

Sumati Industrial Finance Limited

31, ALEXANDRA COURT, 2ND FLOOR, 60/1, CHOWRINGHEE ROAD
KOLKATA - 700 020, PHONE : 30588263, FAX : 91-33-30538263
E-mail : rohitgangwal@yahoo.com

Date: 22/01/2010

To
The Secretary
The Calcutta Stock Exchange Association Ltd.
7 Lyons Range,
Kolkata - 700 001

Subject: Audited Balance Sheet for the year ended 31st March 2009

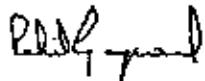
Dear Sir,

Enclosed please find herewith the audited Balance Sheet of the Company for the year ended 31st March 2009

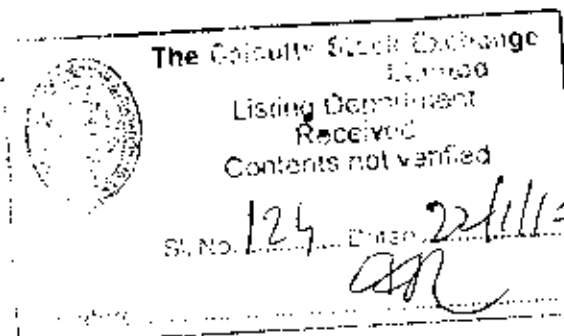
Kindly acknowledge the receipt of the same.

Thanking You
Yours faithfully,

For Sumati Industrial Finance Limited



Director



SUMATI INDUSTRIAL FINANCE LIMITED

AUDITOR'S REPORT

TO THE MEMBERS

1. We have audited the attached balance Sheet of **SUMATI INDUSTRIAL FINANCE LIMITED** as at 31st March, 2009 and the related Profit & Loss Account for the year ended on that date, both of which we have signed under reference to this report.
2. 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 required 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us the said accounts together with the notes thereon attached thereto, give in the prescribed manner the information required by the Companies Act, 1956 and also give a true and fair view :
 - (a) In the case of the Balance Sheet of the State of affairs of the Company as on 31st March, 2009
 - (b) In the case of Profit & Loss Account of the Profit for the year ending on that date.
 - © In the case of Cash Flow Statement, the cash flows for the year ending as on date.
4. (a) We have obtained all the information and explanation, which to the best of our knowledge and belief were required for the purposes of our audit. In our opinion proper books of account have been kept as required by law, so for examination of the books and the above mentioned accounts are in agreement therewith.

(b) In our opinion, the Profit & Loss Account and Balance Sheet, together with notes thereon, comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.



- On the basis of written representations received from the directors of the Company as at 31st March 2009 and taken on record by the Board of Directors, we report that no director is disqualified from being appointed as a director of the Company under Clause (g) of sub-section (1) of section 274 of the Companies Act 1956.
5. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of the section 227 of the Companies Act 1956 and according to the basis of such checks as considered appropriate and according to the information and explanations given we enclose our report thereon separately in Annexure below:

ANNEXURE TO THE AUDITOR'S REPORT

Statement referred to in paragraph 4 of Auditor's Report of even date to the Members of SUMATI INDUSTRIAL FINANCE LTD. on the accounts for the year ended 31st March, 2009. On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under :

- (i) a) The Company has maintained proper records to show full particulars including quantitative details and situation of item of fixed assets. The fixed assets of the company have been physically verified during the year by the management and no material discrepancies between book records and the physical balance have been noticed.
- b) There was no substantial disposal of fixed assets during the year, which would affect the status of the company as going concern.
- (ii) The inventories of share / stock has been physically verified during the year by the management. In our opinion, the procedures and frequency of physical verification of inventories of share / stock followed by the management are reasonable and adequate in relation to the size of the company and nature of its business. The company is maintaining proper records of inventory. No discrepancies were noticed on verification between the physical stocks and book records.
- (iii)a) The company has granted loans to 3 parties aggregating to Rs.2909309/- and has not taken any loans.
- b) As per the information furnished the terms and conditions on which the Company has granted loans to parties covered in the register maintained under section 301 of the Companies Act, 1956 are prima facie not prejudicial to the interest of the company.
- b) The loans granted are repayable on demand and parties are regular in the payment of interest.



- di There is no overdue amount of loans granted to companies firms or other parties listed in the register maintained under 301 of the Companies Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of services. During the course of our audit, no major weakness has been noticed in the internal records.
- (V) 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 there are no transactions that need to be entered into the register maintained under Section 301.
- b) In our opinion and according to the information and explanations given to us, there are no transactions exceeding Rs. Five lacs the particulars of which are required to be entered in the register maintained under Section 301 in respect of any party during the year.
- (vi) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules made there under.
- (vii) In our opinion, the Company is yet to implement Internal Audit Rules for the year.
- (viii) The Cost Audit Rules are not applicable to the company.
- (ix) The Company is regular in depositing with appropriate authorities undisputed statutory dues and other material statutory dues applicable. There are no undisputed statutory outstanding for a period of more than six months from the date they became payable as on 31st March 2009.
- (x) The accumulated losses of the Company as on 31st March, 2009 is Rs.NIL. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the company has no dues to a financial institution, bank or debenture holders.
- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) Clause (xiii) of the order is not applicable to the company as the company is not a Chit Fund company or nidhi/mutual benefit fund/society.



- (xiv) In our opinion, the proper records have been maintained of the transactions and contracts with respect to dealing or trading in shares, securities, debentures and other investments as well as timely entries have been made therein. According to the information and explanations given and on an overall examination of records we report that shares, securities, debentures and other investments have been held by the company, in its own name.
- (xv) According to the information and explanations given to us, the company has not given guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to the information and explanations given to us, term loans raised during the year have been used for the purpose for which they have been taken.
- (xvii) Based on our examination of the Balance Sheet of the Company as at 31st March, 2009 we find that the Company as on that date had NIL Long Term sources of funds.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xix) During the year covered by our audit report the Company has not issued any secured debentures.
- (xx) The Company has not raised any money by public issues during the year covered by our report.
- (xxi) As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Dated : 31st July, 2009

For **SHYAMSUKHA ASSOCIATES**
Chartered Accountants

Place : 7A, Elgin Road
Kolkata - 700 020.

SUNIL SHYAMSUKHA
Proprietor - 52092



SUMATI INDUSTRIAL FINANCE LTD.
Computation of Income Tax for the year ended 31st March, 2009

FROM HOUSE PROPERTY

from DCL for 2 Offices
 Middleton Row, Cai-16.
 30% for repairs & collection chgs.

1,089,708

326,912 326,912

762,796

BUSINESS INCOME :

Profit as per Profit & Loss A/c
 s Rent Income considered separately

596,233

(1,089,708)

(493,475)

To be Considered Separately

reciation

173,011

173,011

(320,464)

reciation as per i. T. Rule :

urniture & Fixture of Rs 3221/- @ 10%:

Computer of Rs 1581/- @60%

NEW

Office Appliance of Rs 20000/- @25%:

Motor Car @15%

JEW

SOLD

WDV

1,494

149

21

13

2,400

1,440

11,250

2,813

386,642

386,642

57,996

(62,411)

62,411

GROSS INCOME :

(382,875)

379,921

GROSS INCOME :

379,921

R / OFF

379,921

379921

30% 113976.30 113976.30

0% 0.00 0.00

113976.30 113976.30

3% 3419.29 3419.29

117395.59 117395.59

117396

PROVISION
 PROVISION
 PROVISION

TAX 125000
 F.B.T. 19000
 144000

SOURCE :

Steel Corp Pvt. Ltd
Steel Pvt. Ltd
Steel Pvt. Ltd
ent Consultants Ltd (Consultancy)
(Development Consultants Ltd)

23,069
25,278
30,952
79,299
16,090
226,809

REFUNDABLE

322198

204802

Imputation of Deferred Tax Asset

preciation Plus Donation as per Co Act

A

preciation as per I T Rules

62411

173011

Expenses as per A - B -

B

110600

62411

Tax Saving @ 30.9% On

110600

34176

Imputation of FRINGE BENEFITS TAX

icle up-keep Expenses

On Car

85,992.06 20%

17,198.41

phone Expenses

102,418.00 20%

20,483.60

Welfare Expenses

13,446.00 20%

2,689.20

veyance Expenses

16,740.00 20%

3,348.00

elling expenses

15,120.00 20%

3,024.00

tainment Expenses

83,357.44 5%

4,167.87

14,820.71 20%

2,964.14

331,894.21

53,875.23

IL Fringe Benefits

53,876

e Benefits Tax

Surcharge

30% 15,162.71

16,163

L

10% 1,616.27

1,616

Education Cess

17,778.99

17,779

F.B.T

3% 533.37

534

18,312.36

18,313

PROVISION

F.B.T.

19,000

SS

SUMATI INDUSTRIAL FINANCE LIMITED

31, ALEXANDRA COURT (2nd Floor)
60/1 CHOWRINGHEE ROAD, KOLKATA - 700020

AADCS 7591N

35300

28.09.1982

RATION NO.

orporation

DIRECTORS

VI GANGWAL

RAWDON STREET
700020

I.T. FILE NO.

ADBPQ 5054A

A KUMAR GANGWAL
RAWDON STREET,
700020

ADBPG2427P

MAR GANGWAL
RAWDON STREET
700020

ADZPG7381E

SUMATI INDUSTRIAL FINANCE LTD.
BALANCE SHEET AS AT 31st MARCH, 2009

	Schedule	Balance As on 31.03.2009	Balance As on 31.03.2008
SOURCES OF FUNDS			
Share Capital	1	2,420,000.00	2,420,000.00
Reserve & Surplus	2	5,505,736.71	5,019,325.43
Secured Loan			
D.F.C. Bank (Car Loan)		141,312.47	223,450.00
TOTAL		8,067,049.18	7,662,778.46
APPLICATION OF FUNDS			
Fixed Assets	3	1,575,208	1,748,219.00
Current Assets, Loans & Advances, Sundry Debtors			
Security Deposits			
Holding Stock of Shares	4	1,819,334.00	1,819,334.00
Cash & Bank Balance	5	1,552,784.49	11,315.76
Loans & Advances	6	3,796,030.00	4,755,356.00
Sundry Debtors	7	81,456.00	72,099.00
Security Deposits	8	206,453.00	195,864.00
		7,456,057.49	6,853,968.76
Less: Current Liabilities & Provisions			
Current Liabilities	9	341,784.00	433,846.40
Advance & Deposits	10	480,959.90	474,114.90
Provision for Taxation	11	141,472.41	31,648.00
(Including Deferred Tax Asset)		964,216.31	939,409.30
CURRENT ASSETS		8,491,841.18	5,914,559.46
TOTAL (A + B)		8,067,049.18	7,662,778.46

Significant Accounting Policies & Notes to Accounts per Schedule - 16

In terms of our report of even date

By Order of the Board

Office : 7A Elgin Road, (2nd Floor)
 Kolkata - 700 020.
 Dated: 31.07.2009

For SHYAMSUKHA ASSOCIATES
 Chartered Accountants

(Signature)
 (SUNIL SHYAMSUKHA)
 Proprietor - 52092

(ROHIT KUMAR GANGWAL)

(Signature)
 (RAJENDRA KUMAR GANGWAL)
(Signature)
 Directors



SUMATI INDUSTRIAL FINANCE LTD.
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009

	Schedule	Balance As on 31.03.2009	Balance As on 31.03.2008
INCOME			
Interest (TDS Rs.95389/-)		401,158.00	344,617.00
P.year Rs 75490/-)			
Rent (TDS Rs.= 226809/-)		1,089,708.00	1,008,750.00
P.year Rs 208884/-)			
Other Income	12	4,244.00	4,034.58
Closing Stock increase (Shares)	13	-	53,231.00
		1,495,120.00	1,408,675.58
EXPENDITURE			
Salary & Staff Welfare Expenses	14	365,937.00	368,808.00
Rent Rates & Taxes		84,500.00	107,000.00
Interest Paid on Car Loan		20,462.47	110.00
Filing Fees		2,900.00	3,000.00
Listing Fees		10,500.00	10,500.00
Demat Charges		-	-
Advertisement		500.00	500.00
Vehicle up-keep Expenses		85,992.06	163,898.49
Insurance		5,512.00	20,475.00
Miscellaneous Expenses	15	129,426.15	46,617.00
Bank Charges		2,200.66	646.00
Secretarial Audit Fees		-	1,500.00
Audit Fees		4,500.00	4,500.00
Service Tax on Rent		-	25,589.00
Depreciation	3	173,011.00	145,115.00
Telephone Expenses		13,446.00	22,971.00
Profit on Sales of Fixed Assets		-	(24,691.00)
Donation		-	25,000.00
		898,887.34	919,308.49
Balance carried down		596,232.66	489,367.07
Balance b/f from previous year		5,019,328.46	4,604,272.39
Short/Excess Provision		-	(241.00)
Provision for Taxation		(125,000.00)	(92,000.00)
Provision for F.B.T.		(19,000.00)	(19,000.00)
Deferred Tax Asset		34,175.59	36,930.00
Balance carried to Balance Sheet		5,505,736.71	5,019,328.46
Earning per Share		Rs.1.72 p.	

In terms of our report of even date

By Order of the Board

Place : 7A Elgin Road, (2nd Floor)
 Kolkata - 700 020.
 dated. 31.07.2009

For SHYAMSUKHA ASSOCIATES

Chartered Accountants

(Signature)
 (SUNIL SHYAMSUKHA)

Proprietor - 52092

(ROHIT KUMAR GANGWAL)

(Signature)

(RAJENDRA KUMAR GANGWAL)

(Signature)
 Directors



SUMATI INDUSTRIAL FINANCE LTD.

SCHEDULES

PARTICULARS

Current Year
31.03.2009

Previous Year
31.03.2008

SCHEDULE - 1
SHARE CAPITAL

Authorised
242000 Equity Shares
of Rs.10/- each

2,420,000.00

2,420,000.00

Issued Subscribed &
Paid-up in Cash
242000 Equity Shares
of Rs.10/-each
fully paid up in cash

2,420,000.00

2,420,000

2,420,000.00

2,420,000.00

SCHEDULE - 2
RESERVE & SURPLUS

Profit & Loss A/c (Cr. Bal.) (Op. Bal.)
Add :- for the year 2008-09

5,019,328.46
486,408.25

5,505,736.71

5,019,328.46

5,505,736.71

5,019,328.46



PARTICULARS

W.D.V.as on
31.03.2008W.D.V.as on Depreciation
31.03.2009 for the yearFurniture & Fixture

Gross Block		11175	
Depreciation			11,175
upto 31.03.2008	10678		10,768
for the year	18.1% 90	10758	407
		407	0

Office Space at 8/1Middleton Row, Cal.

Pur. 1/11/1991

Gross Block		2538660	
Depreciation			2,538,680
upto 31.03.2008	1156131		1,225,258
for the year	5% 69127	1225258	65,671
		1313422	1,290,929
			1,247,751

85,671

Car Parking Space at8/1, Middleton Row, Cal.

Gross Block		22000	
Depreciation	5% 0	0	22000
		22000	0
			22000

Computer

Gross Block		67819	
Depreciation			67,819
upto 31.03.2008	53902		59,489
for the year	40% 5567	59489	3,340
		8350	62,809
			5,010

3,340.00

Office Appliance

Gross Block		20000	
Depreciation			20,000.00
upto 31.03.2008	10186		11,551
for the year	13.91% 1365	11551	1,175
		8449	12,726.00
			7,274.00

1,175.00

Motor Car

Gross Block	443882	
Add CAR ON 20/02/08 I-10 MAGNA	407440	851,322
SOLD 14.02.08	(443882)	
Depreciation		
upto 31.03.2008	191456	
ADJSMNT ON SOLD ASSETS	195309	
for the year	25.89% 68966	455,731
	11849	395,591
		1748219

407,440	
-	407,440
-	
11,849	
-	
102,418	114,267
	293,173
	1,575,208

102,418

FIXED ASSETS

Opening Balance	
Purchases during the year	
Sale during the year	
Gross Block	
Less Depreciation	
NETT BLOCK.	

2009



2,008	
3,103,556	
407,440	
(443,882)	
3,067,114	
1,318,895	
1,748,219	

2,009	
3,067,114	
-	
-	
3,067,114	
173,011	
1,575,208	

173,011

BOOK OF SHARES

Bodies Corporate

QUOTED

Essar Steel Ltd.

(Cost Rs. 188250/-)

Essar Steel Ltd.(Rights)

(Cost Rs. 123150/-)

I. F. C. I.

(Cost Rs. 4800/-)

(Market Price Rs. 10960/-)

Global Trust Bank

(Cost Rs. 4000/-)

(Market Price Rs. 117/-)

Tourism Finance Corp.Ltd.

(Cost Rs. 4000/-)

(Market Price Rs. 9575/-)

Kshitish Trading Co. Ltd.

(Cost Rs. 129850/-)

(Market Price Rs. 246225/-)

Rajendra Steels Ltd.

(Cost Rs. 1600/-)

(Market Price Rs. 8800/-)

UNQUOTED

Pioneer Iron & Steel Corp Pvt.Ltd

TOTAL :

PREVIOUS YEAR :

*M - Market Price

*C - Cost Price

	Opening Stock		Purchase/ Sales		Closing Stock	
	31.03.08		31.03.09			
	Qty.	Value	Qty.	Value	Qty.	Value
	900	77700			900	77700 M
	1128	97384			1128	97384 M
	400	4800			400	4800 C
	100	4000			100	4000 M
	500	4000			500	4000 C
	23450	129850			23450	129850 C
	800	1600			800	1600 C
	150	1500000			150	1500000 C
	27428	1819334	0	0	27428	1819334
	28780	1819334	0	0	28780	1819334

PARTICULARS

SCHEDULE - 5

CASH & BANK BALANCE

Cash-in-hand

Canara Bank

SCHEDULE - 6

LOANS & ADVANCES

Loans (Unsecured & Considered

good bearing interest)

T.D.S.& Advance Tax

Current Year
2009

Previous Year
2008

99,227.23

1,453,557.26

1,552,784.49

7,713.63

3,602.13

11,315.76

2,909,309.00

886,721.00

3,796,030.00

4,027,649.00

727,707.00

4,755,356.00



STORS

For six months (Considered good)
For the month of Mar 09

81,456.00

72,089.00

81,456.00

72,089.00

SCHEDULE - 8

SECURITY DEPOSITS

Gomnath Estates Pvt. Ltd. (Op Bal)

195864.00

8/1 Middleton Row, Cal.

Add for the year 2008-09

10589.00

206,453.00

195,864.00

206,453.00

195,864.00

SCHEDULE - 9

CURRENT LIABILITIES

Shyamsukha Associates (Audit Fees)

4,500.00

4,500.00

Director Salary Payable (Nisha Devi Gangwal)

130,000.00

429,146.40

Outstanding Liabilities for Expenses:

Service Tax

20570.00

Other Liability 2007-08

103043.00

Dcl Corp Tax

83671.00

207,284.00

341,784.00

433,646.40

SCHEDULE - 10

ADVANCE & DEPOSITS

From Development Consultants Ltd.

Rent Advance

18,000.00

18,000.00

Corp Tax Security deposit

60,865.00

60,865.00

Electricity Security deposit

102,989.00

Add : for the year 2008-09

10,589.00

113,578.00

102,989.00

Generator Security deposit

6,090.00

9,834.00

Maintenance Security deposit

10,000.00

10,000.00

Rent Deposit

272,426.90

272,426.90

480,959.90

474,114.90



L A R S		Current Year 2009	Previous Year 2008
SCHEDULE - 11			
PROVISION FOR TAXATION			
Opening Balance		289,500.00	340,500.00
Less : Adjustment		-	143,000.00
		289,500.00	197,500.00
Add : For the year	2008-2009	125,000.00	32,000.00
		414,500.00	229,500.00
PROVISION FOR F.B.T.			
Opening Balance		16,995.00	25,532.00
Less : Adjustment		-	25,532.00
		16,995.00	(2,006.00)
Add : For the year	2008-2009	19,000.00	19,000.00
		35,995.00	16,994.00
Deferred Tax Asset			
Opening Balance		(274,847.00)	(237,917.00)
Add : For the year	2008-2009	(34,175.59)	(36,930.00)
		(309,022.59)	(274,847.00)
		141,472.41	31,648.00
SCHEDULE - 12			
OTHER INCOME			
Dividend (Tourism Finance)		500.00	290.50
Generator Security W/off		3,744.00	3,744.00
		4,244.00	4,034.50
SCHEDULE - 13			
CLOSING STOCK INCREASE (SHARES)			
Opening Stock		1,819,334.00	1,783,003.00
Purchase		-	-
		1,819,334.00	1,783,003.00
Sales		-	16,900.00
Closing Stock		1,819,334.00	1,819,334.00
		53,231.00	53,231.00
SCHEDULE - 14			
SALARY & STAFF WELFARE EXPENSES			
Director's Salary		120,000.00	120,000.00
Salary (Staff)		186,000.00	150,000.00
Salary Security Guard		17,697.00	42,008.00
Bonus		25,500.00	30,000.00
Staff Welfare Expenses		16,740.00	24,600.00
		365,937.00	366,608.00
SCHEDULE - 15			
MISCELLANEOUS EXPENSES			
General Expenses		6,691.00	6,667.00
Postage & Telegram		3,138.00	2,850.00
Printing & Stationery		4,769.00	10,050.00
Conveyance Expenses		15,120.00	14,450.00
Repair & Maintenance Exp.		1,400.00	2,100.00
Travelling expenses		83,357.44	10,500.00
Entertainment Expenses		14,820.71	-
Service Tax Penalty		130.00	-
		129,426.15	45,617.00



Significant Accounting Policies & Notes on Accounts

related to and forming part of the Accounts of the period ended 31st March, 2009

SIGNIFICANT ACCOUNTING POLICIES :

1. System of Accounting : The Company follows the accrual basis of accounting for income & expenses.
2. Contingent liabilities are disclosed by way of notes to accounts.
3. Fixed assets are valued at cost. Depreciation is charged thereon, at rates prescribed under Schedule XIV of the Companies Act, 1956 on Written Down Value method.
4. Inventory : Closing Stock of Shares is valued at cost or market price whichever is less for quoted shares and at cost for unquoted. All shares are of Long Term nature.

B. NOTES :

1. Previous years figures have been recast wherever necessary.
2. Additional information pursuant to para 3 & 4 part I of the Schedule VI of the Companies Act, 1956.

QUANTITATIVE STATEMENT OF PURCHASE AND SALE OF SHARES & DEBENTURES (QUOTED AT MARKET PRICE OR AT COST WHICHEVER IS LOWER & UNQUOTED AT COST)

Name of Bodies Corporate	Opening Stock		Purchase		Sales	Closing Stock		
	01.04.08					31.03.09		
QUOTED	Qty.	Value	Qty.	Value /-	Value	Qty.	Value	
Essar Steel Ltd. (Cost Rs.158250/-)	900	77700				900	77700	M
Essar Steel Ltd.(Preference) (FACE VALUE 10/-)	600					600		
Essar Steel Ltd.(Rights) (Cost Rs.123150/-)	1128	97384				1128	97384	M
Essar Steel Ltd.(Preference) (FACE VALUE 10/-)	752					752		
I. F. C. I. (Cost Rs 4800/-)	400	4800				400	4800	C
(Market Price Rs 10960/-)								
Global Trust Bank (Cost Rs. 4000/-)	100	4000				100	4000	M
(Market Price Rs 117/-)								
Tourism Finance Corp.Ltd. (Cost Rs. 4000/-)	500	4000				500	4000	C
(Market Price Rs.9575/-)								
Kshitish Trading Co. Ltd. (Cost Rs.129850/-)	23450	129850				23450	129850	C
(Market Price Rs.246225/-)								
Rajendra Steels Ltd. (Cost Rs 1600/-)	800	1600				800	1600	C
(Market Price Rs.8800/-)								
Reliance Industries Limited		0	0	0 0	0	0	0	M

UNQUOTED

Pioneer Iron & Steel Corp.Pvt.Ltd.	150	1500000					150	1500000	C
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TOTAL :

PREVIOUS YEAR :

*M - Market Price

*C - Cost Price



Accounting Policies & Notes on Accounts

to and forming part of the Accounts of the period ended 31st March, 2009

SIGNIFICANT ACCOUNTING POLICIES :

1. System of Accounting : The Company follows the accrual basis of accounting for income & expenses
 2. Contingent liabilities are disclosed by way of notes to accounts
 3. Fixed assets are valued at cost. Depreciation is charged thereon at rates prescribed under Schedule XIV of the Companies Act, 1956 on Written Down Value method.
 4. Inventory : Closing Stock of Shares is valued at cost or market price whichever is less for quoted shares and at cost for unquoted. All shares are of Long Term nature.
- B. NOTES :**
1. Previous years figures have been recast wherever necessary.
 2. Additional information pursuant to para 3 & 4 part I of the Schedule VI of the Companies Act, 1956

QUANTITATIVE STATEMENT OF PURCHASE AND SALE OF SHARES & DEBENTURES (QUOTED AT MARKET PRICE OR AT COST WHICHEVER IS LOWER & UNQUOTED AT COST)

Name of Bodies Corporate	Opening Stock		Purchase		Sales	Closing Stock		
	01.04.08					31.03.09		
	Qty.	Value	Qty.	Value /	Value	Qty.	Value	
QUOTED								
Essar Steel Ltd. (Cost Rs.158250/-)	900	77700				900	77700	M
Essar Steel Ltd.(Preference) (FACE VALUE 10/-)	1500-600					600		
Essar Steel Ltd.(Rights) (Cost Rs.123150/-)	1128	97384				1128	97384	M
Essar Steel Ltd.(Preference) (FACE VALUE 10/-)	1880-752					752		
I. F. C. I. (Cost Rs.4800/-)	400	4800				400	4800	C
(Market Price Rs.10960/-)								
Global Trust Bank (Cost Rs. 4000/-)	100	4000				100	4000	M
(Market Price Rs.117/-)								
Tourism Finance Corp.Ltd. (Cost Rs. 4000/-)	500	4000				500	4000	C
(Market Price Rs.9575/-)								
Kshitish Trading Co. Ltd. (Cost Rs.129850/-)	23450	129850				23450	129850	C
(Market Price Rs.246225/-)								
Rajendra Steels Ltd. (Cost Rs. 1600/-)	800	1600				800	1600	C
(Market Price Rs.8800/-)								
Reliance Industries Limited		0	0	0 0	0	0	0	M

UNQUOTED

Pioneer Iron & Steel Corp.Pvt.Ltd.	150	1500000				150	1500000	C
------------------------------------	-----	---------	--	--	--	-----	---------	---

TOTAL :

PREVIOUS YEAR :

*M - Market Price

*C - Cost Price



disclosure of information under Accounting Standards (to the extent applicable)

(a) AS-17(Segment Reporting)- Not applicable since the company has financial activities, which comprise of advancing loan & investment in shares only.

(b) AS-18(Related Party Disclosure)- An amount of Rs.2904090/-has been granted as unsecured loan to Pioneer Iron & Steel Corp.Pvt.Ltd.,Rajasthan Pipes Pvt Ltd & B.K Iron & Steel Pvt. Ltd. And Gangwal Infrastructure Pvt Ltd in which the Directors of the company together with their relatives have interest. The loan carries 10% interest per annum receivable annually and the year end balance of principal amount and accrued interest thereon duly accounted for amounting to Rs 2904090/-, are good in nature.

(c) AS-20(Earning per Share)- Earning per Equity Share Rs2.01 p.a.

(d) AS-22(Accounting for Taxes on Income)- In adherence to the Accounting Standard-22 published by Institute of Chartered Accountants of India relating to "Accounting for Taxes on Income" impact of Deferred Tax Assets and Liabilities has been recognised and ascertained apart from for the current year, in respect of prior year as well. All adjustments have been made through Profit and Loss Account, prior year as well. All adjustments have been made through Profit and Loss Account.

4. There is no liability under the payment of Gratuity Act, 1972

5. DIRECTORS' REMUNARATION-

Current Year

Previous Year

Salary (Nisha Devi Gangwal
P.F. & Other Benefits

130000
Nil

0
Nil



Schedule forming part of the Balance Sheet and Profit & Loss Account

NOTES ON ACCOUNTS :

Information pursuant to part IV of Schedule VI of the Companies Act, 1956.

I. Registration Details

Registration No.	35300	State Code	21
Balance Sheet Date	31.03.2009		

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

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

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

Total Liabilities	8,067	Total Assets	8,067
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Sources of Funds

Paid-up Capital	2,420	Reserves & Surplus	5,506
Secured Loans	141	Unsecured Loans	Nil

Application of Funds

Net Fixed Assets	1,748	Investment	Nil
Net Current Assets	6,492	Misc. Expenditure	Nil

IV. Performance of Company (Amount Rs. in Thousands)

Turnover	1,495	Total Expenditure	899
Profit/Loss Before Tax	596	Profit/Loss After Tax	486
Earning per Share	2.01	Dividend	Nil

Generic names of Three Principal Products of Company (as per monetary terms)

Financing & Investments

I.T.C. Code is not applicable for Finance Cos.

By Order of the Board

For SHYAMSUKHA ASSOCIATES
Chartered Accountants

(ROHIT KUMAR GANGWAL)

Place : 7A Elgin Road, (2nd Floor)

Kolkata - 700 020.

Dated. 31.07.2009

(SUNIL SHYAMSUKHA)

Proprietor - 62092

(RAJENDRA KUMAR GANGWAL)

Rajendra Kumar Gangwal
Directors



15-17
CASH FLOW STATEMENT FOR 31ST MARCH 2009

		Current Year 31.03.2009	Previous Year 31.03.2008
A CASH FLOW FROM OPERATING ACTIVITIES :			
Profit before tax and extraordinary items		596,233	571,215
Adjustments for :			
Depreciation	173,011		120,112
Change in Provisions	Nil		Nil
Change in Value of Assets	0		29,417
Interest received	Nil		Nil
Dividend received	Nil		Nil
Change in W/Oft	0		346
Operating profit before working Capital Changes		769,244	720,104
Adjustments for :			
Change in value of receivables	939,380		111,017
Provisions	0		42
Trade payables	-850,174		474,586
Cash generated from operations		1,623,606	425,154
Interest paid	Nil		Nil
Income Taxes paid			45,382
Cash Flow before extra ordinary items		1,623,606	379,792
Extra ordinary items			Nil
Net Cash Operating activities		1,623,606	379,792
B CASH FLOW FROM INVESTMENT ACTIVITIES :			
Purchase of Fixed assets	0		-405,306
Sale of Fixed Assets	0		109,523
Acquisition of Companies (As per annexure)	Nil		Nil
Purchase of Investments	Nil		Nil
Sale of Investments			Nil
Interest received	Nil		Nil
Dividend Received	Nil		Nil
Net Cash used in investing activities		1,623,606	24,009
CASH FLOW FROM FINANCING ACTIVITIES :			
Proceeds from issue of Share Capital		Nil	Nil
Proceeds from Long Term Borrowings			25,000
Repayment of Finance lease Liabilities		(82,138)	0
Dividend paid		Nil	Nil
Net Cash used in Financing activities			
Net increase in Cash and Cash Equivalents		1,541,469	49,009
Cash and Cash Equivalents as at (Opening Balance) 1.4.2008		11,315	114,147
Cash and Cash Equivalents as at (Closing balance) 31.03.2009		1,552,784	65,138
		-154,1469	49,009
		0	0

We have examined the attached Cash Flow Statement of Sumati Industrial Finance Limited for the period ended 31st March, 2009. The Statement has been prepared by the Company in accordance with the requirements of the Listing agreement clause with the Calcutta Stock Exchange Association Ltd. and is based on and in agreement with the Corresponding Profit & Loss Accounts and the Balance Sheet of the Company by our report dated 31.07.2009 to the members.

For SUMATI INDUSTRIAL FINANCE LTD.

For SHYAMSUKHA ASSOCIATES

Chartered Accountants

(ROHIT KUMAR GANGWAL)

Place : 7A Elgin Road, (2nd Floor)

Calcutta 700 020.

Dated 31.7.2009



(SUNIL SHYAMSUKHA)

Proprietor - 52092

(RAJENDRA KUMAR GANGWAL)

Directors

SUMATI INDUSTRIAL FINANCE LTD.
DETAILS OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009

Balance Sheet (Liabilities Side)

**A. ADVANCE & DEPOSITS FROM
DEVELOPMENT CONSULTANTS LTD.**

1 Rent Advance :

Rs. 2000/- each for Flat No. 4/7 & 4/9

18,000.00

2 Rent Deposit

For Flat No. 4/7

62,820

For Flat No. 4/9

59,455

Add for the year 2007-08

150,152

272,426.90

3 Maintenance Security Deposit :

For Flat No. 4/7 & 4/9 Rs 5000/-each

10,000.00

4 Generator Security Deposit :

Balance upto 31.03.2007

For Flat No. 4/7

5,158

For Flat No. 4/9

4,676

9,834.00

Less : written off for the year 2008

For Flat No. 4/7

1,920.00

For Flat no. 4/9

1,824.00

3,744.00

6,090.00

5 Electricity Security Deposit

For Flat No. 4/7

56,353.00

For Flat no. 4/9

46,636.00

Add : for the year 2008-09

10,589.00

113,578.00

6 Corporation Tax Security Deposit

For 1 Qtr.

For Flat No. 4/7

31,347.00

For Flat No. 4/9

29,518.00

60,865.00

462,953.90

480,959.90

B. CURRENT LIABILITIES & PROVISIONS :

1 Current Liabilities :

Shyamsukha Associates C.A.

4,500.00

(Audit Fees for 2008-2009)

DCL & A/C CORPORATION TAX

83,671.00

Outstanding Liabilities (07-08)

103,043.00

Service Tax

20,570.00

Director Salary Nisha Devi Gangwal

130,000.00

341,784.00

341,784.00

Deposits & Deposits

D C P L. (Rent Advance Ac)

15,000.00

Deposit from D. C.L. -

Corp. Tax Security Deposit

60805.00

Rent Deposit

272,426.90

Electricity Deposit (Op. Bal)

102989.00

Add for the year 2008-09

10589.00

113578.90

Generator Security Deposit

9834.00

Maintenance Security Deposit

10000.00

484,703.90**484,703.90****Provision****3 Provision for Taxation :**

Balance As on 2008-09

289,500.00

Add for The Year 2009-10

155,000.00

444,500.00**444,500.00****Provision for F.B.T**

Balance As on 2008-09

16,995.00

Add for The Year 2009-10

19,000.00

35,995.00

35,995.00**Deferred Tax Asset**

Asst. Year 2002-2003

(37,998.00)

Asst. Year 2003-2004

(34,930.00)

Asst. Year 2004-2005

(41,333.00)

Asst. Year 2005-2006

(31,382.00)

Asst. Year 2006-2007

(53,756.00)

Asst. Year 2007-2008

(38,518.00)

Asst. Year 2008-2009

(36,930.00)

Asst. Year 2009-2010

(274,847.00)

34,175.59

(240,671.41)**ASSET SIDE :****239,823.59****LOANS (Bearing Interest)**

1. B. K. Iron & Steel Pvt. Ltd.

149128

10%

Principal

1,445,000.00

Interest**(after TDS)**

119,283.00

1,564,283.00

2 Pioneer Iron & Steel Corp. Pvt. Ltd.

111986

10%

1,000,000.00

88,917.00

1,088,917.00

3. Rajsthan Pipes Pvt Ltd.

122711

10%

5,219.00

5,219.00

3. Gangawal Infrastructure

10%

250,000.00

890.00

250,890.00

2,695,000.00**214,309.00****2,909,309.00**

**DEDUCTED AT SOURCE &
ANCE INCOME TAX**

Advance Tax As Per Op. Balance	727,707.00
Less Refund A.Y 2007-08	1184,184.00
for 2008-09 For F B T	21,000.00

564,523.00 564,523.00

A D D : Asst. Year 2008-2009

TDS On Interest

1 Pioneer Iron & Steel Corp. Pvt. Ltd.	23,069.00
2 Rajasthan Pipes Pvt. Ltd.	25,278.00
3. B. K. Iron & Steel Pvt. Ltd.	30,952.00
	79,299.00

T.D.S. ON RENT & CONSULATNCY

On Consultancy

By Development Consultants Ltd. Exp	16,090.00
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On Rent

By Development Consultants Ltd

TDS on Rent 4/7	116641.00		
TDS on Rent 4/9	110168.00	226,809.00	322,198.00

886,721.00

C SUNDRY DEBTORS

DCL Rent receivable (excluding TDS)

For Flat No. 4/7 @ Rs.46702-8607*6M	41,892.00	41,892.00
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For Flat No. 4/9 @ Rs.44107-9113*5M	39,564.00	39,564.00
	81,456.00	81,456.00

D DEPOSIT

Sornath Estates Pvt. Ltd. (Op. Bal)

Add for the year 2008-09

195864.00

10589.00 **206,453.00**

PROFIT & LOSS ACCOUNT

A SALARY & BONUS (F.Y.2008-2009)

Salary :

1.Nandita Gangwal @ Rs.10000/-	120,000	
2.C D Saraogi @ Rs.1500/-	18,000	
3. Dubey Ji (Driver) @ Rs.2500/-	30,000	
4 Debu Mondal @ Rs.1500/-	18,000	186,000

Director's Salary:

1 Nisha Devi Gangwal @ 10000/-	120,000
--------------------------------	---------

Bonus @ 100%

1.Nandita Gangwal @ Rs.10000/-	10,000	
2.Dubey Ji (Driver) @ Rs.2500/-	2,500	
3.C D Saraogi @ Rs.1500/-	1,500	
4 Debu Mondal @ Rs.1500/-	1,500	
5 Nisha Devi Gangwal @ 10000/-	10,000	25,500

331,500.00

B RENT, RATES & TAXES

1. Rent paid to Pioneer Iron & Steel Corpn. P.Ltd. @ Rs.6000/-	78,000.00
2 Shyam sukha Associats (Legal Exp)	2,000.00
3. Profession Tax	2,500.00
4. Fee For Trade Licence	500.00
5 Fee to Chandak Mundhra & Associates	
6 Fee to B. I. Patni	1,500.00