837, 32305717/ | 218/219, Kohinoor Arcade Sector No. 24 Old Mumbai Pune Highway, Nigdi, Chinchwad, Pune - 411 004 |
| Goa | | | |
| 28 | Panjim | 0832-2421496, 2421497 | 2nd Floor, Tamba Building Dr. Atmaram Borkar Road Panaji - Goa - 403 001 |
| Central Madhya Pradesh | | | |
| 29 | Indore | 0731-2432061, 2432071 | 201-202, 2nd Floor, D. M. Tower, Above Standard Chartered Bank, Race Course Road, (Janjirwala Square), Indore - 452 001 (M.P.) |
| 30 | Bhopal | 0755-4221321, 4045300 | S-4, Harisons House, 6 Malviya Nagar, Rah Bhavan Road, Bhopal - 462 003 (M.P.) |
| 31 | Jabalpur | 0761-4007444, 4014944 | 7, Ankita Complex, 2nd Floor, Opp Prabhu Vandana Talkies, Civic Centre, Jabalpur - 482 001 (M.P.) |
| 32 | Gwalior | 0751-4077783, 4065111 | First Floor, Sharma Mansion, Near Archies Gallery, Old High Court Road, Jayendra Ganj, Lashkar, Gwalior - 474 001 (M.P.) |
| 33 | Ratlam | 07412-409348, 231100 | Building No.38, 1st Floor, New Road, Opposite Gujarati School, Ratlam - 457 001 (M.P.) |
| 34 | Ujjain | 0734-4014174, 2515961 | Office No.4, 1st Floor, Siddhivinayak Trade Centre, Opposite Shaheed Park, Freeganj, Ujjain - 456 001 (M.P.) |
| Chattisgarh | | | |
| 35 | Raipur | 0771-2534212, 4034155 | 222-223, Rishabh Complex, M. G. Road, Raipur - 492 001 |
| 36 | Bhilai | 0788-2295355, 2290454 | Room No.8 Chouhan Estate, Second Floor, G. E. Road, Supela, Bhilai - 492 003 |
| 37 | Bilaspur | 07752-412039, 412087 | B-2, Vrindavan Parisar, Telipara, Bus Stand Road, Bilaspur - 495 001 |
| Gujarat | | | |
| 38 | Ahmedabad - 1 | 079-26464747, 26464760 | 304-306, Sears Towers, 3rd Floor, Patel Society, Gulbai Tekra, Ahmedabad - 380 006 |
| 39 | Ahmedabad - 2 | 079-25462717 | F1 Parkland Avenue Complex, Nr. Railway Station, Maninagar West, Ahmedabad - 380 008 |
| 40 | Ahmedabad - 3 | 079-22166953 | C 201/2 Shree Ghantakarna Mahavir Cloth Market, Kalupur-Sarangpur Road, Ahmedabad - 380 001 |
| 41 | Anand | 02692-266611 9925059106 | 308, Nathwani Chambers, Sardar gunj, Anand - 388 001 |
| 42 | Amreli | 02792-225241/42 | Shop no.12 & 13, 1st Floor, Mona Arcade, Opp. Hirak baug, Bus Station Road, Amreli - 365 601 |
| 43 | Bharuch | 02642-286333/34 | 14-15, 1st Floor Amardeep Complex, Fulshrutinar, Station road, Bharuch - 392 001 |
| 44 | Bhavnagar | 0278-2471113/14 | F-1, Gangotri Plaza, First Floor, Opp Dakshinamurti High School, Waghawadi Road, Bhavnagar - 364 002 |
| 45 | Gandhinagar | 02712-3248579/80 | Plot no.447, Second Floor, Sector 16, GH-5, Nr Pragna petrol pump, Gandhinagar - 382 016 |



BRANCHES/FACILITATION CENTRES

| SR. NO. | REGION / LOCATION | TELEPHONE | ADDRESS |
|----------------------|--------------------|--|--|
| 46 | Gandhidham | 02836-226585/86 | Office No.206, Sindhu-II, Plot No 302 Ward 12-B, Gandhidham (Kutch) - 370 201 |
| 47 | Jamnagar | 0288-2770125, 2661159 | Shop No 6,7 & 8, Madhavdarshan Complex, Opp. Cricket Bungalow, Gurudwara Road, Jamnagar - 361 001 |
| 48 | Junagadh | 0285-2652748, 2629748 | 3rd Floor, 301 Punit Shopping Centre, Ranavav Chowk, M.G.Road, Junagadh - 362 001 |
| 49 | Khambhat | 02698-222283, 84 | No.4 Rajdarshan Complex, Station Road Khambhat - 388 620 |
| 50 | Mehsana | 02762-232622/23 | Om Complex, 2nd Floor Radhanpur Cross Roads, Nr Petrol pump, Mehsana - 384 002 |
| 51 | Navsari | 02637-249425, 249401 | 2288/101, 1st Floor, Nanuvishnu Dham, Kansarwad, Navsari - 396 445 |
| 52 | Patan | 027660-222920 | 55,56,57 2nd Floor, Shreedev Complex, Station Road, Patan - 384 265 |
| 53 | Porbandar | 0286-2203144, 2215884 | Purusarth, Gr. Flr, B/H Aroon Photo Studio, M. G. Road, Porbandar - 360 575 |
| 54 | Rajkot | 0281-2478004/06 | 1st Floor, Shree Sadguru Complex, Opp. Tirupati Petrol Pump, Kalawad Road, Rajkot - 360 007 |
| 55 | Surat | 0261-2321281/82 | 311, Shree Shyam Chambers, Opp. Sub Jail, Ring Road, Surat - 395 002 |
| 56 | Surendranagar | 02752-228237, 220075 | Above Himanshu Textorium, First Floor, Derasar Chowk, Jawahar Road, Surendranagar - 363 001 |
| 57 | Vadodara | 02650-2363419, 2363516 | 305-308, 3rd Floor Paradise Complex, Sayaji Gunj, Vadodra - 390 005 |
| 58 | Veraval | 02876-244202 | 1st Floor, Swastik Complex, Bus Stand Road, Veraval - 362 265 |
| 59 | Visnagar | 02765-227620 | 48, Sukhnavas Complex, Station Road, Visnagar - 384 315 |
| 60 | Vyara | 02626-220145 | 206/208 Citi Mall Shopping Centre, Sneh Kunj Colony, Vyara - 394 650 |
| North Delhi | | | |
| 61 | Nehru Place | 011-26425334/35/ 36/37 | 2nd Floor, 3,Vardhman Trade Centre DDA Complex, Nehru Place New Delhi - 110 019 |
| 62 | Janakpuri | 011-25507316, 25507314, 25507326 | 103, 1st Floor,Suneja Tower-1 Janakpuri District Centre, Janakpuri, New Delhi - 110 002 |
| 63 | Bhikaji Cama Place | 011-26193384, 26193385 | Gr Floor, Shop # GF-13 Building No 3, Ansal Chambers-1, Bhikaji Cama Place, New Delhi - 110 066 |
| 64 | Pitampura | 011-27357135/37 | 504, 5th floor, Building no. B 08, GDITL Tower, Netaji Subhash Place, Opp.Wazipur Depot Pitampura, Delhi - 110 034 |
| 65 | Janpath | 011-23324909, 41616623 | 68/2 (Above Mehraons Jewellers) Janpath, New Delhi - 110 001 |
| 66 | Karkarduma | 011-22375744, 22375747 | 401, Fourth Floor, Ashish Corporate Tower, Community Centre, Karkarduma, New Delhi - 110 092 |
| 67 | Milap | 011-23359517, 23354966, 23359518, 23359519 | 8A, Milap Building, Gr Floor, Bahadur Shah Zafar Marg, New Delhi - 110 002 |
| Uttar Pradesh | | | |
| 68 | Allahabad | 0532-2560178/ 2560088/3208631 | G-4 LDA Centre, 2 S. P. Marg, Civil Lines, Allahabad - 211 001 |
| 69 | Kanpur 1 | 0512-2306084,2306138 | Ground Floor, Krishnaa Tower,15/63 CIVIL LINES, Kanpur - 208 001 |
| 70 | Kanpur-2 | 0512-23338914 | 5th Floor, Padam Tower, UPSE Building, 14/113 CIVIL LINES, Kanpur - 208 001 |

BRANCHES/FACILITATION CENTRES

| SR. NO. | REGION / LOCATION | TELEPHONE | ADDRESS |
|--------------------|-------------------|---|--|
| 71 | Gorakhpur | 0551-2341809 | 3rd Floor Cross Road The Mall Bank Road Gorakhpur - 273 001 |
| 72 | Varanasi - 1 | 0542-2226818, 2226897, 2226098, 3205532 | Kuber Complex, 4th Floor D-58/2, Rathyatra, Varanasi - 221 010. |
| 73 | Varanasi -2 | 0542-2455732, 2455734 | Shop No-7, Kashiraj Apartment - Kamachha, Varanasi - 221 010. |
| 74 | Lucknow 1 | 0522-2286307, 2286195, 286193, 3012039 | 103/104, Shriram Tower, 1st Floor, Ashok Marg, Lucknow - 226 001 |
| 75 | Lucknow 2 | 0522-2256086, 2257038 | Aarohi Trade Centre, 1st Floor, Plot No.2, Neebubagh Complex, Chowk, Lucknow - 226 001 |
| 76 | Agra | 0562-2524126, 2524127, 2520325 | 6, Awagarh House, Opp. Anjana Cinema, M. G. Road, Civil lines, Agra - 282 001 |
| 77 | Ghaziabad | 0120-2796097, 2796098, 2796099 | 301 302, 3rd floor, Hans Plaza, Ambedkar Road, Ghaziabad - 221 001 |
| 78 | Meerut | 0121-2656036, 2655167, 2656274 | T 306, 3rd Floor, Ganga Plaza, Begum Bridge Road, Meerut - 250 001 |
| 79 | Noida | 0120-2516368, 2516370, 2516369 | P-5,113, 1st Floor, Ocean Plaza,Sector 18, Noida - 201 301 |
| Uttaranchal | | | |
| 80 | Dehradun | 0135-2710248/ 2652558 | 19,Windlass Shopping Complex, Rajpur Road, Dehradun - 248 001 |
| 81 | Haridwar | 01334-265941/ 266504 | Shop No.7, Royal Plaza, Second Floor, Chandra Acharya Chowk, Ranipur More, Haridwar - 249 407 |
| Haryana | | | |
| 82 | Ambala | 0171-2645358, 2645367, 2645366 | 5502, 1st Floor, Surya Tower, Opp. Nigar Cinema, Nicholson Road, Ambala Cantt - 133 001 |
| 83 | Gurgaon | 0124-2387956, 2387959, 2387956 | Shop No. 251, Central Arcade, 1st Floor, Opp. Sahara Mall, DLF Phase II, Gurgaon - 122 002 |
| 84 | Karnal | 0184-2262734, 2251706, 2253875 | 1st Floor, 16, Mahila Ashram Road Complex, Behind Main Bus Stand, Karnal - 132 001 |
| Rajasthan | | | |
| 85 | Ajmer | 0145-2431290, 2630648 | 2nd Floor, 711/4, K C Complex, Opposite Daulat Baugh, Ajmer - 305 001 |
| 86 | Kota | 0744-2360863, 2361656 | Mewara Plaza, 344, Shopping Centre Rawat Bhata-Gumanpura Road, Kota - 324 007 |
| 87 | Jaipur 1 | 0141-2729047/48/52 | 291, II Floor, JSEL Building, JLN Marg, Malviya Nagar, Jaipur - 302 017 |
| 88 | Jaipur 2 | 0141-2387104/05, 2387276 | Room No# 213,II Floor, Sangam Tower, Church Road, Jaipur - 302 001. |
| 89 | Bikaner | 0151-2540131 | 1st Floor, Opp. Drm Office, Near Railway Stadium, Bikaner - 334001 |
| 90 | Sriganganagar | 0154-2440993, 2442202 | 21A, Bhardwaj Bhawan, 1st Floor, Ravindra Path, Sriganganagar - 335 001 |
| 91 | Alwar | 0144-2348459, 2348614 | 1st Floor Vijaya Complex, 43, Lajpat Nagar, Alwar - 301 001 |
| 92 | Jodhpur | 0291-2636609 | First Floor, Gulab Bhawan, Chopasni Road, Near Kankariya Building, Jodhpur - 342 003 |
| 93 | Udaipur | 0294-5101866, 2429575 | 101, Anand Plaza, Nr. Ayad Bridge, University Road, Udaipur - 313 001 |



BRANCHES/FACILITATION CENTRES

| SR. NO. | REGION / LOCATION | TELEPHONE | ADDRESS |
|---------|--------------------------|-------------------------------------|---|
| | North West Punjab | | |
| 94 | Chandigarh | 0172-2542807, 2702545,4651827 | SCO 154-155, IIInd floor Sector 17-C Chandigarh - 160 017 |
| 95 | Amritsar | 0183-2402227, 2210103 | 33-34, Deep Complex, Opp: Doaba Automobiles Court Road, Amritsar - 143 001 |
| 96 | Bhatinda | 0164-2253846, 2239083 | MC-4373, 1st Floor, Opp: Indian Overseas Bank Kikar Bazar, Bhatinda - 151 005 |
| 97 | Jalandhar | 0181-2243974, 2453076 | 304-305, 2nd Floor, Alpha Estate Opp: Bus Stand, G. T. Road, Jalandhar - 144 001 |
| 98 | Ludhiana | 0161-2422157 2422156, 2400863 | Cabin No. 501, 5th Floor, Sec-18 Feroze Gandhi Market, Opp: Ludhiana Stock Exchange, Ludhiana - 141 001 |
| 99 | Moga | 01636-233296, 233278 | NIFD Campus, 531/9, New Town Opp: D M College Moga - 142 001 |
| 100 | Mohali | 0172-2272123, 4655065 | 1st Floor, SCF-42, Phase 3-b-2, Mohali - 160 059 |
| 101 | Patiala | 0175-2201890, 2304678 | No. 6&7, Leela Bhavan Market Patiala - 147 001 |
| 102 | Panchkula | 0172-4635063 4639064 | SCO-64, 1st Floor, Sec-11 Panchkula - 134 112 |
| 103 | Phagawara | 01824-262725 | 1st Floor, SCF-31Near Arjun Mall, Guru Hargobind Nagar Market, Phagawara - 144 401 |
| | Himachal Pradesh | | |
| 104 | Shimla | 0177-2803737 2804747 | P. C. Chambers, Ridge, Ritz Cinema Road, Near Mall Road, Shimla - 171 001 |
| | Jammu | | |
| 105 | Jammu | 0191-2455058 2454453 | 83 A/D, Near Police Lines, Gandhi Nagar, Jammu - 180 004 |
| | East West Bengal | | |
| 106 | Kolkata, Park Street. | 033-2226 2081, 2226 2100 | 125/1 Park Street, A.G Towers, 6th Floor, Kolkata - 700 017. |
| 107 | Kolkata, RNM House. | 033 22107584, 22420777, 22437196 | 3 B Lalbazar Street, 3rd Floor, Kolkata - 700 001. |
| 108 | Howrah | 033-26662564, 26662545 | 10. Burnt Salt Gola Lane, Gr.Floor, Dobson Road, Howrah - 711 101. |
| 109 | Naihati | 033 25024448, 25023076. | 56, Shyam Road, Naihati, 1st Floor, Post Naihati, Dist: 24 Pgs (N), WB - 743 165. |
| 110 | Haldia | 03224-272067, 272166 | Akash Ganga Commercial Complex, Unit No.3/17, 3rd Floor, Durgachak, Haldia, Dist Midnapore - 721 602. |
| | Orissa | | |
| 111 | Bhubaneswar | 0674-2391773, 2391713 | Plot no-111, Varaha Complex, Unit -3, Kharvel Nagar, Station Square Bhubaneswar - 751 001 |
| 112 | Cuttack | 0671-2411837 | Plot No-3027/3401 Opp Kedarson, 1st floor, Dolamundai Cuttack - 753 001 |
| 113 | Rourkela | 0661-2500051, 2500056 | Plot No-133, Opp to SBI ATM, Main Road, Udit Nagar, Rourkela - 769 012 |
| 114 | Berhampur | 0680-2220754, 2220764 | House No- 12274, 1st Floor, 1st Lane, Gandhi Nagar, Berhampur - 760 076 |

BRANCHES/FACILITATION CENTRES

| SR. NO. | REGION / LOCATION | TELEPHONE | ADDRESS |
|---------|-------------------------|------------------------------------|--|
| | Jharkhand | | |
| 115 | Ranchi | 0651-2331632, 2331872,2330938 | 5, Arjan Place 3rd Floor Main Road Ranchi - 834 001. |
| 116 | Dhanbad | 0326-2300184, 2300185, 2308820 | 101, Shanti Bhawan, Bank More, Dhanbad - 826 001 |
| 117 | Jamshedpur | 0657-2420437, 2420438, 2422633 | Shanti Niketan Bldg., 2nd Floor, I.S.B. Shop Area, Bistupur Main Road, Jamshedpur - 831 001 |
| 118 | Bokaro | 06542-231950/60 | Plot C 1 - 18/B Next to Union Bank ATM, City Centre, Sector 4, Bokaro Steel City - 827 004 |
| 119 | Hazaribagh | 06546-222847/ 674. | 2nd Floor, Above Central Bank of India, Malviya Marg, Boddam Bazar, Jhanda Chowk, Hazaribagh - 825 301. |
| | Bihar | | |
| 120 | Patna | 0612-2201129/ 2231167/3292768 | 301-305, Ashiana Plaza, Budh Marg, Patna - 800 001. |
| 121 | Muzaffarpur | 0621-2246422/ 2246222 | Doma Pokhar, Bank Road, Near Suttapatty, Shyam Mandir Marg, Muzaffarpur - 842 001 |
| 122 | Bhagalpur | 0641-2409406, 2300416 | Angar Complex 2nd Floor Patal Babu Road Bhagalpur - 812 001. |
| | Port Blair | | |
| 123 | Port Blair | 03192-242885, 245652 | Stock Holding Corporation Of India Ltd No: 100, 1st Floor, Above Tci Xps Cargo, J. N. Street, Delanipur - 744 102 |
| | North East | | |
| | Assam | | |
| 124 | Guwahati | 0361-2460587/88 | Jadav Bora Complex Maniram Dewan Lane, Ulubari, Guwahati - 781 007 Assam |
| 125 | Jorhat | 0376-2300368 | K D Building, 1st Floor, Rupahi Ali, Garali Jorhat - 785 001 Assam |
| 126 | Tinsukia | 0374-2336010 | Shri Shyam Kunj Complex, Opp Shakshi Motors (Hero Honda Dealer) Chirwapatty Tinsukia - 786 125 Assam |
| | Tripura | | |
| 127 | Agartala | 0381-2314220 | 72 H G Basak Road Opp SBI Main Branch Agartala - 799 001 Tripura |
| | South 1 | | |
| | Karnataka | | |
| 128 | Bangalore - J.C. Road | 080-22995246, 22995236 | Bangalore Stock Exchange Ltd., Stock Exchange Towers, 51, 1st Cross, J. C. Road, Bangalore - 560 027 |
| 129 | Bangalore - Jayanagar | 080-26991062,26991060 | Shop No.7, 1st Floor, #44, 33rd Cross, Jayanagar, 4th T Block, Bangalore - 560 011 |
| 130 | Bangalore - Koramangala | 080-25529149,25529150 | # 103, 1st Floor, Mig Khb Colony, 17 Th Main, 5th Block Koramangala, Bangalore - 560 034 |
| 131 | Bangalore - Malleswaram | 080-23318225, 23560525,23461225 | No.13 Vasant Milan, 1st Cross, Malleswaram, Bangalore - 560 003 |
| 132 | Belgaum | 0831-469817 | Basavakrupa 1, Club Road , Opp. Civil Hospital, Near Hansraj Supermarket, Belgaum - 590 002 |
| 133 | Bellary | 08392-277664,277665 | 107, 1st Floor, Raghava Krishna Complex, K. C. Road Bellary - 583 101 |
| 134 | Davangere | 08192-236964,236965 | Door No. 280, 2nd Floor, Aradhya Arcade, 3rd Main , 9th Cross, P. J. Extension, Davangere - 577 002 |
| 135 | Dharwad | 0836-2435635,2435636 | No CTS 91/1 c/o 1st Floor, Shankar Plaza, Opp Kittel College, P B Road, Dharwad - 580 001 |
| 136 | Gulbarga | 08472-279711,279710 | G1 And G2, Shruti Arcade Opp. St. Mary'S Chrch, Court Road Off S B Temple Road, Gulbarga - 585 102 |



BRANCHES/FACILITATION CENTRES

| SR. NO. | REGION / LOCATION | TELEPHONE | ADDRESS |
|-----------------------|----------------------|--|--|
| 137 | Hassan | 08172-232117,232118 | 1st Floor, Shree Lakshmi Complex, Opp Bsnl Bhavan, B. M. Road, Hassan - 573 201 |
| 138 | Hubli | 0836-2253110,2253106 | 1st Floor, Varsha Complex, Next To Corporation Bank, Behind Bhavani Arcade, Opp Basava Vana, Near Old Bus Stand, Hubli - 580 029 |
| 139 | Karkala | 08258-234650,234651 | Ground Floor, Tukaram Building, A S Road, Karkala - 574 104 |
| 140 | Kundapur | 08254-234557,234651 | Door No 4331/1/5, Masti Katte, Near Manjunath Nursing Home, Main Road, Kundapur - 576 201 |
| 141 | Mangalore | 0824-2494986,2495220 | Stock Holding Corporation Of India Ltd 2nd Floor, Manasa Towers, M G Road, Mangalore - 575 003 |
| 142 | Mysore | 0821-2333926,2333860 | Lakshman Plaza, 442/3 & 4, 1st Floor, Near Ramaswami Circle, Chamaraja Double Road, Mysore - 570 024 |
| 143 | Raichur | 08352-225049,225050 | 59/A-1, Shreyansh Towers 1st Floor, Above Bank Of Maharashtra M.G Road, Raichur - 584 101 |
| 144 | Shimoga | 0818-227785,227786 | 1st Floor, Sangappa Complex, Garden Area, 3rd Cross , Beside State Bank Of Hyderabad, Shimoga - 577 201 |
| 145 | Udupi | 0820-2535404,2535405 | Sriram Arcade, 3rd Floor, Opp.Head Post Office, Udupi - 576 101 |
| Andhra Pradesh | | | |
| 146 | Ameerpet - Hyderabad | 040-66664666, 66669558, 66664673, 64509513 | G-6 to G-10, East Block, Ground Floor,Swarna Jayanti Commercial Complex, Near HUDA Maitrivanam, Ameerpet, Hyderabad - 500 038 |
| 147 | Himayatnagar | 040-23261526, 23261527, 66512561 | 3 - 6 - 269, G-6 & 7, MYM Money Centre, Opp: Telugu Academy, Himayatnagar, Hyderabad - 500029 |
| 148 | Secunderabad | 040-27803394, 27803395, 64509445, 66260147 | 8-1-11/7, Juloori Bhawan, Market Street, Secunderabad - 500 003 |
| 149 | Dilsukhnagar | 040-24151197, 24151203 | Shop No 7 & 8, 2nd Floor,Dno: 17-85/C/106 , Annapurna Shopping Complex, Main Road, Dilsukhnagar, Hyderabad - 500 060 |
| 150 | Kukatpally | 040-66203220, 23063560, 64509503 | Kalyani Sri Sai Niketan, Plot No - 138, Bahind Margadarshi Chitfund, Bhagyanagar Colony, Opp: KPHB Colony, Hyderabad - 500 072 |
| 151 | Anantapur | 08554-275273, 275274, 274278 | DNo: 11-170 A, Ground Floor, Meda Ramaiah Mansion, Subash Road, Ananthapur - 515 001 |
| 152 | Bhimavaram | 08816-226005, 226008 | D No: 27-2-9, Opp: Water Tank, J P Road, Bhimavaram - 534 202 |
| 153 | Guntur | 0863-6642898, 2246450, 6640898 | 2nd Floor, Raghu Mansion, 4th Line, 1st Cross Road, Brodipet, Guntur - 522 001 |
| 154 | Kakinada | 0884-2347773/4/5, 2341766 | Dno: 5-1-61/1, Ayyappa Towers, 2nd Floor, Main Road, Suryarao peta, Kakinada - 533 001 |
| 155 | Kurnool | 08518-278738, 278739 | Plot No A 10, 1st Floor, Bhupal Complex, Park Road, Kurnool - 518 001 |
| 156 | Nellore | 0861-2343480, 2343481, 2302735 | Moonland Apartment, Hno: 16 / 1102, KV Agraharam, Pogathota, Nellore - 524 001 |
| 157 | Nizamabad | 08462-232233, 232255 | Block E, 1st Floor, Kavita Complex, Godown road, Nizamabad - 503 001 |
| 158 | Ongole | 08592-222205, 222206 | Shop no 11 & 12, Srinivasa Complex, Kurnool Road,Opp RTC Bus Stand, Ongole- 523 002 |
| 159 | Proddatur | 08564-243340, 243358 | Shop No: 1 & 2, 1st Floor, Dr Narayana Reddy Building, Opp: Watertank, YMR Colony, Proddatur - 516 360 |
| 160 | Rajahmundry | 0883-2439476, 2476761, 2478846 | 7 - 28 - 32, 2nd Floor, Jupudy Complex, T Nagar, Rajahmundry - 533 101 |
| 161 | Tirupathi | 0877-2220202, 2222724 | Flat No: 10, 1st Floor, Sridevi Complex, Tilak road, Tirupathi - 517 501 |
| 162 | Vijayawada | 0866-2579002, 2579004, 6666898 | Dno 27 14 47,Rajagopalachari Street, Governorpet Vijayawada - 520 00 |
| 163 | Visakhapatnam | 0891-2752070, 2716576, 6452576 | 30 15 58, Silver Willow, 2nd Floor, Dabha Garden, Visakhapatnam - 530 020 |

BRANCHES/FACILITATION CENTRES

| SR. NO. | REGION / LOCATION | TELEPHONE | ADDRESS |
|---------|-------------------------------|---------------------------|--|
| 164 | Warangal | 0870-6565113, 2553318 | Shop No: 16, 1st Floor, Hno: 5-9-36,37, Mayuri BVSS Complex, Opp Public Garden, Hanamkonda, Main Road, Warangal - 506001 |
| | South II Tamilnadu | | |
| 165 | Chennai 1 | 044-25340766, 25340725 | Justice Basheer Ahmed Sayeed Building, 3rd Floor, 45, Moore Street, Second Line Beach, Chennai - 600 001. |
| 166 | Chennai 2 | 044-43536409, 24986972 | Shop No.1-B, Ground Floor, No.4/180, TNHB Complex, Luz Corner, Mylapore, Chennai - 600 004. |
| 167 | Chennai 3 | 044-24328380 | 202, 2nd Floor Challa Mall, 11&11A Sir Theagaraya Rd, T. Nagar, Chennai - 600 017. |
| 168 | Chennai 4 | 044-24420602, 45504085 | Gokul Arcade, 1st Floor, 2, Sardar Patel Road, Adyar, Chennai - 600 020. |
| 169 | Chennai 5 | 044-26280154 | W-101, 1st Floor, 2nd Avenue, Anna Nagar, Chennai - 600 040 |
| 170 | Coimbatore | 0422-2241606/609 | A-108, 1st Floor Raheja Centre, 1073-74, Avinashi Road, Coimbatore - 641 018. |
| 171 | Madurai | 0452-2350178, 2342174 | C-1, 3rd Floor, A. R. Plaza, 16-17, North Veli Street, Madurai - 625 001. |
| 172 | Trichy | 0431-2750927/28 | A-1, Shirшти Court, Salai Road, Woraiyur, Trichy - 620 003. |
| 174 | Erode | 0424-2213823, 2214026 | R. K. Samy Building, 110/4, Sathy Road, Near Bus Stand, Erode - 638 003. |
| 175 | Salem | 0427-2318648/58 | 19-A/27, Shop 26&27, 1st Floor, Sixer Shopping Complex, Saradha College Road, Salem - 636 007. |
| 176 | Karaikudi | 04565-232180/90 | Meenakshi Towers, 1st Floor, Door No.14/22, 100 Feet Road, Near Periyar Statue, Karaikudi - 630 001. |
| 177 | Tuticorin | 0461-2327638/39 | Anbu Medical Complex, 1st Floor, 285/8D, W. G. C. Road Tuticorin - 628 002. |
| 178 | Nagercoil | 04652-238955/66 | No. 30/4 Sundram Arcade, 1st floor, State Bank Road, Nagercoil - 629 001. |
| 179 | Namakkal | 04286-230681/82 | Kirupa Complex, 1st Floor 106/1Kavingar Ramalingam Street, Namakkal - 637 001 |
| 180 | Vellore | 0416-2221894/95 | Nexus Towers, 3rd Floor, No. 6, Officers line (Opp. to Voorhees School) Vellore - 632 001 |
| 181 | Karur | 04324-240528/38 | 128/A, Vanathi Towers, 1st floor, Kovai Road, Karur - 639 002. |
| | Pondicherry | | |
| 182 | Pondicherry | 0413-2331751/52 | 201, Mission Street, 1st Floor (Above Bharat Overseas Bank). Pondicherry - 605 001. |
| | Kerala | | |
| 183 | Calicut | 0495-2300373, 2304473 | Metro Towers, 19/2084- B/20, 1st floor, P. V. Swamy Road, Chalappuram P.O. Calicut - 673 002. |
| 184 | Kannur | 0497-2712323 | 2nd floor, KVR Tower, South Bazar, Kannur - 670 002. |
| 185 | Kochi | 0484-2397402/403 | 4th floor, Kurian Towers (Opp. Saritha Theatre, Banerjee Road, Kochi- 682 018. |
| 186 | Kottayam | 0481-2303670/71 | 2nd floor, Korattiyil Complex (Opp. Public Library), Sashtri Road, Kottayam - 686 001. |
| 187 | Kollam | 0474-2768159/8 | E-2-24/25, 2nd floor, Commercial Complex, East Block, Bishop Jermone Nagar, Chinnakada, Kollam - 691 001. |
| 188 | Palakkad | 0491-2510861/51 | 1st floor, Fort Centre Complex, Fort Maidan, Stadium Bye - Pass road, Palakkad - 678013. |
| 189 | Trichur | 0487 - 2445657/58 | Pooma Complex, 3rd floor, M.G.Road, Trichur - 680 001. |
| 190 | Trivandrum | 0471- 2338 033/32 | 1st Floor, Jayalayam, TC - 14/2072, Punnen Road, Palayam, Trivandrum - 695 034. |



Stock Holding Corporation of India Limited

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