



NOTICE

NOTICE IS HEREBY GIVEN THAT THE NINETEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF NDA SECURITIES LIMITED WILL BE HELD ON THURSDAY, 29<sup>TH</sup> SEPTEMBER, 2011 AT 4.00 P.M. AT AGARWAL DHARMSHALA, OCF POCKET 104, KALKAJI VISTAR, NEAR PUNJSONS FACTORY, NEW DELHI-110019 TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Uma Shanker Gupta, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General meeting of the company and to authorize the Board of Directors to fix their remuneration. M/s Gupta, Rustagi & Agarwal, Chartered Accountants, are the retiring Auditors and being eligible have offered themselves for re-appointment.

**SPECIAL BUSINESS:**

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:-

4. **RESOLVED THAT**, in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof) for the time being in force, consent of the Company be and is hereby accorded to the appointment of Smt. Deepti Agarwal as Whole-time Director of the Company for a period of three years w.e.f. 1<sup>st</sup> May, 2011 on such remunerations and terms and conditions, as detailed below:
  - A. Salary Rs. 75,000/- per month
  - B. PERQUISITES AND ALLOWANCES:
    - i) **MEDICAL REIMBURSEMENT:** For self and family subject to a ceiling of one month salary in a year or three months salary over a period of three years.
    - ii) **LEAVE TRAVEL CONCESSION:** Leave Travel Concession for self and family once in a year.
    - iii) **CLUB FEES:** Fees of clubs subject to maximum of two clubs excluding life membership fees.
    - iv) **PERSONAL ACCIDENT INSURANCE:** premium for Personal Accident Policy shall be paid by the Company, in accordance with the rules of the Company.
    - v) **CONVEYANCE AND TELEPHONE:** Car with driver for use on Company's business and telephone at residence alongwith Mobile Phone will be provided. They will however, not to be considered as perquisites. Personal long distance calls on telephones and use of Car for private purpose, shall be billed by the Company.
    - vi) **OTHER BENEFITS:** Such other benefits, amenities, facilities, allowances and perquisites as per rules of the Company applicable to Senior Executives or as may be permitted by the Board of Directors.

NOTE: All the above perquisites shall be interchangeable, i.e. any excess in a particular perquisite may be permissible by a corresponding reduction in one or more of the other perquisites. The perquisites shall be evaluated as per Income Tax Rules, wherever applicable.

In addition to the perquisites as aforesaid, Smt. Deepti Agarwal shall also be entitled to the following benefits which shall not be included in the computation of her remuneration:

- i) **PROVIDENT FUND:** Company's contribution towards Provident Fund as per rules of the Company to the extent not taxable under the Income Tax Act, 1961.
- ii) **SUPERANNUATION FUND:** Company's contribution towards superannuation fund or annuity fund will not be included in computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income tax Act.
- iii) **GRATUITY:** Not exceeding half month's salary for each completed year of services.



## NDA SECURITIES LTD.

iv) LEAVE: As per rules of the company but not exceeding one month's leave with full salary for every eleven months of services. Leave accumulated but not availed during the tenure as Whole-time Director may be allowed to be encashed at the end of the tenure.

REIMBURSEMENT OF EXPENSES: The Whole-time Director will be entitled to reimbursement of entertainment and all other expenses actually and properly incurred by her in the course of legitimate business of the Company.

SITTING FEE: The Whole-time Director shall not be paid any sitting fee for attending meetings of the Board of Directors or any Committee(s) thereof.

**"RESOLVED FURTHER THAT** Smt. Deepti Agarwal shall retire by rotation.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any year comprised in the period of appointment, the above remuneration will be deemed to be minimum remuneration. However, such minimum remuneration shall not exceed the limits prescribed under schedule -XIII of the Companies Act, 1956 and the rules made there under or any Statutory modifications or reenactment thereof.

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board

Date: 16/08/2011  
Place: New Delhi

Sd/-  
**SANJAY AGARWAL**  
MANAGING DIRECTOR

### NOTES:

1. The relevant explanatory statement, pursuant to Section 173(2) of the Companies Act, 1956 in respect of items no. 4 is annexed herewith.
2. A member who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote instead of himself/herself and a proxy need not be a member of the company. Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the meeting.
3. The Register of members and the Share transfer books of the Company shall remain closed from 21.09.2011 to 29.09.2011 (both days inclusive).
4. All the Members who are still holding their shares in physical form are requested to get their shares converted into dematerialized Form.
5. Members are advised not to ask for any gift coupons at the AGM, as the same shall not be distributed.
6. Members/Proxies should bring the attendance slip sent herewith, duly filled in and signed and handover the same at the entrance of the meeting hall.
7. Shareholders are requested to bring their copies of the Annual Report for the meeting.
8. Securities and Exchange Board of India (SEBI) has issued a circular classifying that it shall be mandatory for the transferee(s) to furnish copy of Permanent Account Number (PAN) card to the Company/ Registrars and transfer Agents of the company, for Registration of transfer of shares in the Physical mode, Members may please take a note of the same.
9. The Ministry of corporate Affairs has taken a "Green Initiative in the corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that services of notice/ documents Including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with Skyline Financial Services Private Limited, Registrar and Transfer Agents of the Company.



## **NDA SECURITIES LTD.**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

#### **ITEM NO. 4**

Smt. Deepti Agarwal was Re-appointed as Wholetime Director of the Company by the Board of Directors, in their meeting held on 13th May, 2011 for a period of 3 years w.e.f 1st May, 2011 on the terms and conditions as contained in the enclosed notice. Her appointment was also approved by the Remuneration Committee. The Board considers that the appointment of Smt. Deepti Agarwal as Wholetime Director will be beneficial to the company.

Your Directors recommend the resolution for your approval.

The appointment of Smt. Deepti Agarwal as Wholetime Director is subject to the approval of shareholders in general meeting.

None of the Directors except Sh. Sanjay Agarwal is interested in the said resolution.

This explanation together with the accompanying notice is and should be treated as an abstract of the terms of appointment of the Wholetime Director under the provisions of companies Act'1956.

#### **Details of Directors seeking Appointment/Re-appointment in ensuing annual general meeting (Pursuant to clause 49 of the listing agreement)**

Name	Sh. Uma Shanker Gupta	Smt. Deepti Agarwal
Category	Non promoter Independent	Non promoter, Executive
Interse Relationship	Nil	Wife of Managing Director
Date of Re-appointment	29th September, 2011	1st May, 2011
Date of Birth	20th November, 1966	17th August, 1973
Qualification	B.Com, FCA	B.Com(H)
Expertise	Finance, Accounts	Capital Market and Marketing
No. of shares held in the Co.	Nil	28451
List of Companies in which he/she Director as on 31/03/2011	NDA Commodity Brokers Pvt. Ltd. NDA Share Brokers Ltd. NDA Research and Technologies Pvt. Ltd. NDA Realities Pvt. Ltd.	NDA Realities Pvt. Ltd.



## **NDA SECURITIES LTD.**

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Chairman/member of committee of the Board of Directors as on 31/03/2011	Chairman –Remuneration Committee and Shareholders/ Investors Grievance Committee. Member- Audit Committee	Nil
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By order of the Board

Date: 16/08/2011  
Place: New Delhi

Sd/-  
**SANJAY AGARWAL**  
MANAGING DIRECTOR



## NDA SECURITIES LTD.

### DIRECTORS' REPORT

#### TO THE MEMBERS

Your Directors have pleasure in presenting the Nineteenth Annual Report alongwith the Audited Accounts for the year ended 31st March 2011.

#### FINANCIAL RESULTS

The Financial results for the year ended 31st March, 2011 are as under:

Particulars	Rs. In Lacs	
	31.03.2011	31.03.2010
Income from Operations	630.92	721.68
Other Income	42.98	47.10
Total Income	673.90	768.78
Expenditure (before interest & Depreciation)	631.16	725.69
Interest	9.45	8.72
Gross Profit (loss) after interest but before Depreciation and Tax	33.28	34.37
Depreciation	31.84	29.64
Profit (loss) before Tax	1.44	4.73
Income Tax for earlier years	-	-
Provision for Tax	-	-
Deferred Tax Asset/(Liabilities)	2.07	2.41
Fringe Benefit Tax	-	-
Net Profit (loss)	3.51	2.32
Paid up Equity Capital	509.22	509.22
Reserves	257.97	254.46

#### COMPANY'S PERFORMANCE

The Company earned a profit of Rs. 351481/- in the current year, against a Profit of Rs. 231700/- in the previous year. Your company expects a better future.

#### DIVIDEND

Due to small profit in the Current Year, Your Directors have not recommended any dividend for the Current Year.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Sh. Uma Shanker Gupta, Director, retires by rotation and being eligible, offer himself for re-appointment.

Subject to the approval of Members, the Board of Directors has Re-appointed Smt. Deepti Agarwal as Wholetime Director of the Company. The approval of Members is being sought by means of ordinary resolution, which is elsewhere in the notice of the Annual General Meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm:

- That in the preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- That the Directors have 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 ended 31st March, 2011 and of the Profit of the Company for that year.
- That the Directors have taken proper and sufficient care to the best of their knowledge and capacity 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.
- That the Directors have prepared the Annual Accounts on a going concern basis.

**CORPORATE GOVERNANCE**

As required by Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, Corporate Governance Report, Management Discussion and Analysis Report, and Auditor's Certificate regarding compliance of conditions of Corporate Governance are attached and form a part of this Annual Report.

**LISTING ON STOCK EXCHANGES**

The Equity Shares of the Company continue to be listed on The Bombay Stock Exchange Limited.

**SUBSIDIARY COMPANIES**

The Audited Statements of Accounts of NDA Share Brokers Limited and NDA Commodity Brokers Private Limited alongwith the reports of Directors and Auditors for the year ended 31st March, 2011 and the statement as required under Section 212 of the Companies Act, 1956 are attached.

NDA Share Brokers Ltd. is a Member of the Delhi Stock Exchange Association Limited. The DSE has had no business for the last few years. The Company incurred a loss of Rs. 391865/- after taxation during the year

NDA Commodity Brokers Pvt. Ltd. has earned a Profit of Rs. 67457/- after taxation during the year.



**CONSOLIDATED FINANCIAL STATEMENTS**

As required under clause 32 of the Listing Agreement with the Bombay Stock Exchange Limited, Audited consolidated financial statements form part of Annual Report.

**AUDITORS**

The Statutory Auditors of the Company, M/s Gupta, Rustagi and Agarwal, Chartered Accountants, retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate has been received from them to the effect that their re-appointment, if made, shall be in accordance with the limits specified in sub-section (1B) of Section 224 of the Companies Act, 1956.

**AUDITORS' REPORT**

The Auditors Report read together with the Notes to Accounts is self explanatory and do not call for any further explanations under Section 217(3) of the Companies Act, 1956.

**PARTICULARS OF EMPLOYEES**

No employee is covered under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

**OTHER PARTICULARS**

The provisions relating to the conservation of energy and technology absorption as required to be disclosed by section 217(1)(e) of the Companies Act, 1956 do not apply to the Company. The Company had no foreign Exchange earning / outgo during the year under review.

**FIXED DEPOSIT**

The company has neither accepted fresh Fixed Deposit nor renewed any Fixed Deposit during the year ended 31/03/2011.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the co-operation and support extended by the Company's Bankers, Stock Exchanges, other Regulatory Bodies, Share Holders & members of the staff at all levels.

For and on behalf of the Board

Date: 16/08/2011  
Place: New Delhi

Sd/-  
**SANJAY AGARWAL**  
MANAGING DIRECTOR

Sd/-  
**DEEPTI AGARWAL**  
WHOLETIME DIRECTOR

**CORPORATE GOVERNANCE REPORT**
**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company believes in transparency in all its dealings and emphasizes on integrity and compliance. NDA Group considers proper Corporate Governance as a prerequisite for meeting the needs of shareholders and customers of the Company. With this in mind, the Management has observed complete transparency and made adequate disclosures in this Report.

**2. BOARD OF DIRECTORS**

The Board of Directors comprises of 5 Directors. Composition, Category of Directors and other Directorship details are as follows:

Category	Name & Designation	No. of other Directorships & Committee Membership / Chairmanship		
		Directorship (including Pvt. Ltd.)	Committee Chairmanship	Committee Member
Promoter Executive Director	Sh. Sanjay Agarwal Managing Director	4	-	-
Executive Director	Smt. Deepti Agarwal Whole Time Director	1	-	-
Independent Non Executive Director	Sh. Uma Shanker Gupta Director	4	2	1
Independent Non Executive Director	Sh. Lalit Gupta, Director	2	1	2
Independent Non Executive Director	Sh. Ram Kishan Sanghi Director	4	-	3

The attendance of the Directors of the Company at the Board meetings & Annual General Meetings are as follows:

Directors	No. of Board Meetings Held During the year	No. of Board Meetings Attended	Attended Last AGM on 29/09/2010
Sh. Sanjay Agarwal	07	07	Yes
Smt. Deepti Agarwal	07	07	Yes
Sh. Uma Shanker Gupta	07	07	Yes
Sh. Lalit Gupta	07	07	Yes
Sh. Ram Kishan Sanghi	07	07	Yes



**The Board of Directors met 07 times during the year on the following dates:**

May 11 2010, August 13 2010, August 18 2010, November 12 2010, December 21 2010, January 28 2011, February 15 2011

**3. INFORMATION SUPPLIED TO THE BOARD**

The Board has complete access to all information with the company. Desired information is regularly provided to the Board as a part of the agenda papers well in advance of the Board Meetings or is tabled in the course of the Board Meeting. Besides this, the Board periodically reviews internal control and compliance with laws applicable to the company, as well as steps taken by the company to rectify instances of non-compliances.

**4. RISK MANAGEMENT**

The Board of Directors from time to time evaluates and discusses the Risk assessment and mitigation mechanism in their meetings.

**5. AUDIT COMMITTEE**

The Board of Directors has constituted Audit Committee to assist the Board in discharging their responsibilities effectively. The Audit Committee comprises the following Directors:

S. NO.	NAME	CATEGORY	NO. OF MEETINGS ATTENDED
1	Sh. Lalit Gupta (Chairman)	Non – Executive	5
2	Sh. Uma Shanker Gupta	Non – Executive	5
3	Sh. Ram Kishan Sanghi	Non – Executive	5

During the year 2010-11, five meetings of the Audit Committee were held on May 11 2010, August 13 2010, August 18 2010, November 12 2010 and February 15, 2011.

The terms of reference for the Audit Committee are as stipulated in Clause 49 of the listing Agreement. The functions of the Audit Committee are as per Company Law and Listing Agreement with the Bombay Stock Exchange Limited. This includes overseeing of Company's Financial Reporting process, Recommending the appointment and removal of external auditors, reviewing the Annual Financial Statements, Financial Management policies, Adequacy of Internal Control System and Internal Audit Functions.

**6. REMUNERATION COMMITTEE**

The Committee consists of:

Sh. Uma Shanker Gupta	Chairman
Sh. Lalit Gupta	Member
Sh. Ram Kishan Sanghi	Member

The Board has constituted Remuneration Committee which devises the policy relating to Executive Directors / Managers.

One meeting of the Remuneration Committee was held on 11th May, 2010.

At present the non-executive Directors are only paid sitting fees.



## NDA SECURITIES LTD.

Details of the remuneration paid to the Directors for the financial year ended 31/03/2011 are as given below:

Name	Remuneration (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Sh. Sanjay Agarwal	1475000/-	--	1475000/-
Smt. Deepti Agarwal	875000/-	--	875000/-
Sh. Uma Shanker Gupta	--	9750/-	9750/-
Sh. Lalit Gupta	--	9750/-	9750/-
Sh. Ram Kishan Sanghi	--	9750/-	9750/-

Details of the shares of the Company held by the Directors as on 31<sup>st</sup> March 2010 are as below:

Name	No. of Shares	Percentage of shareholding
Sh. Sanjay Agarwal	180785	3.55
Smt. Deepti Agarwal	28451	0.56

Other Directors do not hold any shares in the Company.

### 7. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Company also has a Committee to look after the investor's grievances relating to their various issues.

The Committee consists of the following Directors:

Sh. Uma Shanker Gupta      Chairman

Sh. Lalit Gupta              Member

Sh. Ram Kishan Sanghi      Member

The Committee addresses the effective redressal of the complaints of the shareholders such as dematerialization, transfer, non-receipt of Balance Sheet. The Committee also recommends the steps to be taken for further improvement in the quality of service to the investors.

**Compliance Officer:-** Sh. Prashant Gupta, Chief Finance Officer.

The Company received zero complaint during the year

No requests for transfer / transmission of shares / issue of duplicate shares were pending for approval as on 31<sup>st</sup> March 2011.

No request for dematerialization and rematerialization were pending as on 31<sup>st</sup> March 2011.

### 8. SUBSIDIARY COMPANIES

The Company has following subsidiary companies as on 31<sup>st</sup> March, 2011:

1. NDA Share Brokers Ltd

2. NDA commodity Brokers Pvt. Ltd.

The Audit Committee of the Company reviews the financial statements and the investments made by these unlisted subsidiary companies. The minutes of the Board Meetings of all the unlisted subsidiaries including non-material unlisted Indian subsidiary companies are placed at the meeting of the Company. The management also periodically brings to the attention of the Board of Directors, a statement of all significant transactions and arrangements entered, if any, by all the unlisted subsidiary companies.



## **NDA SECURITIES LTD.**

### **8. GENERAL BODY MEETINGS**

The details of the Annual General Meetings held in the last three years are as under:

<b>Financial Year</b>	<b>Date of Meeting</b>	<b>Type of Meeting</b>	<b>Time</b>	<b>Venue/Location</b>
2007-2008	29th September 2008	AGM	4.00 P.M	Agarwal Dharmshala, OCF Pocket, 104 Kalkaji Vistar, Near Punjsons Factory, Kalkaji, New Delhi- 110 019
2008-2009	24th September 2009	AGM	4.00 P.M	Agarwal Dharmshala, OCF Pocket, 104 Kalkaji Vistar, Near Punjsons Factory, Kalkaji, New Delhi- 110 019
2009-2010	29th September 2010	AGM	4:00 P.M	Agarwal Dharmshala, OCF Pocket, 104 Kalkaji Vistar, Near Punjsons Factory, Kalkaji, New Delhi- 110 019

No special resolution was put through the Postal Ballot in last year.

**9. DISCLOSURES**

Transactions with related parties are disclosed in Note No. 15. Notes forming part of the accounts are annexed to the Financial Statement for the year. Adequate care was taken to ensure that the potential conflict of interest did not harm the interest of the Company at large.

The Company has followed the Accounting Standard laid down by the Companies (Accounting Standards) Rules, 2006 in preparation of financial statements.

The Company has a risk management framework in place. The Company has established procedures to periodically place before the Board, the risk assessment and minimization of the procedures being followed by the Company and steps taken by it to migrate these risks.

There has been no instance of non-compliance by the Company on any matters relating to the capital market during the last three years. No penalties or strictures were imposed on the Company by Stock Exchange or SEBI or any other authority during the last three years.

Your Company has laid down a code of conduct for all the board members and identified senior management personnel of the Company. All the members of the Board and senior management personnel have affirmed their compliance with the said code of conduct for the financial year ended 31st March 2011. A declaration to this effect signed by Sh. Sanjay Agarwal, Managing Director of the Company has been annexed as Annexure to this report.

As required by Clause 49 of the Listing Agreement, a certificate duly signed by Sh. Sanjay Agarwal, Managing Director and Sh. Prashant Gupta, Chief Finance Officer in charge of finance function was placed before the Board of Directors at its meeting held on 16.08.2011 and the same has been annexed as Annexure to this report.

The Company is complying with all the mandatory requirements of Clause – 49 of the Listing Agreement. In addition, the Company has also adopted the non-mandatory requirements of the constitution of Remuneration Committee.

The Company has adopted a code of conduct for prevention of insider trading for its management, staff and directors

The Company does not have any whistle Blower Policy.

**10. MEANS OF COMMUNICATION**

The Quarterly, Half yearly and Annual Results are communicated to Bombay Stock Exchange Limited where the shares of the Company are listed as soon as the same are approved and taken on record by the Board of Directors of the Company. Further the results are published in the Business Standard (English) and Veer Arjun (Hindi). The Results are not sent individually to the Shareholders.

The Company's financial results are displayed on the company's website at [www.ndaindia.com](http://www.ndaindia.com). No official press releases have been made during the relevant period. No presentation has been made to the Institutional Investors or to the Analysts during the relevant period. The Management Discussion and Analysis Report has been included in the Annual Report.

**11. GENERAL SHAREHOLDERS' INFORMATION**

Date of Annual General Meeting : 29.09.2011  
Time : 4.00 P.M.



## NDA SECURITIES LTD.

Venue	:	AGARWAL DHARMSHALA OCF POCKET 104, KALKAJI VISTAR NEAR PUNJSONS FACTORY NEW DELHI-110019
Book Closure	:	21.09.2011 to 29.09.2011
Dividend payment date	:	Not applicable
<b>Financial Calender for 2011-12</b>	:	
Financial Year	:	1 <sup>st</sup> April, 2011 to 31 <sup>st</sup> March, 2012
Results for the quarter Ended 30th June, 2011	:	Second week of August 2011
Results for the quarter Ended 30 <sup>th</sup> September 2011	:	Second week of November 2011
Results for the quarter Ended 31 <sup>st</sup> December 2011	:	Second week of February 2012
Results for the quarter Ended 31 <sup>st</sup> March, 2011	:	Second week of May 2012
Annual General Meeting for the Year 2011-2012	:	September 2012

### Listing on Stock Exchanges

- The Equity Shares of the Company are listed at the Bombay Stock Exchange Limited and they trade under code no. 511535.
- ISIN Number in NSDL & CDSL for Equity Shares in INE026C01013
- Annual listing fee for the year 2011– 2012 has been paid to the Bombay Stock Exchange Limited.

### SHARE MARKET DATA

Monthly High/Low of market price of the Company's shares traded on the BSE and the performance of our share price during the year under review are as follows:

DATE	BSE SENSEX HIGH	Company's share price at BSE HIGH (Rs.)      Low (Rs.)	
April 2010	18,047.86	22.45	12.80
May 2010	17,536.86	21.25	10.95
June 2010	17,919.62	12.02	8.91
July 2010	18,237.56	10.25	8.79
August 2010	18,475.27	10.65	9.10
September 2010	20,267.98	11.02	9.10
October 2010	20,854.55	11.02	8.95
November 2010	21,108.64	12.69	9.03
December 2010	20,552.03	11.10	7.81
January 2011	20,664.80	11.40	7.69
February 2011	18690.97	14.17	11.00
March 2011	19,575.16	16.10	12.40

### COMPLIANCE CERTIFICATE FROM THE AUDITORS:

A certificate from the Auditors certifying the Company's compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed.



## NDA SECURITIES LTD.

### REGISTRAR AND SHARE TRANSFER AGENTS:

Skyline Financial Services Pvt. Ltd.  
246, 1st Floor, Sant Nagar, Main Iscon temple road,  
East of Kailash, New Delhi-110065

### SHARE TRANSFER SYSTEM

All cases of transfer whether physical or electronic are handled by M/s. Skyline Financial Services Pvt. Ltd. and all physical transfer were registered and returned within the stipulated time. Similarly, dematerialization of shares was done within stipulated time.

### DEMATERIALIZATION OF SHARES

As on 31st March, 2011, 3334148 Equity Shares held by shareholders representing 65.48% of the total Paid-up Equity Capital have been dematerialized. Trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f. 30/10/2000 as per notification issued by the Securities and Exchange Board of India (SEBI).

### DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2011

Share Holding	No. of shareholders	% of shareholders	No. of Share held	% of Shares held
Upto 500	3518	94.77	494542	9.71
501-1000	119	3.21	96684	1.90
1001-2000	37	1.00	53563	1.05
2001-3000	6	0.16	15610	0.31
3001-4000	5	0.13	18100	0.36
4001-5000	3	0.08	14339	0.28
5001-10000	5	0.13	39500	0.78
10001 & above	19	0.51	4359862	85.62
<b>Total</b>	<b>3712</b>	<b>100.00</b>	<b>5092200</b>	<b>100.00</b>

### SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2011

CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
1. PROMOTERS	3639240	71.47
2. FINANCIAL INSTITUTION/MUTUAL FUND	-	0.00
3. CORPORATE BODIES	58540	1.15
4. INDIAN PUBLIC	1394210	27.38
5. NRIS / OCBS	210	0.00
<b>TOTAL</b>	<b>5092200</b>	<b>100.00</b>

Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on Equity

NOT APPLICABLE

Plant Locations

NOT APPLICABLE

Address for correspondence:

Chief Finance Officer  
NDA Securities Ltd.  
906, Arunachal Building  
19, Barakhamba Road,  
New Delhi – 110001

For and on behalf of the Board

Sd/-

Place : New Delhi  
Date : 16/08/2011

**(SANJAY AGARWAL)**  
MANAGING DIRECTOR

**MANAGEMENT DISCUSSION AND ANALYSIS**

**Industry Structure and Trends:** The Growth of Indian Economy in 2010-2011 has been swift and broad based. The Economy is back to its pre-crisis growth trajectory. While agriculture has shown a rebound, industry is regaining its earlier momentum, services sector continues its near double digit run. Fiscal consolidation has been impressive. This year has also seen significant progress in those critical institutional reforms that would set the pace for double digit growth in the near future. However, food inflation, higher commodity prices and volatility in global commodity markets were some of the causes of great concerns underscoring the need of fiscal consolidation and stronger reserves.

Nevertheless, the fundamentals of the Indian Economy are very sound and thus a steady improvement is expected in the coming years. Both present and future reforms are predicted to get a further boost by the Indian Governments.

The growth pattern in the industrial sector is expected to drive the overall economic activity in the near future. Domestic demand, however, will continue to hold the key to broad growth.

The Benchmark BSE Sensex had a Roller coaster ride. Sensex was at its highest level 21108.54 during the year and closed on 31st March, 2011 at 19575.16

**Opportunities, Threats, Risks and Concerns:** Improvement in Indian Economy and Indian equities market, provide a good opportunity to your company for better performance. However, increased competition, lower margins and scarcity of working capital are cause of concern to the company. Your company is addressing these concerns. Sharp increase or decline in the stock markets increases volatility, clients default and other market related risks. Your Company manages these risks by adopting strict control and risk management practices. It has strengthened its back office and accounting systems and is in better position to manage and control market related risks.

**Outlook:** Keeping in consideration the improvement in Indian Economy, Equity Market (both primary and secondary market), the outlook for your Company appears to be bright.

**Segment wise or product wise performance:** The Company is a member of the National Stock Exchange of India Ltd. and Bombay Stock Exchange Limited and deals in one segment only viz. securities. Your company is a Depository Participant with NSDL. Performance has been dealt with in the Directors' Report.

**Internal Control system:** There is effective system of Internal Control in the Company and the policies and procedures are continuously reviewed. The Audit Committee of the Board of Directors reviews the adequacy of the Internal Controls.

**Financial Performance:** The Financial Performance has been dealt with in the Directors Report.

**Human Resource Development:** The Company now has a number of qualified professionals having varied experience in their respective fields. During the Financial Year there were cordial relations between the employees and the management of the company.

**Cautionary Statement:** The statement made in this report describe the Company's objectives and projections that may be forward looking statement within the meaning of applicable securities laws and regulations. The actual result might differ materially from those expressed or implied depending in the economic conditions, government policies and other incidental factors which are beyond the control of the Company.

For and on behalf of the Board  
Sd/-

Place : New Delhi  
Date : 16/08/2011

**(SANJAY AGARWAL)**  
MANAGING DIRECTOR



## **NDA SECURITIES LTD.**

### **CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCE OFFICER OF THE COMPANY**

We, Sanjay Agarwal, Managing Director and Prashant Gupta, Chief Finance Officer of NDA Securities Limited, to the best of our knowledge and belief, certify that-

- a. We have reviewed financial statements and cash flow statement for the year ended March 31, 2011 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there is:
  - i. That no significant changes in internal control over financial reporting during the year;
  - ii. That changes, if any, in accounting policies during the year have been disclosed in the notes to the financial statements; and
  - iii. That no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 16/08/2011  
Place: New Delhi

Sd/-  
**SANJAY AGARWAL**  
MANAGING DIRECTOR

Sd/-  
**PRASHANT GUPTA**  
CHIEF FINANCE OFFICER





**NDA SECURITIES LTD.**

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**DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT**

This is to certify that the Company has laid down Code of Conduct for all the Board Members and senior management personnel of the Company and the copies of the same are available at the Registered Office of the Company.

The members of the Board of Directors and senior management personnel have affirmed the compliance with the Code of conduct in respect of the financial year ended 31st March 2011.

Place : New Delhi  
Date : 16/08/2011

Sd/-  
**(SANJAY AGARWAL)**  
MANAGING DIRECTOR



## **NDA SECURITIES LTD.**

### **AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To

The Members of NDA Securities Limited

We have examined the compliance of conditions of Corporate Governance by NDA Securities Limited, for the year ended March 31, 2011, as stipulated in Clause 49 of the Listing Agreement(s) of the said company with stock exchange(s) in India.

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

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

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

**FOR GUPTA RUSTAGI & AGGARWAL**  
Chartered Accountants

Date: 16.08.2011  
Place: New Delhi

Sd/-  
**(S.C. GUPTA)**  
PARTNER  
M. No. 086839



## **NDA SECURITIES LTD.**

### **AUDITOR'S REPORT**

To the members of **NDA SECURITIES LIMITED**

We have audited the attached Balance Sheet of NDA Securities Limited as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and we report that:-

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 or 5 of the said order to the extent they are applicable to the Company.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Company's Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and returns and in our opinion comply with the applicable accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - d) On the basis of written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - e) In our opinion and to the best of our knowledge and according to the information and explanations given to us, the said accounts read together with Accounting Policies and Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
    - (i) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 and
    - (ii) In case of the Profit and Loss Account, of the Profit for the year ended on that date.
    - (iii) In case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

**For GUPTA RUSTAGI & AGGARWAL**

Chartered Accountants

Sd/-

**(S. C. GUPTA)**

PARTNER

M. NO: 086839

Place : New Delhi  
Dated : 16-08-2011



**ANNEXURE REFERRED TO IN PARA 1 OF OUR REPORT OF EVEN DATE OF THE  
ACCOUNTS OF NDA SECURITIES LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011.**

The Company is engaged in the business of Share Broking and investment the questions in Companies (Auditors' Report) Order, 2003 relating to only such activity are dealt as under.

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
2. The fixed assets were physically verified during the year by the management. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. No major discrepancies were noticed on verification.
3. The Company has not disposed off any substantial portion of any of the fixed assets.
4. The stock of shares and debentures have been physically verified by the management at the reasonable intervals during the year under audit. No major discrepancies were noticed on physical verification of shares and securities as compared to the book records. In our opinion and according to the information and explanations given to us the procedure of physical verification of shares and securities followed by the management are reasonable, proper and adequate in relation to the size of the Company and the nature of its business.
5. The Company has not taken any loans, secured or unsecured, from the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
6. The Company has not granted any loans, secured or unsecured to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
7. 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 with regards purchases of shares, office equipments and other assets and with regards to the sale of shares and assets.
8. Based on the audit procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered in to the register maintained under Section 301 of Companies Act, 1956 have been so entered and aggregating during the year to Rs. 5,00,000/- or more in respect of each party have been made at rates which are reasonable having regard to prevailing market rates for such shares and securities or the prices at the which transactions for similar goods or shares have been made with other parties.
9. No deposits have been accepted U/s 58A of the companies Act, 1956 during the year ended 31/03/2011.
10. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
11. Being a share brokeing Company, maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 is not applicable.
12. According to the records of the Company, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Wealth Tax and other statutory dues applicable to it.



## **NDA SECURITIES LTD.**

13. According to the records of the Company and information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth tax, Sales Tax and Service Tax is outstanding as at 31<sup>st</sup> March, 2011 for a period of more than six months from the date they became payable.
14. The company has no accumulated loss as at 31.03.2011. The company has not incurred cash losses during the financial year 2010-11 covered by our Audit and has not incurred cash loss during immediately preceding financial year.
15. Based on our audit procedure and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
16. The company has not any outstanding term loans.
17. The company has taken overdraft facility against the pledge of fixed deposit from the bank and no long term fund has been raised
18. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other similar securities.
19. The provisions of any special statue applicable to Chit Fund, Nidhi or Mutual Benefit Society do not apply to the Company.
20. The company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and timely entries have been made therein.
21. The Company has given corporate guarantee for bank guarantee taken by its subsidiary company from bank.
22. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
23. No funds have been raised by issuing of debentures during the year.
24. The company has not raised the money through public issue during the year under audit.
25. 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 course of our audit.

**For GUPTA RUSTAGI & AGGARWAL**  
Chartered Accountants

Place : New Delhi  
Dated : 16-08-2011

Sd/-  
**(S. C. GUPTA)**  
PARTNER  
M. NO: 086839



## NDA SECURITIES LTD.

### BALANCE SHEET AS AT 31st MARCH, 2011

Particulars	Schedules	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>Shareholder's Fund</b>			
Share capital	1	5,09,22,000	5,09,22,000
Reserve & Surplus	2	2,57,97,317	2,54,45,836
Deferred Tax Liability	3	23,22,955	25,30,133
Secured Loan	4	76,80,171	1,64,85,211
Unsecured Loans	5	-	25,00,000
Total		<u>8,67,22,443</u>	<u>97,883,180</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross block	6	2,56,75,244	2,39,76,319
Less : Depreciation		1,15,17,131	83,32,187
Net Block		<u>1,41,58,113</u>	<u>1,56,44,132</u>
<b>Investments</b>	7	<b>4,73,39,958</b>	8,02,23,886
<b>Current Assets, Deposits &amp; Advances</b>			
Current Assets	8	5,90,48,406	8,29,35,625
Deposits & Advances	9	2,71,66,200	2,76,30,821
		<u>8,62,14,606</u>	<u>11,05,66,446</u>
<b>Less : Current Liabilities &amp; Provisions</b>			
Current Liabilities	10	6,09,90,233	10,85,51,284
<b>Net Current Assets</b>		<u>2,52,24,373</u>	<u>20,15,162</u>
<b>Miscellaneous Expenditures:</b> (to the extent not written off or adjusted)	11	-	-
Total		<u>8,67,22,443</u>	<u>9,78,83,180</u>
<b>Notes to the Accounts</b>	14		

Auditor's Report  
As per our report of even date attached  
**For GUPTA RUSTAGI & AGGARWAL**  
(Chartered Accountants)  
Sd/-  
**(S.C. GUPTA)**  
Partner  
M.N. 086839  
Place : New Delhi  
Date : 16-08-2011

For and on behalf of Board  
Sd/-  
**(SANJAY AGARWAL)**  
Managing Director  
Sd/-  
**(DEEPTI AGARWAL)**  
Director  
Sd/-  
**(PRASHANT GUPTA)**  
Chief Finance Officer



## NDA SECURITIES LTD.

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2011

Particulars	Schedules	Year ended 31st March, 2011 (Rs.)	Year ended 31st March, 2010 (Rs.)
<b>INCOME</b>			
Income From Operation		<b>6,30,92,189</b>	7,21,68,186
Other Income	12	<b>42,98,318</b>	47,10,077
Total		<b>6,73,90,507</b>	7,68,78,263
<b>EXPENDITURE</b>			
Administrative & Other Expenses	13	<b>6,31,16,068</b>	7,25,69,157
Depreciation		<b>31,84,944</b>	29,64,219
Interest		<b>9,45,192</b>	872,472
Total		<b>6,72,46,204</b>	764,05,848
<b>PROFIT BEFORE TAX</b>		<b>1,44,303</b>	4,72,415
<b>Provision for Taxation</b>		—	—
Provision for Income Tax		—	—
Deffered tax Assets/(Liability)		<b>2,07,178</b>	(2,40,715)
Fringe Benefit Tax		—	—
<b>PROFIT AFTER TAX</b>		<b>3,51,481</b>	2,31,700
Balance Brought Forward from last year		<b>2,37,21,684</b>	2,34,89,984
<b>AVAILABLE FOR APPROPRIATION</b>		<b>2,40,73,165</b>	2,37,21,684
Basic and Diluted earning per Equity Shares (Face value of Rs. 10/- each share)		<b>0.07</b>	0.05
<b>APPROPRIATION</b>			
Balance Carried to Balance Sheet		<b>2,40,73,165</b>	2,37,21,684

#### Auditor's Report

As per our report of even date attached

**For GUPTA RUSTAGI & AGGARWAL**

(Chartered Accountants)

Sd/-

**(S.C. GUPTA)**

Partner

M.N. 086839

Place : New Delhi

Date : 16-08-2011

**For and on behalf of Board**

Sd/-

**(SANJAY AGARWAL)**

Managing Director

Sd/-

**(PRASHANT GUPTA)**

Chief Finance Officer

Sd/-

**(DEEPTI AGARWAL)**

Director

**NDA SECURITIES LTD.****SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS**

<b>Particulars</b>	<b>As at 31st March, 2011 (Rs.)</b>	<b>As at 31st March, 2010 (Rs.)</b>
<b>1 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
15000000 Equity Shares of Rs. 10/- each (Previous year 15000000 Equity Shares of Rs. 10/- each)	<b>15,00,00,000</b>	<b>15,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
5092200 Equity Shares of Rs. 10/- each fully paid up in cash (Previous Year 5092200 Equity Shares of Rs. 10/- each fully paid up in cash)	<b>5,09,22,000</b>	<b>5,09,22,000</b>
<b>2 RESERVE &amp; SURPLUS</b>		
<b>GENERAL RESERVE</b>		
Balance B/F from Previous Year	<b>17,24,152</b>	<b>17,24,152</b>
<b>PROFIT AND LOSS ACCOUNT</b>	<b>2,40,73,165</b>	<b>2,37,21,684</b>
	<b>2,57,97,317</b>	<b>2,54,45,836</b>
<b>3 DEFERRED TAX LIABILITY</b>		
Deferred Tax Liability B/F from previous year	<b>25,30,133</b>	<b>22,89,418</b>
Deferred Tax Liability for current year	<b>2,07,178</b>	<b>(2,40,715)</b>
	<b>23,22,955</b>	<b>25,30,133</b>
<b>4 Secured loan</b>		
STL against the pledge of Fixed Deposit	<b>70,00,000</b>	<b>70,00,000</b>
Bank (HDFC) Over Draft against the pledge of FDR's	<b>6,80,171</b>	<b>92,81,315</b>
Secured against car :Term Loan	<b>—</b>	<b>2,03,896</b>
	<b>76,80,171</b>	<b>164,85,211</b>
<b>5 UnSecured loan</b>		
Inter Corporate Loan	<b>—</b>	<b>25,00,000</b>
	<b>—</b>	<b>25,00,000</b>



**6 FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 31.03.2010	Addition	Sale	As at 31.03.2011	As at 31.03.2010	For the Period	As at 31.03.2011	As at 31/3/10	As at 31/3/11
Computer	1,29,10,460	5,03,250	-	1,34,13,710	48,66,009	21,35,239	70,01,248	80,44,451	64,12,462
Cars	19,45,673	-	-	19,45,673	4,04,185	1,84,839	5,89,024	15,41,488	13,56,649
Furniture & Fixtures	4,92,347	2,63,876	-	7,56,223	1,31,243	44,892	1,76,135	3,61,104	5,80,088
Office & Equipments	52,32,481	8,98,636	-	61,31,117	11,81,085	2,67,572	14,48,657	40,51,396	46,82,460
Computer Software	33,95,358	33,163	-	34,28,521	17,49,665	5,52,402	23,02,067	16,45,693	11,26,454
<b>TOTAL</b>	<b>2,39,76,319</b>	<b>16,98,925</b>	<b>-</b>	<b>2,56,75,244</b>	<b>83,32,187</b>	<b>31,84,944</b>	<b>1,15,17,131</b>	<b>1,56,44,132</b>	<b>1,41,58,113</b>
Previous Year	2,17,11,873	35,50,567	12,86,121	2,39,76,319	60,51,256	22,80,931	83,32,187	1,56,60,617	1,56,44,132

**SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS**
**7 INVESTMENTS**
**INVESTMENT IN EQUITY SHARES, UNITS & DEBENTURES**
**A QUOTED, FULLY PAID UP AT COST**

Particulars	Face Value	Nos.	31 <sup>st</sup> March, 2011 As at (Rs.)	Nos.	31 <sup>st</sup> March 2010 As at (Rs.)
DCM Shriram Industries Ltd.	10	84	4,095	84	4,095
Maxworth Orchard Ltd.	10	2,500	25,000	2,500	25,000
Orient Vegetexpo Ltd	10	10,000	1,00,000	10,000	1,00,000
Kongarur Textiles Ltd.	10	600	27,000	600	27,000
			<b>1,56,095</b>		<b>1,56,095</b>

**B UNQUOTED, FULLY PAID UP AT COST**

(i) In Subsidiary Companies:

NDA Commodity Brokers (P) Ltd.	10	5,50,000	55,00,000	5,50,000	55,00,000
NDA Share Brokers Ltd.	10	27,23,515	2,72,35,150	2,723,515	2,72,35,150
Total Investment in Shares			<b>3,28,91,245</b>		<b>3,28,91,245</b>

C Membership in OTCEI			20,00,000		20,00,000
D Investment in immoveable property			1,24,48,713		4,53,32,641
			<b>4,73,39,958</b>		<b>8,02,23,886</b>

**8 CURRENT ASSETS**

**Stock in trade** 8,10,638 8,10,638  
(Verified, Certified & Valued by the management at cost)

**Sundry Debtors**

(Unsecured considered good)

Debtors outstanding for a period exceeding six months 38,23,231 925,319

Other Debtors 1,63,99,698 2,02,22,929 3,05,27,320 3,14,52,639

**Cash in Hand** 17,05,939 23,07,430

**Balance with Schedule Banks**

a) in Current accounts 73,63,148 88,15,756

b) in fixed deposits 2,73,00,000 3,74,00,000

c) Interest Accrued on Bank's FDR's 4,38,841 3,51,01,989 725,575 4,69,41,331

**Prepaid Expenses** 7,55,478 9,19,759

**Income Receivable** 3,24,385 5,03,828

**Stamps & Broker Notes in Hand** 1,27,048 —

**5,90,48,406 8,29,35,625**

**NDA SECURITIES LTD.****SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS**

<b>Particulars</b>	<b>As at 31st March, 2011 (Rs.)</b>	<b>As at 31st March 2010 (Rs.)</b>
<b>9 DEPOSITS &amp; ADVANCES</b>		
Advance Recoverable	18,13,802	12,89,042
Additional Base Capital Exchange	70,00,000	70,00,000
Deposit with NSDL	10,00,000	10,00,000
Deposits with the National Stock Exchange	63,00,000	64,00,000
Deposits with the Bombay Stock Exchange Ltd.	85,00,000	85,00,000
Deposits with OTCEI	1,00,000	1,00,000
Advance Income Tax / TDS	13,28,733	16,35,907
Securities Deposits Rent and Telephone	9,23,665	15,05,872
Deposit with Clearing Member Derivatives NSE	2,00,000	2,00,000
	<u>2,71,66,200</u>	<u>2,76,30,821</u>
<b>10 CURRENT LIABILITIES &amp; PROVISIONS</b>		
Sundry Creditors and Advances against purchase of shares	2,84,72,810	5,00,58,856
Margin Money Received / Security deposits from clients	3,11,93,635	3,24,75,334
Provision for Expenses	791,290	9,58,312
Advance against Property	—	2,41,95,359
Other Liabilities TDS and EPF, Service Tax, Stamp Duty	5,32,498	8,63,423
	<u>6,09,90,233</u>	<u>1,085,51,284</u>
<b>11 Miscellaneous Expenditures</b>		-
<b>12 OTHER INCOME</b>		
Dividend	62,127	34,578
Interest on FDR's {(TDS Rs. 284339) PY 429617}	27,70,889	36,83,536
Mutual Fund & New Issue Income & Other Commission	13,78,921	9,91,963
Interest on Income Tax Refund	86,381	—
	<u>42,98,318</u>	<u>47,10,077</u>



## NDA SECURITIES LTD.

### SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

#### 13 ADMINISTRATIVE AND OTHER EXPENSES

Particulars	Year Ended 31st March, 2011 (Rs.)	Year Ended 31st March 2010 (Rs.)
Salary & Perquisites	2,02,94,576	2,55,27,401
Bonus	14,90,526	23,82,968
Gratuity	6,35,885	-
Employer's Contribution to P.F.	8,53,735	8,03,846
Printing and Stationary	28,59,458	49,04,774
Payment to Auditors	70,000	50,000
Professiona and Legal Expenses	23,35,793	28,28,681
Bank Charges	12,385	50,866
Bank Guarantee Commission Charges	4,44,550	4,19,656
Directors' Remuneration	23,50,000	18,00,000
Staff Welfare	5,83,039	8,99,641
Staff Training & Recruitment Expenses	9,909	44,000
Advertisement & Publicity Expenses	41,200	69,463
AGM Expenses	33,600	33,000
Annual Fees & Registration	3,22,786	7,35,803
Bandwith Charges	3,08,902	4,38,894
Bad Debts	-	1,14,343
Broker Note and Stamp Paper Charges	6,92,429	12,27,231
Business Promotion	25,108	5,614
Commission on brokerage	1,10,68,692	81,54,659
Conveyance Expenses	5,35,493	9,97,991
Demat Charges	1,12,594	1,42,516
Director's Sitting Fees	29,250	25,500
Diwali Expenses	2,52,840	3,21,433
Donation	-	11,600
Electricity & Water	7,46,415	7,48,568
Filling fees	5,944	4,082
Insurance charges	1,22,037	3,83,910
Lease Line Charges	6,23,724	6,14,029

**NDA SECURITIES LTD.****SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS**

<b>Particulars</b>	<b>Year Ended 31st March, 2011 (Rs.)</b>	<b>Year Ended 31st March 2010 (Rs.)</b>
Loss on Sale of Fixed Assets	-	3,64,833
Miscellaneous expenses	2,15,014	3,26,177
News Papers & Periodicals	91,643	88,148
Repair & Maintenance	12,31,409	36,58,810
Loss on sale of Property	20,30,922	-
Postage & Courier Charges	3,28,554	5,15,471
Rates & Taxes	71,002	91,370
Rent	58,64,677	49,51,007
Security Transaction Tax	776	60,138
Computer & Software Expenses	12,00,129	14,49,913
Telephone and internet	9,57,148	10,91,416
Travelling Expenses	19,534	1,95,461
Transaction Charges	41,20,509	57,18,760
Vehicle Running & Maintenance	1,23,881	3,17,184
<b>TOTAL</b>	<b>6,31,16,068</b>	<b>7,25,69,157</b>

**NDA SECURITIES LTD.****CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011**

<b>Particulars</b>	<b>Year Ended 31st March, 2011 (Rs.)</b>	<b>Year Ended 31st March, 2010 (Rs.)</b>
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Profit before tax and extraordinary items	1,44,303	4,72,415
ADD:		
Depreciation	31,84,944	29,64,219
Interest & Financial Charges	9,45,192	8,72,472
Bank Guarantee Charges	4,44,550	4,19,656
Loss/(Profit) on sale of Fixed Assets	-	3,64,833
Loss/(Profit) on sale of Investments	20,30,922	
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>67,49,911</b>	<b>50,93,595</b>
Adjustments for:		
Trade & other Receivables	1,19,11,009	(2,32,95,108)
Trade & other Payables	(2,33,65,692)	1,77,24,361
Inventories	-	-
Direct Taxes	-	(4,47,855)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES(A)</b>	<b>(47,04,773)</b>	<b>(9,25,007)</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Advance Recd against property	(2,41,95,359)	2,41,95,359
Advance Dep. For Investments	-	(45,95,740)
Sale of Property	3,73,29,719	-
Purchase of Property	(44,45,791)	-
Profit/(Loss) on sale of Investments	(20,30,922)	-
Purchase of Fixed Assets	(16,98,925)	(35,50,567)
Sale of Fixed Assets	-	2,38,000
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>49,58,722</b>	<b>1,62,87,052</b>



## NDA SECURITIES LTD.

### CASH FLOW FROM FINANCING ACTIVITIES

Interest & Financial Charges	(9,45,192)	(8,72,472)
Bank Guarantee Charges	(4,44,550)	(4,19,656)
Secured Loans	(2,03,896)	(1,42,66,404)
Unsecured loans	(25,00,000)	25,00,000
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(40,93,638)</b>	<b>(1,30,58,532)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS(A+B+C)</b>	<b>(38,39,689)</b>	23,03,513
OPENING CASH & CASH EQUIVALENT	3,99,67,446	3,76,63,933
CLOSING CASH & CASH EQUIVALENT	3,61,27,757	3,99,67,446

Auditor's Report

*As per our report of even date attached*

**For GUPTA RUSTAGI & AGGARWAL**

(Chartered Accountants)

**For and on behalf of Board**

Sd/-

**(S.C. GUPTA)**

Partner

M.N. 086839

Place : New Delhi

Date : 16-08-2011

Sd/-

**(SANJAY AGARWAL)**

Managing Director

Sd/-

**(PRASHANT GUPTA)**

Chief Finance Officer

Sd/-

**(DEEPTI AGARWAL)**

Director

**SCHEDULE 14 : NOTES TO ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31st MARCH, 2011**
**1. SIGNIFICANT ACCOUNTING POLICIES**
**A. REVENUE RECOGNITION**

- (a) Income from trading of Shares and Debentures, Brokerage, Issue management fee, underwriting commission and other services are accounted on accrual basis.
- (b) Income from Dividends on shares and interest on Debentures / Bonds are accounted on receipt basis.

**B. FIXED ASSETS AND DEPRECIATION**

- (a) Fixed Assets are stated at cost less depreciation.
- (b) Depreciation is provided on straight line basis as per rates prescribed under Schedule XIV of the Companies Act, 1956
- (c) Depreciation is provided on pro-rate basis with respect to the period of use.
- (d) Fixed Assets are capitalized at cost inclusive of duties, freights, taxes and installation expenses

**C. EXPENDITURES**

- a) All expenses are accounted on accrual basis (except Gratuity, leave encashment which is being accounted on payment basis).
- b) The Company generally follows Mercantile systems of accounting and recognizes significant items of Income & Expenditures on accrual basis.

**D. INVESTMENTS**

- a) Investments are states at cost (without transfer expenses)
- b) Investment in membership of OTCEI is stated at cost price.
- c) Investment in property are stated at cost including the interest capitalized.

**E. INVENTORIES**

The stock of Shares and Debentures has been valued scrip wise at cost price.

**F. MISCELLANEOUS EXPENDITURES**

The Preliminary expenses and Share issue expenses are written off in equal installments over 10 years.

**G. PROVISION FOR TAXATION**

Provision for Current Tax is made as per the provision of Income Tax Act, 1961 and adjustment for Deferred Tax is made in accordance with Accounting Standard – 22 issued by ICAI.

**H. DETAILS OF DEFERRED TAX LIABILITIES/ASSETS**

	Current Year (Rs.)	Previous Year (Rs.)
1. Brought Forward from Previous Year	25,30,133	22,89,418
Add : due to higher/(lower) dep. claim in Income tax	(2,07,178)	2,40,715
	-----	-----
	23,22,955	25,30,133
	-----	-----



2. The Company is contingently liable for bank guarantees outstanding for an amount of Rs. 280 Lac (Previous Year Rs. 280 Lac). and the company is also contingently liable for corporate guarantee given to its subsidiary company for bank guarantee of Rs. 200 lac (Previous year 200 lac).
3. Figures of the previous year have been regrouped/ rearranged wherever necessary to make them comparable with figures of current year.
4. Estimated amount of contracts remaining to be executed on capital account are Rs. NIL Previous Year NIL.
5. Sundry Debtors, Advance, Deposits and Creditors are subject to confirmation.
6. In the opinion of management, debtors, deposits, advances and other current assets are recoverable at par of book value in the ordinary course of business.
7. No provision has been made for the shortfall of Rs. 8.11 Lac in respect fall of market value of stocks-in-trade of shares. Due to non-provision of this short fall profit of the Company has increased by Rs. 8.11 Lac.
8. No provision has been made for the shortfall in respect of the cost value and the market value of long term quoted investments as the Directors are of the opinion that diminution in value is not permanent.
9. Paise have been rounded off to the nearest Rupee.
10. Information with regard to other matters specified in clauses 3(ii), 3(iv), 3(x), 4, 4(A), 4(C) & 4(D) of Part-II of Schedule-VI to the Companies Act, 1956 to the extent that they are either Nil or not applicable to the Company has not been given.
11. Payment to Auditors is Rs.1,05,000 /-excluding of service tax (Previous Year Rs. 50,000./-) as per details given below :-

<b>PARTICULARS</b>	<b>Current Year</b>	<b>Previous Year</b>
Audit Fees	60,000	40,000
Tax Audit Fees	10,000	10,000
Other	35,000	NIL
<b>TOTAL</b>	<b>1,05,000</b>	<b>50,000</b>

12. Shares received from Clients as Margin in futures & Options and capital market Segment have been deposited with our Clearing Member M/s. Globe Capital Markets Ltd., and lying with the Depository participant, have not been taken in our books as the beneficial ownership belongs to the clients only.
13. Schedules 1 to 14 form an integral part of the Balance Sheet and Profit and Loss Account.
14. Segment reporting under Accounting Standard – 17 issued by ICAI is not applicable to the Company.
15. Related party disclosures as required by Accounting Standard (AS-18), issued by ICAI, are given below:-

(a)

- |  |                    |
|--|--------------------|
| 1) NDA Share Brokers Ltd.                | Subsidiary Company |
| 2) NDA Commodity Brokers Pvt. Ltd.       | Subsidiary Company |
| 3) NDA Research & Technologies Pvt. Ltd. | Group Company      |
| 4) NDA Realities Pvt. Ltd.               | Group Company      |

(b) Other related parties with whom transactions have taken place during the year.

Key Management personnel and their relatives

- Mr. N. D. Agarwal (Relative of Director)
- Mr. Sanjay Agarwal (Managing Director)
- Deepti Agarwal (Director)
- Mr. U.S. Gupta (Director)

(C) Nature of transactions with related parties

Transaction	Current Year (Rs.)	Previous Year (Rs.)
1. Receipt of Brokerage	77,765/-	39,204/-
2. Payment of Consultancy to Relative of Director	6,00,000/-	6,00,000/-
3. Payment of Managerial Remuneration	23,50,000/-	18,00,000/-
4. Payment of Salary, Bonus, Leave Encashment, Gratuity to Relative of Directors	3,28,505/-	4,59,025/-
5. Receipt of reimbursement of expenses	9,00,000/-	Nil
6. Rent To Relative of Directors	1,80,000/-	1,08,000/-

16. Borrowing Cost on loan: Borrowing cost of Rs. 8,59,196/- on Term loan against property advance (Investments) has been capitalized during the year, previous year Rs. 28,95,740/-

17. Earning per share as required by Accounting Standard (AS-20), issued by ICAI is given below:-

	Financial Year 2010-11 (Rs.)	Financial Year 2009-10 (Rs.)
1. Net Profit (Loss) after tax as per profit & loss account	3,51,481	2,31,700
2. No. of Equity Shares	50,92,200	50,92,200
3. Earning per share (Basic and Diluted)	0.07	0.05



## NDA SECURITIES LTD.

18. Additional information as required under IV of Schedule VI to the Companies Act, 1956 is enclosed.

### **BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

#### **REGISTRATION DETAILS**

Registration No. : 50366 State Code : 55  
Balance Sheet Date : 31.03.11

#### **CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)**

Public Issue : NIL Rights Issue : NIL  
Bonus Issue : NIL Private Placement : NIL

#### **POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousand)**

Total Liabilities : 86722 Total Assets : 86722

#### **SOURCES OF FUNDS**

Paid-Up Capital : 50922 Reserves & Surplus : 25797  
Secured Loans : 7680 Unsecured Loans : Nil  
Deferred Tax Liability : 2323

#### **APPLICATION OF FUNDS**

Net Fixed Assets : 14158 Investments : 47340  
Net Current Assets : 25224 Misc. Expenditure : Nil  
Accumulated Losses : Nil

#### **V. PERFORMANCE OF COMPANY (Amount in Rs. Thousand)**

Gross Income /(Loss) : 67390 Total Expenditure : 67246  
Profit/(Loss) Before Tax : 144 PAT : 351  
Earning Per Share in Rs : .07 Dividend rate % : NIL

#### **GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY (as per monetary items)**

Item Code No. (ITC Code) : NA  
Product Description : STOCK BROKING  
Item Code No. (ITC Code) : NA  
Product Description : TRADING & INVESTMENT

Auditor's Report

*As per our report of even date attached*

**For GUPTA RUSTAGI & AGGARWAL**

(Chartered Accountants)

Sd/-

**(S.C. GUPTA)**

Partner

M.N. 086839

Place : New Delhi

Date : 16-08-2011

**For and on behalf of Board**

Sd/-

**(SANJAY AGARWAL)**

Managing Director

Sd/-

**(PRASHANT GUPTA)**

Chief Finance Officer

Sd/-

**(DEEPTI AGARWAL)**

Director



## NDA SECURITIES LTD.

### INFORMATION REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 (1) (e) OF THE COMPANIES ACT, 1956

Name of the Subsidiary Company	NDA Commodity Brokers Pvt. Ltd.	NDA Share Brokers Ltd.
1. The Financial Year of the Subsidiary Company ended on	: 31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2011
2. The Date from which it become a subsidiary Company	: 28th March, 1996	6 <sup>th</sup> December, 1996
3. (a) No of Shares held by NDA Securities Ltd. at the end of the Financial Year in the Subsidiary Companies.	5,50,000 Equity Shares of Rs. 10/- each fully paid up	27,23,515 Equity Shares of the face value of Rs. 10/- each fully paid up
(b) Extent of Interest of holding Company as at 31 <sup>st</sup> March, 2011.	100%	81.47%
4. The net aggregate amount of the subsidiary company's profits so far as it concerns the members of the holding company		
(a) Not dealt with in the holding Company's accounts		
i) For the subsidiary Company's Financial Year ended 31 <sup>st</sup> March, 2011	Rs. 0.67 Lacs	Rs. (3.19) Lacs
ii) For the previous Financial Years of the subsidiary company since it become the holding company's subsidiary	Rs. 69.06 Lacs	Rs. (171.29) Lacs
(b) Dealt with in the holding company's accounts		
i) For the subsidiary Company's financial year ended 31 <sup>st</sup> March, 2011	Nil	Nil
ii) For the previous financial years of the subsidiary company since it become the holding company's subsidiary	Nil	Nil

FOR AND ON BEHALF OF THE BOARD

Sd/-  
**(SANJAY AGARWAL)**  
Managing Director

Sd/-  
**(DEEPTI AGARWAL)**  
Whole Time Director

Sd/-  
**(PRASHANT GUPTA)**  
Chief Finance Officer

Place: - New Delhi  
Date: - 16/08/2011

**AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To the members of **NDA SECURITIES LIMITED**

We have audited the attached Consolidated Balance Sheet of NDA Securities Limited and its subsidiaries (The Group) as at 31<sup>st</sup> March, 2011 and the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with applicable auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respect, in accordance with the identified financial reporting framework and 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.

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirement of Accounting Standard (AS) 21- Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited Financial Statement of the Company and its subsidiaries included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the company and its subsidiaries, we are of the opinion that:

- (i) the Consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of the Company and its subsidiaries as at 31<sup>st</sup> March, 2011 and
- (ii) the Consolidated Profit and Loss Account gives a true and fair view of the consolidated results of operations of the company and its subsidiaries for the year ended on that date and
- (iii) the Consolidated Cash Flow Statement, of the Consolidated Cash Flows of the Company and its subsidiaries for the year ended on that date.

**For GUPTA RUSTAGI & AGGARWAL**  
CHARTERED ACCOUNTANTS

Place : New Delhi  
Date : 16-08-2011

Sd/-  
**(S. C. GUPTA)**  
PARTNER  
M. NO: 086839

**NDA SECURITIES LTD.****CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011**

Particulars	Schedules	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>Shareholder's Fund</b>			
Share capital	1	5,09,22,000	5,09,22,000
General Reserve	2	1,53,24,825	1,52,25,127
Deferred Tax Liability	3	26,15,071	29,01,534
Minority Interest		22,26,696	22,99,320
Secured Loan	4	77,27,215	1,97,73,909
<b>Unsecured Loans</b>	5	<b>1,69,80,071</b>	<b>1,93,00,000</b>
<b>TOTAL</b>		<b>9,57,95,878</b>	<b>11,04,21,890</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross block	6	3,09,06,895	2,85,57,970
Less : Depreciation		1,45,73,535	1,07,48,328
Net Block		1,63,33,360	1,78,09,642
<b>Investments</b>	7	<b>3,03,34,758</b>	<b>6,32,18,686</b>
<b>Current Assets, Deposits &amp; Advances</b>			
Current Assets	8	8,64,73,281	11,04,64,182
Deposits & Advances	9	3,51,00,922	3,67,45,662
		12,15,74,203	14,72,09,844
<b>Less : Current Liabilities &amp; Provisions</b>			
Current Liabilities & Provisions	10	7,24,46,443	11,78,16,282
<b>Net Current Assets</b>		<b>4,91,27,760</b>	<b>2,93,93,562</b>
<b>Miscellaneous Expenditures:</b>	11	-	-
(to the extent not written off or adjusted)			
<b>TOTAL</b>		<b>9,57,95,878</b>	<b>11,04,21,890</b>
<b>Note to Accounts</b>	14		

Auditor's Report

As per our report of even date attached

For **GUPTA RUSTAGI & AGGARWAL**

(Chartered Accountants)

Sd/-

**(S.C. GUPTA)**

Partner

M.N. 086839

Place : New Delhi

Date : 16-08-2011

For and on behalf of Board

Sd/-

**(SANJAY AGARWAL)**

Managing Director

Sd/-

**(PRASHANT GUPTA)**

Chief Finance Officer

Sd/-

**(DEEPTI AGARWAL)**

Director

**NDA SECURITIES LTD.****CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2011**

Particulars	Schedules	Year ended 31st March, 2011 (Rs.)	Year ended 31st March, 2010 (Rs.)
<b>INCOME</b>			
Income From Operation		7,32,05,845	8,94,26,161
Profit in trading in shares		6,999	
Other Income	12	56,12,362	61,33,540
<b>Total</b>		<b>7,88,25,206</b>	<b>9,55,59,701</b>
<b>EXPENDITURE</b>			
Administrative & Other Expenses	13	7,29,78,035	8,29,08,433
Trading in Share Derivatives		70,845	79,799
Interest		20,03,226	25,66,948
Depreciation		38,25,207	35,54,881
Decrease/Increase in Value of Stock		48,786	6,50,566
Purchase of Shares		95,083	56,08,628
<b>Total</b>		<b>7,90,21,182</b>	<b>9,53,69,255</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(1,95,976)</b>	<b>1,90,446</b>
Less: Income Tax for earlier Years		—	(16,701)
Provision for Income Tax		63,414	69,621
Deferred Tax Assets/Liabilities		2,86,463	(1,36,957)
Provision for FBT			(415)
<b>PROFIT AFTER TAX</b>		<b>27,073</b>	<b>984</b>
Add/Less : Minority Interest		72,625	1,35,771
<b>PROFIT/(LOSS) AFTER TAX</b>		<b>99,698</b>	<b>1,36,755</b>
Balance Brought Forward from Previous year		1,35,23,306	1,33,86,551
<b>AVAILABLE FOR APPROPRIATION</b>		<b>1,36,23,004</b>	<b>1,35,23,306</b>
Basic and Diluted earning per Equity Shares (Face value of Rs. 10/- each share)		<b>0.02</b>	<b>0.03</b>
<b>APPROPRIATION</b>			
Balance Carried to Balance Sheet		1,36,23,004	1,35,23,306
<b>Notes to Accounts</b>	<b>14</b>		

Auditor's Report  
As per our report of even date attached  
For **GUPTA RUSTAGI & AGGARWAL**  
(Chartered Accountants)  
Sd/-  
**(S.C. GUPTA)**  
Partner  
M.N. 086839  
Place : New Delhi  
Date : 16-08-2011

For and on behalf of Board  
Sd/-  
**(SANJAY AGARWAL)**  
Managing Director  
Sd/-  
**(DEEPTI AGARWAL)**  
Director  
Sd/-  
**(PRASHANT GUPTA)**  
Chief Finance Officer



## NDA SECURITIES LTD.

### CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Particulars	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
<b>1 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
15000000 Equity Shares of Rs. 10/- each (Previous year 15000000 Equity Shares of Rs. 10/- each)	<b>15,00,00,000</b>	15,00,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
5092200 Equity Shares of Rs. 10/- each fully paid up in cash (Previous Year 5092200 Equity Shares of Rs. 10/- each fully paid up in cash)	<b>5,09,22,000</b>	5,09,22,000
<b>2 RESERVE &amp; SURPLUS</b>		
<b>GENERAL RESERVE</b>		
Balance B/F from PreviousYear	<b>17,01,821</b>	17,01,821
<b>PROFIT &amp; LOSS ACCOUNT</b>	<b>1,36,23,004</b>	1,35,23,306
	<b>1,53,24,825</b>	1,52,25,127
<b>3 DEFERRED TAX LIABILITY</b>		
Deferred Tax Liability B/F from previous year	<b>29,01,534</b>	27,64,577
Deferred Tax Liability for current year	<b>(2,86,463)</b>	1,36,957
	<b>26,15,071</b>	29,01,534
<b>4 SECURED LOAN</b>		
Bank overdraft agaisnt FDR from HDFC Bank	<b>7,27,215</b>	1,25,70,013
Secured against Car From HDFC Bank	—	2,03,896
Short Term Loan from HDFC Bank	<b>70,00,000</b>	70,00,000
	<b>77,27,215</b>	1,97,73,909
<b>5 UNSECURED LOANS</b>		
Inter corporate Loan	<b>1,60,80,071</b>	1,25,00,000
Loan from Director & Shareholders	<b>9,00,000</b>	68,00,000
	<b>1,69,80,071</b>	1,93,00,000

#### 6 FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 31.03.2010	Addition	Sale	As at 31/3/2011	As at 31.03.2010	For the Year	On Sale	As at 31/3/2011	As at 31/3/2010	As at 31.03.2011
Office & Equipments	58,19,971	8,98,636		67,18,607	13,14,342	2,95,478		16,09,820	45,05,629	51,08,787
Computer	1,50,16,937	11,53,250		1,61,70,187	62,87,130	25,26,300		88,13,430	87,29,807	73,56,757
Furniture & Fixtures	7,22,240	2,63,876		9,86,116	1,76,562	59,444		2,36,006	5,45,678	7,50,110
Cars	28,69,424			28,69,424	7,30,686	2,72,595		10,03,281	21,38,738	18,66,143
Computer Software	41,29,398	33,163		41,62,561	22,39,608	6,71,390		29,10,998	18,89,790	12,51,563
<b>Total</b>	<b>2,85,57,970</b>	<b>23,48,925</b>	—	<b>3,09,06,895</b>	<b>1,07,48,328</b>	<b>38,25,207</b>	—	<b>1,45,73,535</b>	<b>1,78,09,642</b>	<b>1,63,33,360</b>
Previous Year	2,62,93,524	35,50,567	12,86,121	2,85,57,970	78,76,735	35,54,881	6,83,288	1,07,48,328	1,84,16,789	1,78,09,642





**NDA SECURITIES LTD.****CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS**

<b>Particulars</b>	<b>As at 31st March, 2011 (Rs.)</b>	<b>As at 31st March 2010 (Rs.)</b>
<b>9 DEPOSITS &amp; ADVANCES</b>		
(Unsecured and Considered good)	-	-
Advances to be recoverable in cash or in kind	52,99,372	46,78,651
ABC Margin Deposit with NSE	70,00,000	70,00,000
Margin Deposit with MCX	16,17,349	21,17,349
Deposits with the NSE / NCDEX / MCX/BSE	1,66,50,000	1,67,50,000
Deposit with Landlords etc.	9,23,665	15,05,872
Deposit with NSDL	10,00,000	10,00,000
Deposits with OTCEI	1,00,000	1,00,000
Advance Income Tax / TDS / STT	15,55,536	26,38,790
Deposit with Clearing Member F & O NSE	2,00,000	2,00,000
Deposit with DSE	7,55,000	7,55,000
	<u>3,51,00,922</u>	<u>3,67,45,662</u>
<b>10 CURRENT LIABILITIES &amp; PROVISIONS</b>		
Sundry Creditors and Advances against purchase of shares	3,93,57,929	5,82,42,789
TDS & Service Tax Payable & EPF	6,19,273	10,66,799
Margin Money/Security deposits from clients	3,11,93,635	3,24,75,334
Provision for Expenses	12,12,192	17,66,380
Provision for Income Tax	63,414	69,621
Other Liabilities	—	2,41,95,359
	<u>7,24,46,443</u>	<u>11,78,16,282</u>
<b>11 MISCELLANEOUS EXPENDITURES</b>		
(To the extent not written off or adjusted)		
Preliminary Expenses		
Less: Written off		
Public Issue Expenses		
Less:Written off		



## NDA SECURITIES LTD.

### CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

<b>Particulars</b>	<b>Year ended 31st March, 2011 (Rs.)</b>	<b>Year ended 31st March 2010 (Rs.)</b>
<b>12 OTHER INCOME</b>		
Dividend	68,665	49,630
Interest on Bank FDR's	38,94,354	50,91,947
Other Interest Refund of Income Tax	1,75,055	30,500
Profit on sale of Property	94,900	-
New issue income	13,78,921	9,61,463
Misc. Income	467	-
	<b>56,12,362</b>	<b>61,33,540</b>
<b>13 ADMINISTRATIVE AND OTHER EXPENSES</b>		
Salary and Perquisites	<b>2,27,18,291</b>	3,03,38,782
Bonus	<b>14,90,526</b>	
Gratuity	<b>6,35,885</b>	
Employer's Contribution to P.F.	<b>8,53,735</b>	8,03,846
Band Width Charges	<b>3,40,218</b>	4,68,397
Printing and Stationary	<b>36,30,848</b>	50,74,829
Payment to Auditors	<b>1,22,575</b>	97,575
Professionai & Legal Expenses	<b>27,15,793</b>	32,72,644
Bank Charges	<b>14,092</b>	51,708
Bank Guarantee Commission Charges	<b>6,51,479</b>	6,29,343
Directors' Remuneration	<b>23,50,000</b>	18,00,000
Staff Welfare	<b>6,00,458</b>	9,46,256



## NDA SECURITIES LTD.

### CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	Year ended 31st March, 2011 (Rs.)	Year ended 31st March 2010 (Rs.)
Staff Training & Recruitment Expenses	9,909	44,000
Conveyance Expenses	5,93,088	10,79,831
News Papers & Periodicals	97,842	94,547
Office Repair & Maintenance	21,56,681	39,20,290
Vehicle Running & Maintenance	3,10,007	4,17,117
Broker Note and Stamp Paper Charges	6,94,445	12,47,871
Postage & Courier Charges	3,40,355	5,39,559
Travelling Expenses	19,534	1,95,461
Rent Expenses	60,94,177	50,59,007
Telephone Exp.	994,319	10,26,639
Internet Exp.	27,651	1,43,773
Diwali Expenses	2,52,840	3,21,433
Miscellaneous expenses	2,28,968	3,60,626
Advertisement & Publicity Expenses	41,200	69,463
Annual Fees & Registration	4,57,817	8,68,009
Electricity & Water	7,46,415	7,48,568
Insurance charges	1,33,024	3,94,802
Rates & Taxes	71,002	92,449
AGM Expenses	33,600	33,000
Loss on sale of Investments	20,30,922	—
Loss on sale of Fixed Assets	—	3,64,833
Business Promotion	25,108	5,614
Software Expenses	15,70,394	17,82,056
Depository charges	1,42,980	1,77,130

**NDA SECURITIES LTD.****CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS**

	Year ended 31st March, 2011 (Rs.)	Year ended 31st March 2010 (Rs.)
Commission on Brokerage	1,18,89,030	93,79,199
Donation	—	11,600
Lease Line Charges	6,23,724	6,31,529
Filling Fees	9,334	11,912
Bad Debts Written Off	—	8,79,593
Director's Sitting Fees	29,250	25,500
Security Transaction Tax Exp	9,696	74,932
NSE / NCDEX / MCX Charges	72,19,090	94,24,710
Service Tax	1,733	—
<b>TOTAL</b>	<b>7,29,78,035</b>	<b>8,29,08,433</b>

**NDA SECURITIES LTD.****CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011**

	Year Ended 31st March, 2011 (Rs.)	Year Ended 31st March 2010 (Rs.)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax and extraordinary items	(1,95,976)	1,90,446
ADD:		
Depreciation	38,25,207	35,54,881
Interest & Financial Charges	20,03,226	25,66,948
Bank Guarantee Charges	6,51,479	6,29,343
Profit on sale of Investment	19,36,022	-
Loss on sale of Fixed Assets	-	3,64,833
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>82,19,958</b>	<b>73,06,451</b>
Adjustments for:		
Trade & other Receivables	1,16,02,075	(2,06,46,250)
Trade & other Payables	(2,12,37,894)	1,20,66,079
Inventories	48,786	6,50,567
Direct Taxes Refund and Interest thereon	-	(5,94,411)
Income Tax Paid	7,30,472	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES(A)</b>	<b>(6,36,603)</b>	<b>(12,17,564)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Advance Recd against Investments	(2,41,95,359)	-
Advance Deposit for Investment	-	(47,01,240)
Purchase of Fixed Assets	(23,48,925)	(35,50,567)
Sale of Property	3,73,29,719	-
Profit on sale of Investment	(19,36,022)	-
Purchase of Investment	(44,45,791)	-
Sale of Fixed Assets	-	2,38,000
Advance against Sale of Investments	-	2,41,95,359
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>44,03,622</b>	<b>1,61,81,552</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Procurement of short term bank loan	-	(1,42,66,404)
Interest & Financial Charges	(20,03,226)	(25,66,948)
Bank Guarantee Charges	(6,51,479)	(6,29,343)
Repayment of Secured loan	(2,03,896)	-
Unsecured loan	(23,19,929)	49,00,000
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(51,78,530)</b>	<b>(1,25,62,695)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS(A+B+C)</b>	<b>(14,11,511)</b>	<b>24,01,293</b>
<b>OPENING CASH &amp; CASH EQUIVALENT</b>	<b>5,17,47,531</b>	<b>4,93,46,238</b>
<b>CLOSING CASH &amp; CASH EQUIVALENT</b>	<b>5,03,36,020</b>	<b>5,17,47,531</b>

Auditor's Report  
As per our report of even date attached  
**For GUPTA RUSTAGI & AGGARWAL**  
(Chartered Accountants)  
Sd/-  
**(S.C. GUPTA)**  
Partner  
M.N. 086839  
Place : New Delhi  
Date : 16-08-2011

For and on behalf of Board

Sd/-  
**(SANJAY AGARWAL)**  
Managing Director

Sd/-  
**(DEEPTI AGARWAL)**  
Director

Sd/-  
**(PRASHANT GUPTA)**  
Chief Finance Officer

**SCHEDULE 14****NOTE TO THE CONSOLIDATE FINANCIAL STATEMENTS****NDA SECURITIES LIMITED**

- A. The Consolidated Financial Statements (CFS) comprised the Financial Statements of NDA Securities Limited, and its following subsidiaries as on 31/03/2011.

<b>Name of the Company</b>	<b>Country of Incorporation</b>	<b>% Shareholding and Voting Power</b>
NDA Share Brokers Limited	India	81.47%
NDA Commodity Brokers Pvt. Ltd.	India	100.00%

- B. The Consolidated Financial Statement have been prepared to comply with the requirements of Clause-32 of the Listing Agreement and has been prepared in accordance with Accounting Standard – 21 on Consolidated Financial Statements issued by Institute of Chartered Accountants of India.
- C. The consolidated Financial Statements have been prepared on a line Consolidation using uniform accounting policies. The effects of inter company transactions are eliminated in consolidation.

**D. SIGNIFICANT ACCOUNTING POLICIES****1. REVENUE RECOGNITION**

- Income from trading of Shares and Debentures, Brokerage and other services are accounted on accrual basis.
- Income from Dividends on shares and interest on Debentures / Bonds are accounted on receipt basis.

**2. FIXED ASSETS AND DEPRECIATION**

- Fixed Assets are stated at cost less depreciation.
- Depreciation is provided on straight line basis as per rates prescribed under Schedule XIV of the Companies Act, 1956
- Depreciation is provided on pro-rate basis with respect to the period of use.
- Fixed Assets are capitalized at cost inclusive of duties, freights, taxes and installation expenses

**3. EXPENDITURES**

- All expenses are accounted on accrual basis (except Gratuity & Leave encasment, which is being accounted on payment basis).
- The Company generally follows Mercantile systems of accounting and recognizes significant items of Income & Expenditures on accrual basis.

**4. INVESTMENTS**

- Investments are states at cost (without transfer expenses)
- Investment in membership of OTCEI is stated at cost price.
- Investment in property are stated at cost including the interest and other expenditure capitalized.

**5. INVENTORIES**

The stock of Shares and Debentures has been valued scrip wise at cost price.

**6. MISCELLANEOUS EXPENDITURES**

The Preliminary expenses and Share issue expenses are written off in equal installments over 10 years.

**7. PROVISION FOR TAXATION**

Provision for Current Tax is made as per the provision of Income Tax Act, 1961 and adjustment for Deferred Tax is made in accordance with Accounting Standard – 22 issued by ICAI.

**8. DETAILS OF DEFERRED TAX LIABILITIES/ASSETS**

	<u>Current Year</u>	<u>Previous Year</u>
Brought Forward from Previous Year	29,01,537/-	27,64,577/-
Add/(Less) : High/Low dep. claim in IT	(2,86,463/-)	1,36,957/-
	<u>26,15,071/-</u>	<u>29,01,537/-</u>

**9. CONTINGENT LIABILITY**

Un Called Liability on partly paid shares/ debentures for an amount of Rs. NIL (Previous Year NIL)

- E The Company is contingently liable for bank guarantees outstanding for an amount of Rs. 480 lacs (Previous Year Rs. 480 Lacs).
- F Figures of the previous year have been regrouped/rearranged wherever necessary to make them comparable with figures of current year.
- G Estimated amount of contracts remaining to be executed on capital account are Rs. Nil Lakhs (Previous Year Rs. Nil Lacs)
- H Sundry Debtors, Advance, Deposits and Creditors are subject to confirmation.
- I In the opinion of management, debtors, deposits, advances and other current assets are recoverable at par of book value in the ordinary course of business.
- J No provision has been made for the shortfall of Rs. 15.63 Lacs in respect fall of market value of stocks-in-trade of shares. Due to non-provision of this short fall consolidated profit of the Company has increased by Rs. 15.63 Lacs.
- K No provision has been made for the shortfall in respect of the cost value and the market value of quoted investments as the Directors are of the opinion that diminution in value is not permanent.
- L Paise have been rounded off to the nearest Rupee.
- M Borrowing Cost on loan: Borrowing cost of Rs. 8,59,196/- on Term loan against property has been capitalized during the year, previous year Rs. 28,95,740/-
- N Figures of the previous year have been regrouped / rearranged wherever necessary to make them are setout in their respective financial statements.
- O Earning per share as required by Accounting Standard (AS-20), issued by ICAI is given below:-

	Financial Year 2010-11 (Rs.)	Financial Year 2009-10 (Rs.)
1. Net Profit (Loss) after tax as per profit & loss account (A)	99,698/-	1,36,755/-
2. No. of Equity Shares (B)	50,92,200/-	50,92,200
3. Earning per share (Basic and Diluted) (A/B)	.02	.03





## NDA SECURITIES LTD.

P. Related party disclosures as required by Accounting Standard (AS-18) issued by ICAI are given below:

- a. Parties where control exists and relationship with the Company
1. NDA Share Brokers Ltd. Subsidiary Company
  2. NDA Commodity Brokers Pvt. Ltd. Subsidiary Company
  3. NDA Research & Tech. Pvt. Ltd. Group Company
  4. NDA Realities Pvt. Ltd. Group Company
- b. Other related parties with whom transaction and their relatives.  
Key management personnel.
- Mr. N D Agarwal, Consultant
  - Mr. Sanjay Agarwal, Managing Director
  - Mr. U.S Gupta, Director
  - Mrs. Deepti Agarwal, Director
- c. Nature of transactions with related parties

Particulars	Current Year(Rs.)	Previous Year(Rs.)
Managerial Remuneration	23,50,000/-	18,00,000/-
Payment of Salary, Bonus, Leave Encashment to Relative of Directors	3,28,505/-	4,59,025/-
Payment of Consultancy Exp to Director/Relative	6,00,000/-	6,00,000/-
Receipt of Reimbursement of Expense	9,00,000/-	Nil
Payment of Brokerage to Holding Company	11,663/-	12,192/-
Receipt of Brokerage from Related Parties	77,765/-	66,519/-
Rent To Relative of Directors	1,80,000/-	1,08,000/-

Auditor's Report

As per our report of even date attached

**For GUPTA RUSTAGI & AGGARWAL**

(Chartered Accountants)

**For and on behalf of Board**

Sd/-  
**(S.C. GUPTA)**  
Partner  
M.N. 086839

Sd/-  
**(SANJAY AGARWAL)**  
Managing Director

Sd/-  
**(DEEPTI AGARWAL)**  
Director

Place : New Delhi  
Date : 16-08-2011

Sd/-  
**(PRASHANT GUPTA)**  
Chief Finance Officer



## **NDA COMMODITY BROKERS PVT. LTD.**

### **DIRECTORS' REPORT**

To the Members

Your Directors have pleasure in presenting the SIXTEENTH Annual Report along with the Audited Accounts for the year ended 31st March, 2011.

#### **COMPANY'S PERFORMANCE**

The Company has earned a profit of Rs. 67457/- after taxation during the year, in comparison to Profit of Rs. 501876/- (previous year).

#### **DIVIDEND**

In order to conserve resources, Your Directors have not recommended any dividend for the Current Year.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm:

- That in the preparation of the Annual accounts the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- That the Directors have 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 ended 31st March, 2011 and of the profit of the Company for that year;
- That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- That the Directors have prepared the Annual Accounts on a going concern basis.

#### **SECRETARIAL COMPLIANCE CERTIFICATE**

The Secretarial Compliance Certificate issued by M/s. Kapahi & Associates, Company Secretaries for the year 2010-2011 is enclosed as a part of the Directors Report.

### **AUDITORS' REPORT**

The Auditors' Report read together with the Notes to Accounts is self explanatory and does not call for any further explanations under Section 217 (3) of the Companies Act, 1956.

#### **AUDITORS**

M/s. Gupta Rustagi & Aggarwal, Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate has been received from the Auditors of the Company under section 224(1) of the Companies Act, 1956, to the effect that their appointment if made will be in accordance with the limits specified in sub-section (1B) of Section 224.

#### **PARTICULARS OF EMPLOYEES**

No employee is covered under section 217 2(A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

#### **OTHER PARTICULARS**

The provisions relating to the conservation of energy and technology absorption as required to be disclosed by section 217 (1) (e) of the Companies Act, 1956 do not apply to the Company. The Company had no foreign Exchange earning / outgo during the year under review.

#### **HOLDING COMPANY**

NDA Securities Limited holds 550000 shares of the Company out of the total of 550003 shares, making it the holding company of the Company.

#### **FIXED DEPOSITS**

The Company has neither accepted fresh fixed deposit nor renewed any fixed deposit during the year under review.

#### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation for the co-operation and support extended by the Bankers, Shareholders & members of the staff at all levels.

For and on behalf of the Board

Sd/- Sd/-  
**(SANJAY AGARWAL) (U.S. GUPTA)**

Place: New Delhi DIRECTOR DIRECTOR  
Date: 16/08/2011



## **NDA COMMODITY BROKERS PVT. LTD.**

### **COMPLIANCE CERTIFICATE**

To,

The Members

**M/S. NDA COMMODITY BROKERS PVT. LTD.**  
**CIN No. U74899DL1995PTC068098**

We have examined the registers, records, books and papers of **M/S. NDA COMMODITY BROKERS PVT. LTD.** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on **31ST MARCH, 2011**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to 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 thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure `B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a subsidiary of a Public Ltd. Company, hence a Public Ltd. Company itself, comments are not required.
4. The Board of Directors duly met SIX times on 11.05.2010, 17.07.2010, 12.11.2010, 21.12.2010, 28.12.2010 and 28.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company was not required to close its Register of Members or Debenture holders during the financial year.
6. The Annual General Meeting for the financial year ended on 31.03.2010 was held on 18.08.2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The company has not advanced any loans to its directors and /or persons or firms or companies referred in the Section-295 of the Companies Act, 1956.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. The Company has obtained necessary approvals from the Board of Directors, Members pursuant to Section 314 of the Act, wherever applicable.
12. The company has not issued any duplicate share certificate during the financial year.
13. The company has:
  - (i) Delivered all the certificates on allotment of securities and on lodgment thereof for transfer/transmission or any other

- purpose in accordance with the provisions of the Act.
- (ii) The company has not deposited any amount in a separate Bank account as no dividend was declared during the financial year.
  - (iii) The company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - (iv) No amount was transferred, as none was due.
  - (v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and no Appointment of directors, additional directors, alternate directors and directors to fill casual vacancies have been 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 Agent during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any shares / debentures / other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of Preference 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 any deposits including any unsecured loans falling within the purview of section 58A and 58AA during the financial year.
24. The Amount borrowed by the company is within the borrowing limits of the company.
25. The company has not made any loans and investments or advances or given guarantees or provided securities to other bodies corporate during the Financial Year under review.
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.



## **NDA COMMODITY BROKERS PVT. LTD.**

30. The company has not altered the Articles of Association of the company, during the year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
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.

**FOR KAPAH AND ASSOCIATES  
COMPANY SECRETARIES**

Sd/-  
**(S. K. KAPAH)**  
PROPRIETOR  
FCS NO. 1407  
C.P. NO. 1118

DATED : 16/08/2011  
PLACE : NEW DELHI



## **NDA COMMODITY BROKERS PVT. LTD.**

### **ANNEXURE-'A'**

#### **STATUTORY REGISTERS MAINTAINED BY M/S. NDA COMMODITY BROKERS PVT. LTD.**

1. Register of Investments under Section 49
2. Register of Deposits under Rule 7 of the Companies (Acceptance of Deposits) Rules, 1975
3. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960
4. Register of Destruction of Records/Documents
5. Register of Members under Section 150 and Index of Members under Section 151
6. Registers and Returns under Section 163
7. Minutes Book of Meetings
8. Books of Accounts under section 209.
9. Register of Particulars of contracts in which Directors are interested under Section 301
10. Register of Directors, Managing Director, Manager and Secretary under Section 303
11. Register of Directors' Shareholdings under Section 307
12. Register of Investments or Loans made, Guarantee given or Security Provided under Section 372A.

### **ANNEXURE 'B'**

Forms and Returns as filed by **M/S. NDA COMMODITY BROKERS PVT. LTD.** with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on **31st March, 2011.**

<b>S. No.</b>	<b>Form No. /Return</b>	<b>Filed Under Section</b>	<b>Date of Filing</b>	<b>For</b>
1.	23 AC & 23 AC A	220	01.09.2010	Annual Accounts for the financial year ended 31st March,2010
2.	66	383A(1)	27.08.2010	Relevant to Directors Report dated 17 <sup>th</sup> July, 2010.
3.	20 B	159	06.09.2010	Relevant to the Annual General Meeting held on 18 <sup>th</sup> August, 2010.
4.	23B	224(1A)	30.06.2010	Appointment of Statutory Auditors

**FOR KAPAH AND ASSOCIATES**  
COMPANY SECRETARIES

Sd/-  
**(S. K. KAPAH)**  
PROPRIETOR  
FCS NO. 1407  
C.P. NO. 1118

DATED : 16<sup>th</sup> AUGUST, 2011  
PLACE : NEW DELHI



## NDA COMMODITY BROKERS PVT. LTD.

### AUDITOR'S REPORT

To the members of **NDA COMMODITY BROKERS PVT. LIMITED**

We have audited the attached Balance Sheet of NDA Commodity Brokers Pvt. Limited as at 31<sup>st</sup> March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and we report that:-

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 or 5 of the said order to the extent they are applicable to the Company.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by

the Company so far as appears from our examination of those books.

- c) The Company's Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and returns and in our opinion comply with the applicable Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- d) On the basis of written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- e) In our opinion and to the best of our knowledge and according to the information and explanations given to us, the said accounts read together with Accounting Policies and Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
  - (i) In case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and
  - (ii) In case of the Profit and Loss Account, of the Profit for the year ended on that date.
  - (iii) In case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

**For GUPTA RUSTAGI & AGGARWAL**

Chartered Accountants

Sd/-

**(S. C. GUPTA)**

PARTNER

M. NO: 086839

Place : New Delhi  
Dated : 16-08-2011

**ANNEXURE REFERRED TO IN PARA 1 OF OUR REPORT OF EVEN DATE OF THE ACCOUNTS OF NDA COMMODITY BROKERS PRIVATE LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011.**

The Company is engaged in the business of Commodities Derivatives Brokering and investments the questions in Companies (Auditors' Report) Order, 2003 relating to only such activity are dealt as hereunder.

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
2. The fixed assets were physically verified during the year by the management. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. No major discrepancies were noticed on verification.
3. The Company has not disposed off any substantial portion of any of the fixed assets.
4. No Stock was held during the year. In our opinion and according to the information and explanations given to us the procedure of physical verification of shares and securities followed by the management are reasonable, proper and adequate in relation to the size of the Company and the nature of its business.
5. The Company has not taken any loans, secured or unsecured, from the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
6. The Company has not granted any loans, secured or unsecured to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
7. 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 with regards purchases of shares, office equipments and other assets and with regards to the sale of shares and assets.
8. Based on the audit procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of Companies Act, 1956 have been so entered and aggregating during the year to Rs. 5,00,000/- or more in respect of each party have been made at rates which are reasonable having regard to prevailing market rates for such shares and securities or the prices at the which transactions for similar goods or shares have been made with other parties.
9. No deposits have been accepted U/s 58A of the companies Act, 1956 during the year ended 31/03/2011.
10. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
11. Being a Commodity Derivatives Trading & Investment Company, maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 are not applicable.
12. According to the records of the Company, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax and other statutory dues applicable to it with appropriate authorities
13. According to the records of the Company and information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth tax, Sales Tax and Service Tax (which taxes alone are applicable to the Company) is outstanding as at 31<sup>st</sup> March,





## **NDA COMMODITY BROKERS PVT. LTD.**

- 2011 for a period of more than six months from the date they became payable.
14. The company has no accumulated loss as at March 31, 2011. The company has neither incurred cash losses during the financial year 2010-11 covered by our Audit nor incurred cash loss during immediately preceding financial year.
  15. Based on our audit procedure and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
  16. The company has not taken any term loans.
  17. The company has an outstanding balance of short term unsecured inter-corporate loan.
  18. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other similar securities.
  19. The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Society do not apply to the Company.
  20. The company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and timely entries have been made therein.
  21. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
  22. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
  23. No funds have been raised by issuing of debentures during the year.
  24. The Company has not raised money through public issue during the year under audit.
  25. 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 course of our audit.

**For GUPTA RUSTAGI & AGGARWAL**

Chartered Accountants

Sd/-

**(S. C. GUPTA)**

PARTNER

M. NO: 086839

Place : New Delhi

Dated : 16-08-2011



## NDA COMMODITY BROKERS PVT. LTD.

### BALANCE SHEET AS ON 31st MARCH, 2011

Particulars	Schedules	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>Shareholder's Fund</b>			
Share Capital	1	55,00,030	55,00,030
Reserve and Surplus	2	69,75,166	69,07,709
Deferred Tax Liability	3	2,92,116	3,71,401
Secured Loans	4	47,044	32,88,698
Unsecured Loans	5	78,80,071	75,00,000
<b>Total</b>		<b>2,06,94,427</b>	<b>2,35,67,838</b>
<b>APPLICATION OF FUND</b>			
<b>Fixed Assets</b>			
Gross Block	6	52,31,651	45,81,651
Less: Accumulated Depreciation		30,56,404	24,16,141
Net block		21,75,247	21,65,510
<b>Current Assets, Deposit &amp; Advances</b>			
<b>Current Assets</b>	7	2,25,36,469	2,22,90,670
<b>Deposit &amp; Advances</b>	8	70,60,160	81,94,671
		2,95,96,629	3,04,85,341
<b>Less :Current Liabilities &amp; Provisions</b>	9	1,10,77,449	90,83,013
<b>Net Current Assets</b>		1,85,19,180	2,14,02,328
<b>Miscellaneous Expenditures:</b>			
Preliminary Expenses (To the extent not written off or adjusted)	10	-	-
<b>Total</b>		<b>2,06,94,427</b>	<b>2,35,67,838</b>
<b>Notes to the Accounts</b>	13		

Auditor's Report  
As per our report of even date attached  
**For GUPTA RUSTAGI & AGGARWAL**  
(Chartered Accountants)  
Sd/-  
**(S.C. GUPTA)**  
Partner  
M.N. 086839  
Place : New Delhi  
Date : 16-08-2011

Sd/-  
**(SANJAY AGARWAL)**  
Director

For and on behalf of Board

Sd/-  
**(U.S. GUPTA)**  
Director



## NDA COMMODITY BROKERS PVT. LTD.

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2011

Particulars	Schedules	Year ended 31st March, 2011 (Rs.)	Year ended 31st March, 2010 (Rs.)
<b>INCOME</b>			
Income from operations		97,49,814	1,08,97,524
Other Income	11	12,51,580	13,65,000
<b>TOTAL</b>		<b>1,10,01,394</b>	<b>1,22,62,524</b>
<b>EXPENDITURES</b>			
Administrative & Office Expenses	12	98,13,187	1,02,54,263
Depreciation		6,40,263	5,90,662
Interest & Finance Charges		4,96,358	9,66,976
<b>TOTAL</b>		<b>1,09,49,808</b>	<b>1,18,11,901</b>
PROFIT/(LOSS) BEFORE TAXATION		<b>51,586</b>	<b>4,50,623</b>
<b>PROVISION FOR TAXATION</b>			
Income Tax/FBT for Earlier Years		—	(16,701)
Income Tax for Current Year		63,414	69,621
Deferred Tax Liability/(Asset)		(79,285)	(1,03,758)
Provision for Fringe Benefit Tax		—	(415)
<b>PROFIT/(LOSS) AFTER TAXATION</b>		<b>67,457</b>	<b>5,01,876</b>
BALANCE BROUGHT FORWARD FROM LAST YEAR		<b>69,06,209</b>	<b>64,04,333</b>
AVAILABLE FOR APPROPRIATION		<b>69,73,666</b>	<b>69,06,209</b>
APROPRIATION			
Balance Carried to Balance Sheet		<b>69,73,666</b>	<b>69,06,209</b>
Basic and Diluted earning per Equity Share (Face value of Rs. 10/- each share)		<b>0.12</b>	<b>0.91</b>

Auditor's Report

As per our report of even date attached

For **GUPTA RUSTAGI & AGGARWAL**

(Chartered Accountants)

Sd/-

**(S.C. GUPTA)**

Partner

M.N. 086839

Place : New Delhi

Date : 16-08-2011

For and on behalf of Board

Sd/-

**(SANJAY AGARWAL)**

Director

Sd/-

**(U.S. GUPTA)**

Director



## NDA COMMODITY BROKERS PVT. LTD.

### SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Particulars	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
<b>1 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
10,00,000 Equity Shares of Rs. 10/- each	<b>1,00,00,000</b>	1,00,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
5,50,003 Equity Shares of Rs. 10/- each fully paid up in cash (Previous Year 5,50,003 Equity Shares of Rs. 10/- each)	<b>55,00,030</b>	55,00,030
	<b>55,00,030</b>	55,00,030
<b>2 RESERVES &amp; SURPLUS</b>		
<b>GENERAL RESERVE</b>		
Balance B/F from Previous Year	<b>1,500</b>	1,500
PROFIT AND LOSS ACCOUNT	<b>69,73,666</b>	69,06,209
	<b>69,75,166</b>	69,07,709
<b>3 DEFERRED TAX LIABILITY</b>		
Deferred Tax Liability B/F from last year	<b>3,71,401</b>	4,75,159
Deferred Tax Liability/(Assets) for current year	<b>79,285</b>	(1,03,758)
	<b>2,92,116</b>	3,71,401
<b>4. Secured Loans</b>		
Bank overdraft from HDFC Bank	<b>47,044</b>	32,88,698
	<b>47,044</b>	32,88,698
<b>5 Unsecured Loans</b>		
Inter corporate loan	<b>78,80,071</b>	75,00,000
	<b>78,80,071</b>	75,00,000

**6 Fixed Assets**  
Schedules Annexed to and Forming part of the Accounts

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 31.03.2010	Addition	Sale	As at 31/3/2011	As at 31.03.2010	For the Period	Deductions	As at 31/3/2011	As at 31/3/2011	As at 31.03.2010
Computer	21,06,477	6,50,000	-	27,56,477	14,21,121	3,91,061	-	18,12,182	9,44,295	6,85,356
Cars	9,23,751	-	-	9,23,751	3,26,501	87,756	-	4,14,257	5,09,494	5,97,250
Office & Equipments	5,87,490	-	-	5,87,490	1,33,257	27,906	-	1,61,163	4,26,327	4,54,233
Computer Software	7,34,040	-	-	7,34,040	4,89,943	1,18,988	-	6,08,931	1,25,109	2,44,097
Furniture & Fixtures	2,29,893	-	-	2,29,893	45,319	14,552	-	59,871	1,70,022	1,84,574
<b>TOTAL</b>	<b>45,81,651</b>	<b>6,50,000</b>	<b>-</b>	<b>52,31,651</b>	<b>24,16,141</b>	<b>6,40,263</b>	<b>-</b>	<b>30,56,404</b>	<b>21,75,247</b>	<b>21,65,510</b>
Previous Year	45,81,651	-	-	45,81,651	18,25,479	5,90,662	-	24,16,141	21,65,510	27,56,172



## NDA COMMODITY BROKERS PVT. LTD.

### SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

		As at 31st March, 2011 (Rs.)		As at 31st March, 2010 (Rs.)
<b>7</b>	<b>CURRENT ASSET</b>			
	<b>A. Stock in Trade</b>			
	(As valued, verified and certified by the management)		-	-
	Shares and Debentures			
<b>B</b>	<b>Sundry Debtors</b>			
	(Unsecured considered good)			
	Debtors outstanding for a period exceeding six months	12,25,198	28,64,488	
	Other Debtors	<u>72,42,925</u>	<u>46,16,372</u>	<b>74,80,860</b>
<b>C</b>	<b>Cash &amp; Bank Balance</b>			
	<b>Cash in Hand</b>		<b>1,86,667</b>	<b>5,920</b>
	<b>Balance with Schedule Bank:</b>			
	a) Current A/c	4,52,818	15,35,078	
	b) Fixed Deposit with Bank	1,30,00,000	1,30,00,000	
	c) Interest Accrued on Fixed Deposits	2,04,830	96,105	
<b>D</b>	<b>Prepaid Expenses</b>			<b>1,46,31,183</b>
	<b>TOTAL</b>	<b><u>2,25,36,469</u></b>		<b><u>1,72,707</u></b>
<b>8</b>	<b>DEPOSITS &amp; ADVANCES</b>			<b>2,22,90,670</b>
	<b>A. Advance &amp; Deposit</b>			
	Advance Income Tax Paid/TDS	1,07,241		<b>8,37,713</b>
	Deposit With NCDEX	15,00,000		15,00,000
	Deposit With MCX	3,50,000		3,50,000
	Margin Deposit with MCX	16,17,349		21,17,349
	Advance Recoverable in cash or in kind	<u>34,85,570</u>		<u>33,89,609</u>
		<b>70,60,160</b>		<b>81,94,671</b>
<b>9</b>	<b>CURRENT LIABILITIES &amp; PROVISIONS</b>			
	Creditors & Margin Received against trading	1,05,65,498		80,59,045
	Provision for Expenses	3,93,243		7,83,167
	TDS & Service Tax Payable	55,294		1,71,180
	Provision for Income Tax	<u>63,414</u>		<u>69,621</u>
		<b><u>1,10,77,449</u></b>		<b><u>90,83,013</u></b>
<b>10</b>	<b>PRELIMINARY EXPENSES</b>			
	(To the extent not written off or adjusted)	-		-
	Less : Written off for the year	-		-
<b>11</b>	<b>OTHER INCOME</b>			
	Interest on Bank FDR's (TDS Rs 1,07,240 PY 136500/-)	10,72,408		13,65,000
	Other Interest (Interest on Income Tax Refund)	84,272		-
	Profit on Sale of property	<u>94,900</u>		
		<b><u>12,51,580</u></b>		<b><u>13,65,000</u></b>



## NDA COMMODITY BROKERS PVT. LTD.

### SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	Year ended 31st March, 2011 (Rs.)	Year ended 31st March 2010 (Rs.)
<b>12 ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Bandwidth charges	31,316	29,503
Bank Charges	1,679	842
Bank Guarantee Charges	2,06,929	2,09,687
Bad Debts Written Off	-	7,65,250
Commission on Brokerage	8,20,338	12,24,540
Conveyance Expenses	57,595	81,840
Depository Charges	30,072	32,892
Fees & Registration Charges	7,525	5,000
Filing Fee	1,650	1,620
Insurance Charges	10,987	10,892
Internet Expenses & Lease Line Charges	27,651	40,737
Professional & Consultancy Charges	3,80,000	4,43,963
Membership Fess	1,25,000	1,25,000
Miscellaneous Expenses	12,874	23,045
News Paper & Periodicals	6,199	6,399
Repair & Maintenance	9,25,272	2,61,480
Payment to Auditors	25,000	20,000
Postage and courier	11,801	24,088
Printing & Stationery Charges	7,71,390	1,70,055
Rent	2,29,500	1,08,000
Service Tax Expenses	238	1,079
Salary & Perquisites	24,23,715	24,28,413
Software exp	3,70,265	3,32,143
Staff Welfare Expenses	17,419	46,615
Broker Note & Stamp Paper Charges	-	20,640
Telephone Expenses	37,171	34,657
Exchange Charges (NCDEX & MCX)	30,95,475	37,05,950
Vehicle running & Maintenance	1,86,126	99,933
	<b>98,13,187</b>	<b>1,02,54,263</b>



## NDA COMMODITY BROKERS PVT. LTD.

### CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2011

Particulars	Year Ended on 31st March 2011 (Rs.)	Year Ended on 31st March 2010 (Rs.)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax and extraordinary items	51,586	4,50,623
ADD:		
Depreciation	6,40,263	5,90,662
Bank Guarantee Charges	2,06,929	2,09,687
Interest	4,96,358	9,66,976
Less :		
Profit on sale of Property	(94,900)	—
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>13,00,236</b>	<b>22,17,948</b>
Adjustments for:		
Trade & other receivables	(6,34,548)	28,15,459
Trade & other Payable	19,31,022	(56,31,713)
<b>Cash Generated from Operation</b>	<b>25,96,710</b>	<b>(5,98,306)</b>
Income tax & FBT Paid	7,30,472	(1,37,544)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>33,27,182</b>	<b>(7,35,850)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment in Shares	—	—
Purchase of Fixed Assets	(6,50,000)	-
Profit on sale of Property	94,900	—
Sale of Fixed Assets	—	—
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(5,55,100)</b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Equity Shares of the Company		
Unsecured loans	3,80,071	20,00,000
Bank Guarantee Charges	(2,06,929)	(2,09,687)
Interest	(4,96,358)	(9,66,976)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(3,23,216)</b>	<b>8,23,337</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS(A+B+C)</b>	<b>24,48,866</b>	<b>87,487</b>
Opening Cash & Cash Equivalents	1,13,48,405	1,12,60,918
Closing Cash & Cash Equivalents	1,37,97,271	1,13,48,405

Auditor's Report  
As per our report of even date attached  
For **GUPTA RUSTAGI & AGGARWAL**  
(Chartered Accountants)  
Sd/-  
**(S.C. GUPTA)**  
Partner  
M.N. 086839  
Place : New Delhi  
Date : 16-08-2011

Sd/-  
**(SANJAY AGARWAL)**  
Director

For and on behalf of Board

Sd/-  
**(U.S. GUPTA)**  
Director



## NDA COMMODITY BROKERS PVT. LTD.

### SCHEDULE-13 NOTES TO ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 11

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- (a) Income from trading of Shares and Debentures are accounted on accrual basis
- (b) Income from Dividends on Shares and Interest on Debentures/Bonds are accounted on receipt basis.
- (c) All expenses are accounted on accrual basis (except Gratuity which is being accounted on payment basis)
- (d) The company generally follows mercantile system of accounting and recognizes significant item of income and expenditures on accrual basis.

##### B. FIXED ASSETS AND DEPRECIATION

- (a) Fixed Assets are stated at cost less depreciation.
- (b) Depreciation is provided on straight line basis as per rates prescribed under Schedule XIV of the Companies Act, 1956
- (c) Depreciation is provided on pro-rate basis with respect to the period of use.
- (d) Fixed Assets are capitalized at cost inclusive of duties, freights, taxes and installation expenses.

##### C. INVESTMENTS

- (a) Investments are stated at cost.

##### D. INVENTORIES

- (a) The stock of shares and debentures are valued scrip-wise at cost. However there is no stock in end as on the end of financial year.

##### E. PROVISION FOR TAXATION

Provision for Current Tax is made as per the provision of Income Tax Act and adjustment for Deferred Tax is made in accordance with Accounting Standard – 22 issued by ICAI.

##### F. DETAILS OF DEFERRED TAX LIABILITIES

	<u>Current Year</u>	<u>Previous Year</u>
Brought Forward from Previous Year	3,71,401	4,75,159
Add : due to lower depreciation claim in Income Tax Act	(79,285)	(1,03,758)
Total	<u>2,92,116</u>	<u>3,71,401</u>

##### G. EARNING PER SHARE

Earning per share has been computed as under

	<u>2010-11</u>	<u>2009-10</u>
(a) Profit/(Loss) after tax (Numerator) (A)	67,457	5,01,876
(b) Weighted No. of Equity Shares (B)	5,50,003	5,50,003
(c) Basic/ Diluted EPS (A/B) (Face value Rs.10/- per share)	0.12	0.91





## **NDA COMMODITY BROKERS PVT. LTD.**

### **H. MISCELLANEOUS EXPENDITURES**

1. Paise have been rounded off to the nearest rupees
2. The Company is contingently liable for bank guarantees outstanding for an amount of Rs. 200 lacs (Previous Year Rs. 200 lacs).
3. Figures of previous year have been re-grouped/recast, wherever necessary.
4. Estimated amount of contracts remaining to be executed on capital amount are Nil.

### **5. FOREIGN EXCHANGE EARNING AND OUTGO**

- (a) Expenditures /Earnings Nil  
(b) Imported raw materials & others Nil

### **6. RELATED PARTY DISCLOSURE:**

#### **A. List of Related Parties and their Relationship**

<b>NAME OF THE PARTY</b>	<b>RELATIONSHIP</b>
M/s NDA Securities Limited	Holding Company
M/s NDA Share Brokers Limited	Group Company
M/s NDA Research & Technologies (P) Ltd	Group Company
M/s NDA Realities Pvt. Ltd.	Group Company
Mr. Sanjay Agarwal	Director
Mr. U.S. Gupta	Director
Mr. N.D. Agarwal	Director's Father

#### **B. Details of Related party Transactions:**

<b>TRANSACTION</b>	<b>Current Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
Receipt of brokerage from NDA Share Brokers Ltd.	NIL	NIL
Receipt of brokerage from Relative of Director	NIL	100/-
Payment of Reimbursement of Expenditure from NDA Securities Ltd	900000	NIL



## NDA COMMODITY BROKERS PVT. LTD.

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

#### I Registration Details

Registration No. : 68098 State Code : 55  
Balance Sheet Date : 31-03-2011

#### II Capital Raised During the Period (Amount in Rs. Thousand)

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 : 20694 Total Assets : 20694

#### SOURCES OF FUNDS

Paid –Up Capital : 5500 Reserves & Surplus : 6975  
Secured Loans : 47 Unsecured Loans : 7880  
Deferred Tax Liability : 292

#### APPLICATION OF FUNDS

Net Fixed Assets : 2175 Investments : Nil  
Net Current Assets : 18519 Misc. Expenditure : Nil  
Accumulated Losses : Nil

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

Gross Income : 11001 Total Expenditure : 10950  
Profit / (Loss) Before Tax : 51 Profit/Loss After Tax : 67  
Earning Per Share in Rs. : 0.12 Dividend Rate % : Nil

#### V Generic Name of Three Principal Products / Services of Company (As per monetary terms)

Item Code No. (ITC Code) :  
Product Description : Commodity Broking and Trading  
Item Code No. (ITC Code) :  
Product Description : Services / Consultancy/investment

Auditor's Report

As per our report of even date attached

**For GUPTA RUSTAGI & AGGARWAL**

(Chartered Accountants)

Sd/-

**(S.C. GUPTA)**

Partner

M.N. 086839

Place : New Delhi

Date : 16-08-2011

**For and on behalf of Board**

Sd/-

**(SANJAY AGARWAL)**

Director

Sd/-

**(U.S. GUPTA)**

Director



## **NDA SHARE BROKERS LTD.**

### **DIRECTORS' REPORT**

#### **To the Members**

The Directors of your Company have pleasure in presenting the Eighteenth Annual Report along with the Audited Accounts for the year ended 31<sup>st</sup> March, 2011.

#### **COMPANY'S PERFORMANCE**

The Company has incurred a loss of Rs. 391865/- after taxation during the year, in comparison to loss of Rs. 732592/- (previous year).

#### **FUTURE BUSINESS PROSPECTS**

The Business of your company depends upon volume in the Stock Exchange. However there was no Business at DSE during the financial year 2010-2011. The Company is focusing on investments in the secondary market. The Company is also looking for new investment avenues.

#### **DIVIDEND**

Due to the loss in the Current Year, Your Directors have not recommended any dividend for the Current Year.

#### **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the company's Articles of Association, Sh. Uma Shanker Gupta, Director of the Company, retires by rotation at the forthcoming Annual General Meeting and are eligible for re-appointments.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

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

- That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- That the Directors have 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 ended 31<sup>st</sup> March, 2011 and of the loss of the Company for that year;
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- That the Directors have prepared the Annual Accounts on a going concern basis.



## **NDA SHARE BROKERS LTD.**

### **SECRETARIAL COMPLIANCE CERTIFICATE**

The Secretarial Compliance Certificate issued by M/s. Kapahi & Associates, Company Secretaries for the year 2010-2011 is enclosed as a part of the Directors Report.

### **AUDITORS**

M/s. Gupta Rustagi & Aggarwal, Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate has been received from the Auditors of the Company under section 224(1) of the Companies Act, 1956, to the effect that their appointment if made will be in accordance with the limits specified in sub-section (1B) of Section 224.

### **AUDITORS' REPORT**

The Auditors Report read together with the Notes to Accounts is self explanatory and do not call for any further explanations under section 217(3) of the Companies Act, 1956.

### **PARTICULARS OF EMPLOYEES**

No employee is covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

### **HOLDING COMPANY**

NDA Securities Limited with an investment of Rs. 272.35 lacs in the form of 27,23,515 fully paid up Equity Shares of Rs. 10/- each is the holding company of NDA Share Brokers Limited.

### **FIXED DEPOSITS**

The Company has not accepted any fixed deposits from the public, as such there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 1975.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions relating to the conservation of energy and technology absorption as required to be disclosed by section 217 (1)(e) of the companies Act, 1956 do not apply to the Company. The Company had no foreign Exchange earning / outgo during the year under review.

### **ACKNOWLEDGMENT**

Your Directors wish to place on record their appreciation for the cooperation and support extended by the Bankers, Share Holders, Clients & Members of the staff at all levels.

**For and on behalf of Board**

Place : New Delhi  
Date : 16-08-2011

Sd/-  
**(SANJAY AGARWAL)** Director  
Sd/-  
**(UMA SHANKER GUPTA)** Director



## **NDA SHARE BROKERS LTD.**

### **COMPLIANCE CERTIFICATE**

To,  
The members

**M/S. NDA SHARE BROKERS LTD.**  
**CIN No. U74899DL1993PLC055471**

We have examined the registers, records, books and papers of **M/S. NDA SHARE BROKERS LTD.** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on **31ST MARCH, 2011**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to 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 thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder
3. The company, being a public limited company, comments are not required.
4. The Board of Directors duly met FOUR TIMES on 11.05.2010, 17.07.2010, 21.12.2010 and 28.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company did not close its Register of Members or Debenture holders during the financial year.
6. The Annual General Meeting for the financial year ended on 31.03.2010 was held on 18.08.2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Books maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act during the Financial Year under review.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section, during the Financial Year under review.
10. The company has made 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, 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 certificate during the financial year.
13. The company has:
  - (i) Delivered all the certificates on allotment of securities and on lodgment thereof for transfer/ transmission or any other purpose in accordance with the provisions of the Act.
  - (ii) The company has not deposited any amount in a separate Bank account as no dividend was declared during the financial year.
  - (iii) The company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - (iv) No amount was transferred, as none was due.
  - (v) Duly complied with the requirements of section 217 of the Act.



## **NDA SHARE BROKERS LTD.**

14. The Board of Directors of the company is duly constituted and no Appointment of Directors, Additional Directors, Alternate Directors and Directors to fill casual vacancies has been made during the financial year under review.
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 Agent during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any Shares/Debentures/other Securities during the financial year.
20. The company has not bought back any Shares during the financial year.
21. There was no redemption of Preference 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 any Deposits including any unsecured loans falling within the purview of section 58A and 58AA during the financial year under review.
24. The Amount borrowed by the company is within the borrowing limits of the company.
25. The Company has not made any loans and investments or given guarantees or provided securities to other bodies corporate during the Financial Year under review
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 year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
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.

**FOR KAPAH AND ASSOCIATES**  
COMPANY SECRETARIES

Sd/-  
**(S. K. KAPAH)**  
**PROPRIETOR**  
**FCS NO. 1407**  
**C.P. NO. 1118**

**DATED : 16<sup>th</sup> August, 2011**  
**PLACE : NEW DELHI**



## NDA SHARE BROKERS LTD.

**ANNEXURE –‘A’**

**STATUTORY REGISTERS MAINTAINED BY  
M/S. NDA SHARE BROKERS LTD.**

1. Register of Members under Section 150 and Index of Members under Section 151
2. Registers and Returns under Section 163
3. Minutes Book of Meetings
4. Books of Accounts under section 209.
5. Register of Particulars of contracts in which Directors are interested under Section 301
6. Register of Directors, Managing Director, Manager and Secretary under Section 303
7. Register of Directors' Shareholdings under Section 307
8. Register of Investments or Loans made, Guarantee given or Security Provided under Section 372A.
9. Register of renewed and duplicate certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960.

**ANNEXURE-‘B’**

Forms and Returns as filed by **M/S. NDA SHARE BROKERS LTD.** with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on **31st March, 2011.**

<b>S. No.</b>	<b>Form No. Return</b>	<b>Filed under Section</b>	<b>Date of Filing</b>	<b>For</b>
1	23 AC & ACA	220	31.08.2010	Annual Accounts for the Financial year ended 31 <sup>st</sup> March,2010
2	20B	159	06.09.2010	Annual Return relevant to Annual General Meeting held on 18 <sup>th</sup> August, 2010
3	66	383A(1)	27.08.2010	Relevant to Directors Report dated 17 <sup>th</sup> July, 2010.
4	23A	224(1A)	30.06.2010	Appointment of Statutory Auditors

**FOR KAPAH I AND ASSOCIATES  
COMPANY SECRETARIES**

Sd/-  
**(S. K. KAPAH I)  
PROPRIETOR  
FCS NO. 1407  
C.P. NO. 1118**

**DATED : 16<sup>th</sup> August, 2011  
PLACE : NEW DELHI**



## **NDA SHARE BROKERS LTD.**

### **AUDITOR'S REPORT**

To the members of **NDA SHARE BROKERS LIMITED**

We have audited the attached Balance Sheet of NDA Share Brokers Limited as at 31<sup>st</sup> March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and we report that:-

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 or 5 of the said order to the extent they are applicable to the Company.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Company's Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and returns and in our opinion comply with the applicable accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - d) On the basis of written representation received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - e) In our opinion and to the best of our knowledge and according to the information and explanations given to us, the said accounts read together with Accounting Policies and Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
    - (i) In case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and
    - (ii) In case of the Profit and Loss Account, of the Loss for the year ended on that date.
    - (iii) In case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

**For GUPTA RUSTAGI & AGGARWAL**

Chartered Accountants

Sd/-

(S. C. GUPTA)

PARTNER

M. NO: 086839

Place : New Delhi

Dated : 16-08-2011





## **NDA SHARE BROKERS LTD.**

### **ANNEXURE REFERRED TO IN PARA 1 OF OUR REPORT OF EVEN DATE OF THE ACCOUNTS OF NDA SHARE BROKERS LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011.**

The Company is engaged in the business of Stock Broking and Investments and the questions in Companies (Auditors' Report) Order, 2003 relating to only such activity are dealt as hereunder.

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. However there was no fixed asset at the end of year.
2. The fixed assets were physically verified during the year by the management. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. No major discrepancies were noticed on verification. However there was no fixed assets at the end of the year.
3. There was no fixed assets at the end of the year.
4. The stock of shares and debentures have been physically verified by the management at the reasonable intervals during the year under audit. No major discrepancies were noticed on physical verification of shares and securities as compared to the book records. In our opinion and according to the information and explanations given to us the procedure of physical verification of shares and securities followed by the management are reasonable, proper and adequate in relation to the size of the Company and the nature of its business.
5. The Company has not taken any loans, secured or unsecured, from the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
6. The Company has not granted any loans, secured or unsecured to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
7. 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 with regards purchases of shares and with regards to the sale of shares and assets.
8. Based on the audit procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered in to the register maintained under Section 301 of Companies Act, 1956 have been so entered and aggregating during the year to Rs. 5,00,000/- or more in respect of each party have been made at rates which are reasonable having regard to prevailing market rates for such shares and securities or the prices at which transactions for similar goods or shares have been made with other parties.
9. No deposits have been accepted U/s 58A of the companies Act, 1956 during the year ended 31/03/2011.
10. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
11. Being a trading and broking Company, maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 are not applicable.
12. According to the records of the Company, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax and other statutory dues applicable to it with appropriate authorities



## **NDA SHARE BROKERS LTD.**

13. According to the records of the Company and information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth tax, Sales Tax and Service Tax is outstanding as at 31<sup>st</sup> March, 2011 for a period of more than six months from the date they became payable.
14. Accumulated losses of the company are more than 51% of its net worth. The company has incurred cash losses during the financial year 2010-11 covered by our Audit and had incurred cash losses during immediately preceding financial year.
15. Based on our audit procedure and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
16. The company has not taken any term loans.
17. The company has Received a short term unsecured inter-corporate loan
18. No funds raised on short term basis have been used for long term investments. The company has not raised any long-term funds.
19. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other similar securities.
20. The provisions of any special statue applicable to Chit Fund, Nidhi or Mutual Benefit Society do not apply to the Company.
21. The company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and timely entries have been made therein.
22. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
23. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
24. No funds have been raised by issuing of debentures during the year.
25. The company has not raised any money by way of public issue during the year under audit.
26. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For GUPTA RUSTAGI & AGGARWAL**

Chartered Accountants

Sd/-

(S. C. GUPTA)

PARTNER

M. NO: 086839

Place : New Delhi

Dated : 16-08-2011



## NDA SHARE BROKERS LTD.

### BALANCE SHEET AS AT 31st MARCH, 2011

Particulars	Schedules	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
<b>SOURCES OF FUNDS</b>			
<b>Shareholder's Fund</b>			
Share capital	1	3,34,31,050	3,34,31,050
Deferred Tax Liability	3	-	-
<b>UnSecured Loans</b>	4	91,00,000	93,00,000
<b>TOTAL</b>		<b>4,25,31,050</b>	<b>4,27,31,050</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross block		-	-
Less : Depreciation		-	-
Net Block		-	-
<b>Investments</b>	5	1,57,29,950	1,57,29,950
<b>Current Assets, Deposits &amp; Advances</b>			
Current Assets	6	48,88,406	51,95,484
Deposits & Advances	7	8,74,562	9,62,573
		<b>57,62,968</b>	<b>61,58,057</b>
<b>Less : Current Liabilities &amp; Provisions</b>			
Current Liabilities	8	3,78,761	1,81,985
<b>Net Current Assets</b>		53,84,207	59,76,072
<b>Miscellaneous Expenditures:</b>			
(to the extent not written off or adjusted)		-	-
<b>Profit &amp; Loss Account</b>	2	2,14,16,893	2,10,25,028
<b>Notes to Accounts</b>	11		
<b>TOTAL</b>		<b>4,25,31,050</b>	<b>4,27,31,050</b>

Auditor's Report  
As per our report of even date attached  
**For GUPTA RUSTAGI & AGGARWAL**  
(Chartered Accountants)  
Sd/-  
**(S.C. GUPTA)**  
Partner  
M.N. 086839  
Place : New Delhi  
Date : 16-08-2011

For and on behalf of Board  
Sd/-  
**(SANJAY AGARWAL)**  
Director  
Sd/-  
**(U.S. GUPTA)**  
Director



## NDA SHARE BROKERS LTD.

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2011

Particulars	Schedules	Year ended 31st March, 2011 (Rs.)	Year ended 31st March, 2010 (Rs.)
<b>INCOME</b>			
Income From Operations and Sales		3,63,842	63,60,451
Profit in trading in shares		6,999	
Other Income	9	62,464	58,463
<b>TOTAL</b>		<b>4,33,305</b>	<b>64,18,914</b>
<b>EXPENDITURE</b>			
Administrative & Other Expenses	10	48,780	85,013
Decrease/increase in value of stock		48,786	6,50,566
Purchase of Share		95,083	56,08,628
Trading in Derivatives		70,845	79,799
Interest		5,61,676	7,27,500
<b>TOTAL</b>		<b>8,25,170</b>	<b>71,51,506</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(3,91,865)</b>	<b>(7,32,592)</b>
Income tax Earlier year		-	-
Deferred Tax Assests		-	-
<b>Net Profit/(Loss)after Tax</b>		<b>(3,91,865)</b>	<b>(7,32,592)</b>
Balance Brought Forward from Previous year		<u>(2,10,25,028)</u>	<u>(2,02,92,436)</u>
<b>AVAILABLE FOR APPROPRIATION</b>		<b><u>(2,14,16,893)</u></b>	<b><u>(2,10,25,028)</u></b>
Basic and Diluted earning per Equity Shares (Face value of Rs. 10/- each share)		(0.12)	(0.22)
<b>APPROPRIATION</b>			
Balance Carried to Balance Sheet		(2,14,16,893)	(2,10,25,028)

Auditor's Report  
As per our report of even date attached  
For **GUPTA RUSTAGI & AGGARWAL**  
(Chartered Accountants)  
Sd/-  
**(S.C. GUPTA)**  
Partner  
M.N. 086839  
Place : New Delhi  
Date : 16-08-2011

For and on behalf of Board  
Sd/-  
**(SANJAY AGARWAL)**  
Director  
Sd/-  
**(U.S. GUPTA)**  
Director



## NDA SHARE BROKERS LTD.

### SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Particulars	As at 31st March, 2011 (Rs.)	As at 31st March, 2010 (Rs.)
<b>1 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
10000000 Equity Shares of Rs. 10/- each (Previous year 10000000 Equity Shares of Rs. 10/- each)	<u>10,00,00,000</u>	<u>10,00,00,000</u>
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
3343105 Equity Shares of Rs. 10/- each fully paid up in cash (Previous Year 3343105 Equity Shares of Rs. 10/- each fully paid up in cash)	<u>3,34,31,050</u>	<u>3,34,31,050</u>
<b>2 RESERVE &amp; SURPLUS</b>		
<b>GENERAL RESERVE</b>		
Balance B/F from last Year(Surplus of Balances P & L A/c	(2,10,25,028)	(2,02,92,436)
Transferred from Profit & Loss Account	(3,91,865)	(7,32,592)
	<u>(2,14,16,893)</u>	<u>(2,10,25,028)</u>
<b>3 DEFERRED TAX LIABILITY</b>		
Deferred Tax Liability B/F from last year	-	-
Deferred Tax Liability/(Assets) for current year	-	-
	<u>-</u>	<u>-</u>
<b>4 UNSECURED LOANS</b>	<u>91,00,000</u>	<u>93,00,000</u>
	<u>91,00,000</u>	<u>93,00,000</u>



## NDA SHARE BROKERS LTD.

### SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

Particulars	Nos.	As at 31st March, 2011 (Rs.)	Nos.	As at 31st March 2010 (Rs.)
<b>5 INVESTMENTS</b>				
a) INVESTMENT IN EQUITY SHARES/MUTUAL FUND				
Share of The Delhi Stock Exchange Association Ltd.	2,000	25,12,500	2,000	25,12,500
b) Land (Valued at cost)		1,32,17,450		1,32,17,450
		<u>1,57,29,950</u>		<u>1,57,29,950</u>
<b>6 CURRENT ASSETS</b>				
<b>Stock in trade</b> (Shares and Debentures) (Value of cost, as valued, verified & certified by the management)		12,05,743		12,54,529
<b>Sundry Debtors</b> (Unsecured considered good)				
Debtors outstanding for a period exceeding six months	32,22,170		33,07,862	
Other Debtors	<u>49,501</u>	32,71,671	<u>2,01,413</u>	35,09,275
<b>Cash in Hand</b>		88,198		90,022
<b>Balance with Schedule Banks</b>				
a) in Current accounts	1,83,859		2,28,717	
b) in fixed deposits	1,00,000		1,00,000	
c) Interest Accrued on Bank's FDR's	<u>38,935</u>	3,22,794	<u>12,941</u>	3,41,658
		<u>48,88,406</u>		<u>51,95,484</u>
<b>7 DEPOSITS &amp; ADVANCES</b>				
Delhi Stock Exchange		7,55,000		7,55,000
Advance Income Tax , TDS		1,19,562		1,65,170
Security Deposits		—		42,403
		<u>8,74,562</u>		<u>9,62,573</u>



## NDA SHARE BROKERS LTD.

<b>Particulars</b>	<b>Nos.</b>	<b>As at 31st March, 2011 (Rs.)</b>	<b>Nos.</b>	<b>As at 31st March 2010 (Rs.)</b>
<b>8</b>	<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>			
TDS Payable		31,481		32,196
Sundry Creditors		3,19,621		1,24,888
Provision for Expenses		27,659		24,901
		<u>3,78,761</u>		<u>181,985</u>
<b>9</b>	<b><u>OTHER INCOME</u></b>			
Dividend		6,538		15,052
Miscellaneous Income		467		-
Interest on Fixed deposits		51,057		43,411
Interest from Income Tax		4,402		-
		<u>62,464</u>		<u>58,463</u>
<b>10</b>	<b><u>ADMINISTRATIVE AND OTHER EXPENSES</u></b>			
Payment to Auditors		27,575		27,575
Bank Charges		28		-
Telephone & Telex				21,102
Miscellaneous expenses		1,080		11,404
Annual Fees & Registration		2,506		2,206
Security Transaction tax exp		8,920		14,794
Broker Note, Postage & Stamp Paper Exp.		2,016		-
Service tax exp.		1,495		-
Transaction Charges		3,106		-
Depository charges		314		1,722
Filling Fees		1,740		6,210
<b>TOTAL</b>		<u><b>48,780</b></u>		<u><b>85,013</b></u>



## NDA SHARE BROKERS LTD.

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011

Particulars	Year Ended 31st March 2011 (Rs.)	Year Ended 31st March 2010 (Rs.)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax and extraordinary items	(3,91,865)	(7,32,592)
Add		
Interest Paid	5,61,676	7,27,500
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,69,811</b>	<b>(5,092)</b>
Adjustments for		
Trade & other receivables	3,25,615	(1,66,602)
Trade & other Payable	1,96,776	(26,568)
Inventories	48,786	6,50,567
<b>Cash Generated from operation</b>	<b>7,40,988</b>	<b>4,52,305</b>
Direct taxed paid	-	(9,012)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>7,40,988</b>	<b>4,43,293</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments(land)	—	(1,05,500)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>—</b>	<b>(1,05,500)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Procurement of short term bank loan		4,00,000
Repayment of Unsecured Loan	(2,00,000)	
Interest paid	(5,61,676)	(7,27,500)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(7,61,676)</b>	<b>(3,27,500)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS(A+B+C)</b>	<b>(20,688)</b>	<b>10,293</b>
Opening Cash & Cash Equivalents	4,31,680	4,21,387
Closing Cash & Cash Equivalents	4,10,992	4,31,680

Auditor's Report

As per our report of even date attached

For **GUPTA RUSTAGI & AGGARWAL**

(Chartered Accountants)

Sd/-

**(S.C. GUPTA)**

Partner

M.N. 086839

Place : New Delhi

Date : 16-08-2011

For and on behalf of Board

Sd/-

**(SANJAY AGARWAL)**

Director

Sd/-

**(U.S. GUPTA)**

Director





## NDA SHARE BROKERS LTD.

### SCHEDULE – 11

#### NOTES TO ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2011

##### 1. SIGNIFICANT ACCOUNTING POLICIES

###### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- (a) Income from trading of Shares and Debentures, Brokerage and under-writing commission are accounted on accrual basis.
- (b) Income from Dividends on Shares and Interest on Debentures / Bonds are accounted on receipt basis.
- (c) All expenses are accounted on accrual basis (except Gratuity which is being accounted on payment basis).
- (d) The company generally follows Mercantile system of accounting and recognizes significant items of income and expenditures on accrual basis.

###### B. FIXED ASSETS AND DEPRECIATION

- (a) Fixed Assets are stated at cost less depreciation.
- (b) Depreciation is provided on straight line basis as per rates prescribed under Schedule XIV of the Companies Act, 1956.
- (c) Depreciation is provided on pro-rata basis with respect to the period of use.
- (d) Fixed assets are capitalized at cost inclusive of duties, freight, taxes and installation expenses.

###### C. INVESTMENTS

- (a) Investments are stated at cost.

###### D. PROVISION FOR TAXATION

Provision for Income Tax is made as per the provision of Income Tax Act and adjustment for Deferred Tax is made in accordance with Accounting Standard – 22 issued by ICAI.

###### E. DETAILS OF DEFERRED TAX LIABILITIES/ASSETS

	2010-11	2009-10
Brought forward from p/y	-	-
Add due to lower dep in IT Act	-	-
	-----	-----
Total	NIL	NIL

###### F. INVENTORIES

- (a) The stock of Shares and Debentures has been valued scrip wise at cost.

###### G. MISCELLANEOUS EXPENDITURES

- (a) The Preliminary Expenses are written off in equal installments over 10 years.

**2. THE COMPANY IS CONTINGENTLY LIABLE :**

- (a) Uncalled liabilities on partly paid shares/debentures for an amount of Rs. Nil (Previous year Rs. NIL/-).
3. Figures of the previous year have been regrouped/rearranged wherever necessary to make them comparable with figures of current year.
4. Estimated amount of contracts remaining to be executed on capital amount are Nil.
5. Sundry Debtors, Advance, Deposits and Creditors are subject to confirmation.
6. In the opinion of management, debtors, deposits, advance and other current assets are recoverable at par on book value in the ordinary course of business.
7. No provision has been made for the shortfall of Rs 7.52 Lacs in respect of cost and market value of Stock in trade of shares. Therefore, due to non-provision of shortfall loss incurred of the company for the year is reduced by Rs.7.52 lacs.
8. Paise have been rounded off to the nearest Rupee.
9. Detail of Payment made to Auditors is as per details given below:-

	<b>Current Year 2010-11</b>	<b>Previous Year 2009-10</b>
Audit Fees	16545	16545
Tax Audit Fees	5515	5515
Certification	5515	5515
<b>Total</b>	<b>27575</b>	<b>27575</b>

10. Information with regard to other matter specified in Clauses 3(ii)(a), 3(iv), 3(x), 4, 4(A), 4(c), & 4(D) of Part-II of Schedule VI to the Companies Act, 1956 to the extent that they are either nil or not applicable to the Company has not been given.
11. Schedules 1 to 11 form an integral part of the Balance Sheet and Profit and Loss Account.
12. Related party disclosures as required by Accounting Standard (AS-18), issued by ICAI, are given below:-
- (a) Parties where control exists and relationship with the Company.
- |   |                 |
|---|-----------------|
| (1) NDA Securities Ltd.                   | Holding Company |
| (2) NDA Commodity Brokers Pvt. Ltd.       | Group Company   |
| (3) NDA Research & Technologies Pvt. Ltd. | Group Company   |
| (4) NDA Realities Pvt. Ltd.               | Group Company   |



## NDA SHARE BROKERS LTD.

(b) Nature of transactions with related parties

S. No.	Particulars	Current Year 2010-11 (Rs.)	Previous Year 2009-10 (Rs.)
1.	Payment of Brokerage to M/s NDA Securities Ltd	11663/-	12192/-
2.	Payment of Brokerage to M/s NDA Commodity Brokers (P) Ltd	NIL	NIL
3.	Receipt of Rent from M/s NDA Securities Ltd	NIL	NIL

13. Earning per share as required by Accounting Standard (AS-20), issued by ICAI is given below :

S. No.	Particulars	Current Year 2010-11 (Rs.)	Previous Year 2009-10 (Rs.)
1.	Net Profit (loss) after tax as per Profit & Loss Account(a)	(3,91,865/-)	(7,32,592/-)
2.	No. of Equity Shares(b)	33,43,105	33,43,105
3.	Earning per Share(a/b)(Basic and Diluted)	(.12)	(.22)



## NDA SHARE BROKERS LTD.

14. Additional Information as required under IV of Schedule VI to the Companies Act, 1956 is enclosed.

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

#### Registration Details

Registration No. : 55471 State Code : 55  
Balance Sheet Date : 31-03-2011

#### CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)

Public Issue : NIL Rights Issue : NIL  
Bonus Issue : NIL Private Placement : NIL

#### POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousand)

Total Liabilities : 42531 Total Assets : 42531

#### SOURCES OF FUNDS

Paid-Up Capital : 33431 Reserves & Surplus : NIL  
Secured Loans : NIL Unsecured Loans : 9100  
Deferred Tax Liability : NIL

#### APPLICATION OF FUNDS

Net Fixed Assets : NIL Investments : 15730  
Net Current Assets : 5384 Misc. Expenditure : Nil  
Accumulated Losses : 21417

#### V. PERFORMANCE OF COMPANY (Amount in Rs. Thousand)

Gross Income /(Loss) : 433 Total Expenditure : 825  
Profit/(Loss) Before Tax : (392) PAT : (392)  
Earning Per Share in Rs : (.12) Dividend rate % : NIL

#### GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY

(as per monetary items)

Item Code No. (ITC Code) : —  
Product Description : SHARE & STOCK BROKING  
Item Code No. (ITC Code) : —  
Product Description : TRADING& INVESTMENT

Auditor's Report

*As per our report of even date attached*

**For GUPTA RUSTAGI & AGGARWAL**

(Chartered Accountants)

Sd/-

**(S.C. GUPTA)**

Partner

M.N. 086839

Place : New Delhi

Date : 16-08-2011

**For NDA Share Brokers Ltd.**

**For and on behalf of Board**

Sd/-

**(SANJAY AGARWAL)**

Director

Sd/-

**(U.S. GUPTA)**

Director