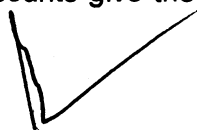


RUNGTA & RUNGTA CHARTERED ACCOUNTANTS

AUDITOR'S REPORT

To The Members of Virdhi Commercial Company Limited

1. We have audited the attached Balance Sheet of Virdhi Commercial Company Limited as at 31st March, 2011 and the Profit and Loss Account and also 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.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v) On the basis of the written representation received from the directors, as on March 31, 2011, 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;
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by

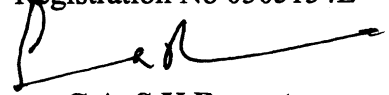


the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.


25, R.N.Mukherjee Road,
Kolkata, the 30th Day of May ,2011

For Rungta & Rungta
Chartered Accountants
Registration No 0305134E



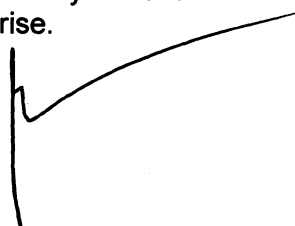
C.A S.K.Roongta
(Partner)
Membership No. 15234

Annexure to the Auditor's Report

1. (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (ii) The Fixed assets are physically verified by the management at reasonable intervals, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - (iii) In our opinion and according to the information and explanations given to us, the Company has not disposed off a substantial part of fixed assets during the year.
 2. (i) The physical and demat verification in respect of Inventories of shares has been conducted by the management at reasonable intervals.
 - (ii) In our opinion and according to the best of information and explanation given to us, the procedure of physical and demat verification of stocks of shares followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (iii) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories.
 3. (i) The Company has granted unsecured loans to the Companies listed in the register maintained under section 301 of the Companies Act, 1956. The loan has been granted to five such parties and the amount involved at the year end is Rs 3,77,23,067/- and maximum balances during the year was Rs 3,91,06,096/-.
 - (ii) In our opinion, the rate of interest and other terms and conditions of unsecured loans given by the company, are not prima-facie prejudicial to the interest of the Company.
 - (iii) The parties to whom loans and advances in the nature of loans have been given by the Company are repaying the Principal and interest regularly.
 - (iv) There is no overdue amount of loans granted to Companies, Firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956.
 - (v) The company has not taken unsecured loan from any Company covered in the registered maintained under section 301 of the Companies Act, 1956.
- 

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been observed in the internal control.
5. i) In our opinion the particulars of contracts or arrangements referred to in section 301 of the Act have been entered wherever applicable in the register required to be maintained under that section.
- ii) In our opinion, the transactions in pursuance of such contract or arrangements have been made at prices which are reasonable having regard to the prevailing market prices .
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA or any other relevant provisions of the Act.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. (i) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities in India.
- (ii) At the end of financial year there were no dues of Sales Tax, Income Tax,, Custom Duty, Excise Duty and Cess, which have not been deposited on account of any dispute except following:-

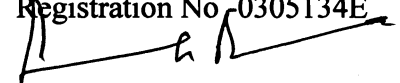
S. No	Name of the Statute	Nature of Duty	Amount (Rs.)	Forum where dispute is pending
1	Income Tax Act, 1961	Fringe Benefit Tax (AY 2006-07)	49270.00 Pertaining to USD Inds Pvt Ltd(Transferor Company)	Income Tax Officer (Jorhat) U/s. 154

9. The Company has no accumulated losses as at March 31, 2011 and it has not incurred any cash losses in the financial year ended on that day or in the immediately preceding financial year.
10. According to the records produced the company has neither taken any loans from financial institution and banks nor issued any debentures and as such the question of delay or default in payment does not arise.
- 

11. As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
12. The provisions of any special statute applicable to chit fund or a nidhi / mutual benefit fund / societies are not applicable to the Company.
13. In our opinion, proper records have been maintained of the transactions and contracts and timely entries have been made therein: the shares, securities, debentures and other investments have been held by the Company in its own name except to the extent of exemption, if any, granted under section 49 of the Companies Act, 1956..
14. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks or financial institution during the year.
15. In our opinion and according to the information and explanations given to us, the Company has not taken any term loans during the year.
16. In our opinion and according to the information and explanations given to us there are no funds raised on short-term basis, which have been used for long term investment.
17. The Company has not made any preferential allotment of shares during the year to parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.
18. The Company has not issued any debentures during the year.
19. The Company has not raised any money by way of public issue during the year.
20. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
21. The other provisions of the aforesaid order do not apply to the company.

25, R.N.Mukherjee Road,
Kolkata, the 30th day of May, 2011

For Rungta & Rungta
Chartered Accountants
Registration No. 0305134E



C.A S.K. Roongta
(Partner)
Membership No. 15234

VIRDHI COMMERCIAL COMPANY LIMITED

Balance Sheet as at 31st March, 2011

	<u>SCHEDULE</u>	<u>31.03.2011</u> <u>(Rs.)</u>	<u>31.03.2010</u> <u>(Rs.)</u>
<u>A. SOURCES OF FUNDS</u>			
<u>Shareholders' Funds</u>			
Share Capital	A	18686020	18686020
Reserves and Surplus	B	190540870	189233949
<u>Loan Funds</u>			
Unsecured Loans	C	-	134375
Deferred Tax Liability		4007	3924
	TOTAL	<u>209230897</u>	<u>208058268</u>
<u>B. APPLICATION OF FUNDS</u>			
<u>1. Fixed Assets</u>			
Gross Block (At Cost)	D	2820884	2797484
Less: Depreciation		<u>2566573</u>	<u>2510310</u>
Net Block		254311	287174
2. Investments	E	164723986	164723986
<u>3. Current Assets, Loans & Advances</u>			
Inventories	F	841134	832863
Cash & Bank Balances	G	77773	571093
Loans & Advances	H	<u>44005365</u>	<u>44258161</u>
		44924272	45662117
<u>Less : Current Liabilities & Provisions</u>			
Current Liabilities	I	101430	100706
Provisions		679730	2683051
Net Current Assets		44143112	42878360
<u>MISCELLANEOUS EXPENDITURE</u>			
(To the extent not written off or adjusted)	J	109488	168748
	TOTAL	<u>209230897</u>	<u>208058268</u>
Notes on Accounts	N		

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

As per our report of even date attached

Rungta & Rungta

Chartered Accountants

(Registration No 0305134E)

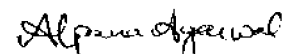


S.K. Roongta

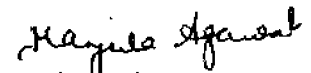
Partner

Membership No 15234

On Behalf of Board



Alpana Agarwal
Director



Manjula Agarwal
Director

25, R.N Mukherjee Road,
Kolkata, the 30th day of May, 2011

VIRDI COMMERCIAL COMPANY LIMITED

Profit & Loss Account for the year ended 31st March, 2011

	<u>SCHEDULE</u>	<u>31.03.2011</u> <u>(Rs.)</u>	<u>31.03.2010</u> <u>(Rs.)</u>
<u>INCOME :</u>			
Inventories-Shares	F	841134	832863
Operating and Other Income	K	3483586	3722467
	TOTAL	<u>4324720</u>	<u>4555330</u>
<u>EXPENDITURE :</u>			
Opening Stock of Shares		832863	732214
Payments to and Provisions for Employees	L	799730	-
Establishment & Operating Expenses	M	724825	1048268
Depreciation		56263	65113
	TOTAL	<u>2413681</u>	<u>1845595</u>
Profit for the year		1911039	2709735
Add/(Less) : Prior Period Expenses		<u>(153)</u>	-
Profit Before Tax		1910886	2709735
Less : Provision for Deferred Tax		83	3,924
: Provision for Taxation		600000	750000
: Short/Excess Provision for Tax for earlier Years		<u>3882</u>	-
Profit after Tax		1306921	1955811
Add: Net Profit of erstwhile USD Inds Pvt Ltd		-	1454964
Glittek Infotech Ltd, Mrigaya Vinimay Pvt Ltd, and			
Kshitish Marketing Pvt Ltd for the year ended 31.03.09			
transferred on amalgamation.		<u>1306921</u>	<u>3410775</u>
Add: Balance Brought forward		18029096	15018321
		19336017	18429096
Less: Transferred to Statutory Reserve Fund		350000	400000
Balance carried to Balance Sheet		<u>18986017</u>	<u>18029096</u>
Basic/Diluted Earnings per share(Face value of Rs 10/-each)		0.70	1.04

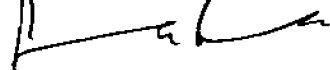
NOTES ON ACCOUNTS

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

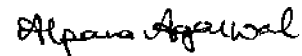
As per our report of even date attached

Rungta & Rungta
Chartered Accountants
(Registration No 0305134E)



S.K Roongta
Partner
Membership No 15234

On Behalf of Board


Alpana Agarwal
Director


Manjula Agarwal
Director

25, R.N.Mukherjee Road,
Kolkata, the 30th day of May, 2011

VIRDHI COMMERCIAL COMPANY LIMITED

SCHEDULES TO ACCOUNTS

(Annexed to and forming part of the accounts for the year ended 31.03.2011.)

	<u>31.03.2011</u>	<u>31.03.2010</u>
	<u>(Rs.)</u>	<u>(Rs.)</u>
<u>SCHEDULE - A</u>		
<u>SHARE CAPITAL</u>		
<u>Authorised</u>		
30,60,000(Previous year 30,60,000) Equity Shares of Rs 10/- each.	<u>30600000</u>	<u>30600000</u>

Issued Subscribed & Paid Up

1868602 (Previous year 18,68,602) Equity Shares of Rs 10/- each fully paid up of includes 16,28,602 shares issued pursuant to scheme of amalgamation without payment received in cash.(Previous Year - Same)

<u>18686020</u>	<u>18686020</u>
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SCHEDULE - B
RESERVES & SURPLUS

1) Revenue Reserve
(Consequent upon Amalgamation of Utilserve Trading & Investment Co.Pvt.Ltd with the Company)

2) Amalgamation Reserve
(Consequent upon Amalgamation of USD Industries Pvt Ltd, Glittek Infotech Ltd, Mrigaya Vinimay Pvt Ltd and Kshitish Marketing Pvt Ltd with the Company)

3) Surplus in Profit & Loss Account

4) Statutory Reserve Fund
(Created pursuant to section 45 I C of Reserve Bank of India Act, 1934)

26898208	26898208
143906645	143906645
18986017	18029096
750000	400000
<u>190540870</u>	<u>189233949</u>

SCHEDULE - C
UNSECURED LOANS

From Bodies Corporate
USD Tea Industries Pvt Ltd

-	134375
<u>-</u>	<u>134,375</u>

SCHEDULE - E
INVESTMENTS

Fully Paid up equity Shares -NonTrade

LONG TERM (At Cost)

A) (Quoted)

	<u>No. of</u>	<u>Amount</u>	<u>No. of</u>	<u>Amount</u>
	<u>Shares</u>	<u>(Rs.)</u>	<u>Shares</u>	<u>(Rs.)</u>
Glittek Granites Ltd.	12974500	76747886	12974500	76747886
Total	<u>12974500</u>	<u>76747886</u>	<u>12974500</u>	<u>76747886</u>

B) (Unquoted)

Auto Sales Agenices Pvt Ltd	2000	20000	2000	20000
United Sales Agencies (Calcutta) Pvt Ltd	100	1000	100	1000
U.S.D. Tea Industries Pvt. Ltd.	475470	8529700	475470	8529700
Granite Mart Ltd.	514640	17627900	514640	17627900
Rubiks Agencies & Resorts Pvt Ltd	13826	16997500	13826	16997500
Glittek Infrastructure Pvt Ltd	389500	44800000	389500	44800000
Total	<u>1395536</u>	<u>87976100</u>	<u>1395536</u>	<u>87976100</u>

GRAND TOTAL (A+B)

<u>14370036</u>	<u>164723986</u>	<u>14370036</u>	<u>164723986</u>
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Note:

Aggregate Market Value and Book Value of the Company's Quoted Investments are as follows:

Market Value of Quoted Investments	12974500	22835120	12974500	31528035
Book Value of Quoted Investments	12974500	76747886	12974500	76747886

VIRDHI COMMERCIAL COMPANY LTD
SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31.03.2011

SCHEDULE - D

FIXED ASSETS

In Rupees

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
	As at 01.04.10	Additions During the Year	As at 31.03.2011	Upto 31.03.2010	During the Year	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Furniture & Fixture	1514116	-	1514116	1,307,540	37363	1344903	169213	206576
Air Conditioner	38826	-	38826	31,750	959	32709	6117	7,076
Computer	450524	23,400	473,924	447,750	4898	452648	21276	2,774
Motor Car	582468	-	582468	555,644	6937	562581	19887	26,824
Office Equipments	211550	-	211550	167,626	6106	173732	37818	43,924
Total	2797484	23400	2820884	2510310	56263	2566573	254311	287174
Previous Year	2797588	-	2797484	2760	65113	2510310	287174	



31.03.2011

31.03.2010

(Rs.)

(Rs.)

SCHEDULE - F**INVENTORIES- SHARES**

(As Valued and certified by the Management)

(Valued at lower of cost or Market Value)

<u>Name of the Company</u>	<u>No of Shares</u>	<u>Amount (Rs)</u>	<u>No of Shares</u>	<u>Amount (Rs)</u>
A) Quoted equity shares				
Tata Steel Ltd.	2565	404460	2565	404460
Mirc Electronics Ltd.	487	10276	487	7962
Hindustan Oil Exploration Ltd.	2392	172692	2392	172692
Gold Star Steel Alloys Ltd.	1620	-	1620	-
Steel Authority of India Ltd.	500	63125	500	63125
Khaitan Agro Complex Ltd.	500	-	500	-
Indo Maxwell Ltd.	5000	-	5000	-
J.K.Tyre & Industries Ltd.	657	46274	657	46274
Bengal Assam Company Ltd	51	12370	51	9129
Timken India Ltd.	1000	90000	1000	90000
ICI Bank Ltd.	66	10230	66	10230
Software Tech Group	100	546	100	659
Himachal Futuristic Communication Ltd	600	6900	600	7452
Reliance Industries Ltd	120	10858	120	10858
Reliance Capital Ltd	3	271	3	271
Reliance Communication Ltd	60	6462	60	8081
Reliance Power Ltd *	15	1524	60	1524
Reliance Infrastructure Ltd	4	146	4	146
Ceeta Industries Ltd	1000	5000	1000	-
TOTAL	16740	841134	16785	832863

* Recd 15 Equity Shares of Reliance Power Ltd against 60 Equity shares of Reliance Natural Resources Ltd.

SCHEDULE - G**CASH & BANK BALANCES**

Cash in hand (As certified)	56420	55638
Balances with scheduled Bank In Current Account	21353	515455
	77773	571093

SCHEDULE - H**LOANS & ADVANCES**

(Unsecured -considered good)		
Loans:(Including Interest)	37723067	39034520
Advances (Recoverable in cash or in kind or for value to be received)	6282298	5223641
	44005365	44258161

SCHEDULE - I**CURRENT LIABILITIES & PROVISIONS**

Current Liabilities:		
Sundry Creditors	101430	100706
	101430	100706
Provisions :		
Provision for Taxation	600000	2642561
Provision for FBT	-	40,490
Provision for Gratuity	79,730	-
	679730	2683051

	<u>31.03.2011</u> (Rs.)	<u>31.03.2010</u> (Rs.)
SCHEDULE - J		
MISCELLANEOUS EXPENDITURE		
Preliminary Expenses	55580	86560
Less Written Off During the year	<u>30980</u>	<u>30980</u>
	24600	55580
Amalgamation Expenses	113168	141460
Less Written Off During the year	<u>28280</u>	<u>28292</u>
	<u>109488</u>	<u>168748</u>

SCHEDULE - K		
OPERATING / OTHER INCOME :		
Interest (Gross: Tax deducted at source Rs. 348948/-previous year.336428/-)	3455799	3418830
Dividend - Inventories	27787	46137
Profit/Loss on Sale of Investments(Net)		
Profit on Sale of Investments-Long Term	-	7500000
Less: Loss on Sale of Investment-Long Term		<u>7242500</u>
	<u>3483586</u>	<u>3722467</u>

SCHEDULE - L
PAYMENTS TO AND PROVISION FOR EMPLOYEES

Remuneration to Directors	720000	-
Provision for Gratuity	<u>79730</u>	-
	<u>799730</u>	-

SCHEDULE - M
ESTABLISHMENT & OPERATING EXPENSES

Legal & Professional Charges	59505	128227
Filing Fees	10700	4500
Listing Fees	11582	11618
Advertisement	43063	36179
Amalgamation Expenses W/off	28280	28292
Rates & Taxes	85578	54151
Rent	120000	120000
Repairs & Maintenance	157282	302308
Depository Services	13399	16228
Electricity Expenses	52190	47180
Office Space Charges	25200	25200
Bank Charges	2757	2279
General Expenses	5621	12289
Insurance	-	1806
Membership & subscription	2282	23747
Preliminary Expenses Written Off	30980	30980
Sundry Balances Written Off	-	213
Telephone Expenses	7752	9269
Travelling & Conveyance	6738	29792
Vehicle Maintenance	28093	68207
Auditor's Remuneration		
For Audit Fees	25000	25000
For Certification & Others	8824	8273
In Other Capacity	-	62530
	<u>724825</u>	<u>1048268</u>

SCHEDULE - N

NOTES ON ACCOUNTS :

A. ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention on accrual accounting in accordance with the generally accepted accounting principles in India, and the relevant provisions of the Companies Act, 1956 including accounting standards notified there under.

2. USE OF ESTIMATES

In preparing the financial estimates in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the amounts of revenue and expense and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimate is recognized in the period the same is determined.

3. FIXED ASSETS

All fixed assets are valued at cost inclusive of direct and incidental expenses related to acquisition. Depreciation on fixed assets is provided on written down value method in accordance with the rates prescribed in Schedule XIV of the Companies Act, 1956.

4. RECOGNITION OF INCOME & EXPENDITURE

Income and Expenses are recognized on accrual basis. Claims of whatsoever nature and Dividend are accounted for on cash basis.

5. INVENTORIES

Quoted Shares are valued on the principle of "At lower of cost or Market Value." and Unquoted Current Investments for each category are valued at the lower of cost and break up or fair value or face value or net asset value, as the case may be.

6. INVESTMENTS

Investments have been classified into Long term Investment in accordance with the Accounting Standard 13 issued by the Institute of Chartered Accountants of India. Investments are stated at Cost Gains/ Losses on disposal of investments are recognized as Income/expenditure, Dividends are accounted for on Cash basis. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary in the opinion of the Management.

7. CONTINGENT LIABILITY

Contingent Liabilities are not accounted for but separately disclosed in Notes to the Accounts.

8. DEFERRED TAX

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the prevailing enacted or substantially enacted tax rates and laws as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future. Deferred tax assets



in case of unabsorbed losses and unabsorbed depreciation are recognized only if there is virtual certainty that such deferred tax asset can be realized against future taxable profits.

9. SEGMENT REPORTING

The segment of the company has been identified in line with the Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India. However, the Company operates in single segment of Loan & Investment, hence Segment reporting is not applicable.

10. IMPAIRMENT OF ASSETS:

The carrying amount of assets are reviewed at each Balance sheet date to determine whether there is any indication of impairment of the carrying amounts of the Company's fixed Assets. An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount, if any indication of impairment exists.

11. RETIREMENT BENEFITS:

Defined contribution scheme:

Company's contribution towards Provident fund and superannuation fund paid/payable during the year charged to profit & Loss Account;

Gratuity

The Company has taken a Group Gratuity Policy from LIC of India to discharge its liability for Gratuity. The calculation of premium under the policy is made on the basis of actuarial valuation done by LIC.

12. AMALGAMATION AND PRELIMINARY EXPENSES:

The amalgamation expenses and Preliminary expenses have been amortized over a period of 5 years.

B. NOTES TO THE ACCOUNTS(Continued)

1. Contingent Liabilities

Claims against the Company not acknowledged as debt and pending judicial decisions:

- a. Excise Duty claim on one of transferor Company M/s USD Industries Pvt Ltd Rs.1992979.80 including Penalty Rs. 996489.90(Previous Year - Same)
- b. Fringe Benefit Tax Rs. 49270.00 for Asst Year 2006-2007 under dispute.

Note: No provision has been made for above demands since the Board is hopeful of a favorable decision in the pending proceedings and the chances of any liabilities arising therefore is highly remote.

2. In keeping with Accounting Standards 13 issued by the Institute of Chartered Accountants of India no provision has been made for depletion in market value of long term quoted investments Rs 53912766/- (Previous year Rs.45219851/-) held by the Company, as the same is considered by the management to be of a temporary nature, considering the inherent value and nature of these investments

3. In the opinion of the Board of Directors, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the books of account. Provision for all known and determined liabilities is adequate and not in excess /short of amount considered reasonably necessary.
4. The Company is registered with the Reserve Bank of India (RBI) as a Non Banking Financial Company (NBFC) in the category of a company not accepting/ not holding public deposits.
5. In compliance of Section 45 – IC of the Reserve Bank of India Act, 1934, the Company is required to create Reserve Fund out of the profits after tax for the year.
6. The Company has only one segments i.e. Loan and Investment Activities.
7. Current /Previous year figures have been regrouped / re-arranged wherever considered necessary.
8. In accordance with AS -22 'Accounting for taxes on Income' by the Institute of Chartered Accountants of India' net deferred tax, has been accounted for as detailed below:-

Particulars	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.
Deferred Tax Liability		
Difference between book & tax depreciation	4007	3924
Deferred Tax Liability	4007	3924

9. As required by Accounting Standard AS-18 "Related Parties Disclosure issued by "The Institute of Chartered Accountants of India" are as follows :-.

List of Related Parties :

A. Particulars of Associate Companies/ Subsidiaries Companies

Name of the Related Party	Nature of relationship	Share Holding in the associate Companies.
1. Glittek Granites Limited	Associate Company	49.82
2. Granite Mart Limited	Associate Company	49.98
3. USD Tea Industries Pvt Ltd	Associate Company	42.04
4. Rubiks Agencies & Resorts Pvt Ltd	Associate Company	41.30
5. Glittek Infrastructure Pvt Ltd	Associate Company	22.80

10 BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.	34846	State Code
Balance Sheet Date	31.03.2011	21

**II. CAPITAL RAISED DURING THE YEAR
(AMOUNT IN RS.)**

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

**III. POSITION OF MOBILISATION AND
DEPLOYMENT OF FUNDS (AMOUNT
IN RS.)**

Total Liabilities	209230897	Total Assets	209230897
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Sources of Funds

Paid up Capital	18686020	Reserves & Surplus	190540870
Secured Loans	NIL	Unsecured Loans	NIL
		Deferred Tax	4007

Application of Funds

Net Fixed Assets	254311	Investments	164723986
Net Current Assets	44143112	Deferred Tax Assets	NIL
Accumulated Losses	NIL	Misc Expenditure	109488

**IV. PERFORMANCE OF COMPANY
(AMOUNT IN RS.)**

Turnover	4324720	Total Expenditure	2413834
Profit before Tax	1910886	Profit after tax	1306921
Earning per Share in Rs.	0.70	Dividend Rate %	NIL

**V. GENERIC NAME OF PRINCIPAL
PRODUCT OF THE COMPANY**

Product Code	: NIL
Product Description	: Lease, Finance & Investment

Rungta & Rungta
Chartered Accountants
(Registration No 0305134E)



S.K Roongta
Partner
Membership No 15234

On Behalf of Board


Alpana Agarwal
Director


Manjula Agarwal
Director

25, R.N.Mukherjee Road,
Kolkata, the 30th day of May, 2011

B. Particulars of the Key Management Personnel

Name of the Related Party	Nature of relationship
Mrs Alpana Agarwal	Director
Mrs Manjula Agarwal	Director

C. Particulars of Relatives of Key Management Personnel

Name	Nature of Relationship
Shri Kamal Kumar Agarwal	Husband of Alpana Agarwal
Shri Rahul Agarwal	Son of Alpana Agarwal
Shri Ashoke Agarwal	Husband of Manjula Agarwal
Ms Tanushree Agarwal	Daughter of Manjula Agarwal
Mr Mudit Agarwal	Nephew of Director

D. Details of transactions relating to persons referred to in (B) above

1) Remuneration to "Wholetime Directors"

Particulars	Amount in Rs
Salaries & Perquisites	720000
Perquisites and allowances	---
Contribution to Provident & Other Funds	---
Directors sitting Fees	---
Commission & Other Payments	---
Non Executive Directors Fees	---

Notes : The Contribution to Gratuity Fund has been made on a group basis based on an actuarial valuation and separate figures applicable to an individual employee are not available and accordingly, the same has not been considered in the above computation.

(Amt in Rs)

Details of Transaction with Associate Company	31.03.2011	31.03.2010
Granite Mart Ltd		
Opening Balance	22156680	3790793
Given during the year	-----	18374998
Interest accrued	1861784	2314600
Received during the year	2110000	2323711
Closing Balance	21722286	22156680
Glittek Granites Ltd		
Opening Balance	7563881	761162
Given during the year	NIL	3040000
Interest accrued	671749	407862

Received during the year	1175000	-----
Closing Balance	6993331	7563881
Office Maintenance (Paid)	25200	25200
USD Tea Industries Pvt Ltd		
Unsecured Loan		
Opening Balance	134375	33360
Given during the year	156345	-
Interest on Unsecured Loan	3970	625
Received during the year	18000	168360
Closing Balance(Credit Balance)	-----	134375
Rubiks Agencies & Resorts Pvt Ltd		
Opening Balance	4775935	4982011
Given during the year	225000	130000
Interest accrued	417517	611397
Received during the year	410000	750000
Closing Balance	4952870	4775935
Glittek Infrastructure Pvt Ltd		
Opening Balance	260000	15545000
Given during the year	3250000	2845000
Interest accrued	-	-
Received during the year	-	18130000
Closing Balance	3510000	260000
Share Application Given	NIL	NIL
Details of Transactions with Key Management Personnel		
Mrs Alpana Agarwal		
Purchase of Shares of Granite Mart Limited	-	200000
Mrs Manjula Agarwal		
Purchase of Shares of Glittek Granites Limited	-	161250
Details of Transactions with Relative of Key Management Personnel		
Shri Kamal Kumar Agarwal		
Purchase of Shares in Granite Mart Limited	-	250000
Shri Ashoke Agarwal		
Purchase of shares of Granite Mart Limited	-	277000
Ms Tanushree Agarwal		
Purchase of Shares of Glittek Granites Limited	-	193500
Shri Rahul Agarwal		
Purchase of Shares of Glittek Granites Limited	-	444620
Mr Mudit Agarwal		
Rent Paid	120000	120000

10. Earning Per Share :

Particulars	31.03.2011	31.03.2010
Profit after Tax	1306921	1955811
Weighted Average Number of Equity Shares	1868602	1868602
Earning Per Share (Basic & Diluted)	0.70	1.04

11. Quantitative & Other details for Shares trading in respect of trading activities.

Particulars	31.03.2011		31.03.2010	
	Qty.(No.)	Value(Rs.)	Qty.(No.)	Value(Rs.)
Opening Stock	16785	832863	15006	701024
Purchases/Acquired from Transferror Companies upon Merger	-	-	1947	-
Sales/ Adjustment	45	-	168	-
Closing Stock	16740	832863	16785	832863

12. Expenditure in Foreign Currency; Nil (P.Y Nil)

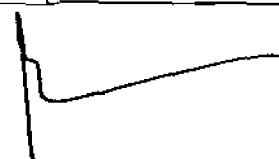
13. There are no unclaimed amounts due against interest and dividend payable by the /company.

As such no amount is due to be transferred to the Investor Education and Protection Fund in terms of section 205 C (1) of the Companies Act, 1956 vide notification dated October1, 2001.

14. The Company has made a provision for gratuity for Rs. 79730/- (PY Rs nil) as per valuation done by LIC of India. The other disclosures as per AS-15 as applicable are as follow:-

1. Assumptions	31.03.2011	31.03.2010
Discount Rate	8%	0
Expected Rate	9%	0
Salary Escalation	7%	0
Mortality Rate	1994-96 LIC Ultimate Tables	0
Withdrawal Rate	0%	0

2. Table showing changes in present value of obligations	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Present value of obligations as at beginning of year	0	0
Interest cost	0	0
Current Service Cost	79730	0
Benefits Paid	0	0
Actuarial (gain)/Loss on obligations	0	0
Present value of obligations as at end of year	79730	0



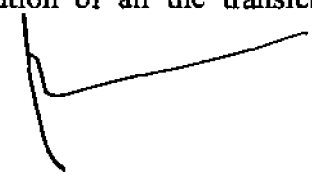
3. Table showing changes in the fair value of plan assets	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Fair value of plan assets at beginning of year	0	0
Expected return on plan assets	0	0
Contributions	79730	0
Benefits paid	0	0
Actuarial (gain)/Loss on Plan assets	0	0
Fair value of Plan assets at the end of year	79730	0

4. Actuarial Gain / Loss recognized	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Actuarial (Gain)/Loss for the year - Obligation	0	0
Actuarial (Gain)/Loss for the year - plan assets	0	0
Total (gain)/loss for the year	0	0
Actuarial (gain)/loss recognized in the year	0	0

5. The amount to be recognized in the balance sheet and statement of profit and loss account	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Present value of obligations as at the end of year	79730	0
Fair value of plan assets as the end of the year	0	0
Funded status	79730	0
Net Asset(Liability) recognized in balance sheet	Nil	0

6. Expenses Recognised in statement of Profit & Loss Account	31.03.2011 (Rs.)	31.03.2010 (Rs.)
Current Service Cost	79730	0
Interest Cost	0	0
Expected return on plan assets	0	0
Net Actuarial (gain)/Loss recognized in the year	0	0
Expenses recognized in statement of Profit & Loss	79730	0

15. In respect of amalgamation of USD Industries Pvt Ltd, Glittek Infotech Ltd, Kshitish Marketing Pvt Ltd, Mrigaya Vinimay Pvt Ltd with the company with effect from appointed date i.e 01.04.2008 (Effective Date 31.08.2009) the Hon'ble High Court of Calcutta vide its order dated 02.03.2011 has sanctioned the dissolution of all the transferor Companies without winding up.



The Company and the transferor Companies have on May 06, 2011 filed a certified copy of the aforesaid Order with the Registrar of Companies, West Bengal. Accordingly effective May 06, 2011, USD Industries Pvt Ltd, Glittek Infotech Ltd, Kshitish Marketing Pvt Ltd, Mrigaya Vinimay Pvt Ltd stands dissolved without winding up.

Some of the assets of erstwhile transferor companies are still in the process of being transferred in the name of transferee companies.

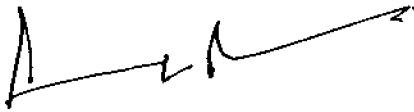
16. The Debtors and Creditors Balances are subject to confirmation.

17. The Company is registered as a non -banking Financial Company under section 45 IA of the Reserve Bank of India Act, 1934.

18. Figures for current year as well as previous year have been rounded off to nearest rupee.

On behalf of the Board

For Rungta & Rungta
Chartered Accountants



Alpana Agarwal
Alpana Agarwal - Director

Manjula Agarwal
Manjula Agarwal - Director

(C A S K Roongta)
(Registration No. 0305134E)
Partner
Membership No 15234
25, R N Mukherjee Road,
Kolkata, the 30th Day of May, 2011

VIRDI COMMERCIAL COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011

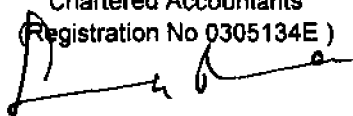
	<u>31.03.2011</u>	<u>31.03.2010</u>
	<u>Rs.</u>	<u>Rs.</u>
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax and extra ordinary items	1910886	2709735
Adjustment for :		
1. Depreciation	56263	65113
2. Depreciation of Transferror Companies	-	2,442,437
3. Miscellaneous to the extenet not written off	59260	(102356)
4. (Profit)/Loss on sale of Investments	-	(257500)
	<hr/>	<hr/>
Operating profit before working capital changes	2026409	4857429
Adjustments for :		
1. Trade and other receivables	(2,002,597)	(36378368)
2. Inventories	(8,271)	(131840)
3. Trade payables	252,796	1848411
	<hr/>	<hr/>
Cash Generated from operations	(1758072)	(34661796)
Adjustment for		
1 Direct Tax Paid	(603965)	(750,000)
Net cash from operating activities	<hr/> <u>(335628)</u>	<hr/> <u>(30554367)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(23400)	(2,794,588)
Sale of Investment	-	11660250
Purchase of Investments	-	(136482750)
Net cash used in investing activities	<hr/> <u>(23400)</u>	<hr/> <u>(127617088)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	13,241,020
Increase in Reserves	-	145,357,685
Increase in Borrowing	(134375)	134,375
Increase in deferred tax Liability	83	3,924
Net Cash Used in financing Activities	<hr/> <u>(134292)</u>	<hr/> <u>158,737,004</u>
D. NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(493320)	565549
Cash and Cash equivalents at the beginning of the year	571093	5544
Cash and Cash equivalents at the end of the year.	<hr/> <u>77773</u>	<hr/> <u>571093</u>

Note (i) Figures for the previous year have been regrouped, wherever considered necessary.

This is the Cash Flow Statement referred to in our report of even date.

25, R.N.Mukherjee Road,
Kolkata, the 30th day of May, 2011

Rungta & Rungta
Chartered Accountants
(Registration No 0305134E)



S.K Roongta
Partner
Membership No 15234

On Behalf of Board

Alpana Agarwal
Alpana Agarwal
Director

Manjula Agarwal
Manjula Agarwal
Director

VIRDHI COMMERCIAL COMPANY LIMITED

Details Sheet for the year ended 31.03.2011

Details of Loans & Advances

	(Rs.)	<u>31.03.2010</u>
		(Rs.)
M/s Auto Sales Agencies Pvt Ltd	3374580	
M/s Granite Mart Ltd.	21722286	
M/s Glittek Granites Ltd.	6993331	
Rubiks Agencies & Resorts Pvt Ltd	4952870	
United Sales Agencies (Calcutta) Pvt Ltd	<u>680000</u>	
		<u>37723067</u>

Detail of Advances

Dooars Transport Ltd -T.D.S(A.Y 2002.2003)	26356	
M/s Glittek Infrastructure Pvt Ltd(Advance for booking of space)	3510000	<u>3536356</u>

Income Tax Refunds

Asst Year 2007-08 (USD Inds Pvt Ltd)	334887	
Asst Year 2008-09 (USD Inds Pvt Ltd)	362050	
Asst Year 2008-09 (Virdhi Comm Co Ltd)	1299	
Asst Year 2010-11 (Virdhi Comm Co Ltd)	<u>5760</u>	
		704016

FBT Refunds

Asst Year 2007-08 (USD Inds Pvt Ltd)	367	
Asst Year 2009-10 (USD Inds Pvt Ltd)	<u>1510</u>	1877

TDS AY 2011-12 (Virdhi Comm Co Ltd)	348948	
Prepaid Tax Token	17631	
M/s Niche Technologies Pvt Ltd	3317	
Eureka Forbes Ltd	<u>2153</u>	<u>372049</u>

4614298

DEPOSITS

Awadh Maintenance Pvt. Ltd.	100,000	
Mangaldeep	30,000	
Mudit Agarwal	1,520,000	
Telephone Security Deposit	18,000	1,668,000
		<u><u>6,282,298</u></u>

Balances with scheduled Bank**In Current Account -Central Bank of India**

M/s Viridhi Commercial Co Ltd	1848
M/s USD Industries Pvt Ltd	5520

In Current Account -HDFC Bank

M/s Viridhi Commercial Co Ltd	13984
	<u>21353</u>

Details of Current Liabilities

M/s Rungta & Rungta	25450
M/s Sultania Sanjay & Co.	8824
M/s A K Pathak & Co	15015
M/s S M Gupta & Co	1103
M/s IL & FS LTD	557
M/s Glittek Granites Ltd (Office Rent)	18900
Telephone Charges	503
Electricity Charges Payable	2350
Vehicle Fuel Charges Payable	2239
-Pearl Auto Service	
Repairs & Maintenance Payable	25961
- Awadh Maintenance Pvt. Ltd.	
TDS Payable	528
	<u>101430</u>

Provision for Taxation

Assessment Year 2011-12	<u>600000</u>
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Provision for Gratuity

Assessment Year 2011-12	<u>79730</u>
	<u>79730</u>

Prior Period Expenses

Interest on FBT of USD Inds Pvt Ltd (AY 07-08)	<u>153</u>
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