



M. L. SHARMA & CO. (Regd.)
CHARTERED ACCOUNTANTS

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107, Chartered House, 297-299, Dr. C. H. Street, Behind Dolours Church, Marine Lines, Mumbai - 400 002.

AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)

We have audited the attached Balance Sheet of SARAT DERIVATIVES AND FUTURES LIMITED (FORMERLY AS SARAT LEASING AND FINANCE LIMITED) as at 31st March, 2009, the annexed profit and Loss Account for the year ended on that date, and also the Cash Flow Statement for the year ended on that date. 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. These 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 presentations. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in Paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

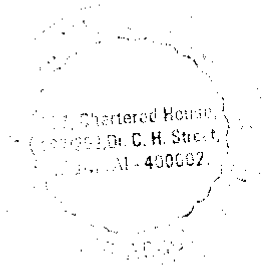
- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books;
- (iii) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (v) On the basis of representations from the Directors. As on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) to Section 274 of the Companies Act, 1956.

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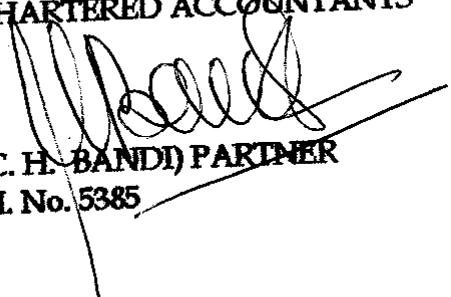
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon, appearing in schedule of Accounting Policies & Notes on Accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - In the case of the Profit and Loss account, of the Profit for the year ended on that date; and
 - In the case of the Cash Flow Statement of the Cash Flow for the year ended on that date.
- (vii) As required under Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions, 1998, a separate report has been submitted to the Board of Directors of the Company on the matters specified in paragraph 3 & 4 of the Directions.

Place : Mumbai

Date : - 5 MAY 2009



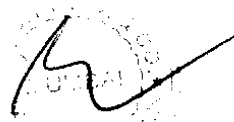
For M. L. SHARMA & CO.
CHARTERED ACCOUNTANTS


(C. H. BANDI) PARTNER
M. No. 5385

ANNEXURE TO THE AUDITORS REPORT

Annexure referred to in the Auditors' Report to the Shareholders of SARAT DERIVATIVES AND FUTURES LIMITED (FORMERLY AS SARAT LEASING AND FINANCE LIMITED) on the Accounts for the year ended 31st March, 2009.

- 1) The Company does not own any fixed assets during the financial year under review. Therefore comments regarding maintenance of proper records, Physical verification of Fixed Assets by the management and disposal off major part of Fixed Assets are not required.
- 2) There were no stock of goods during the year with the Company, hence, comments on its physical verification, valuations and its reasonableness are not required;
- 3a) The Company has granted unsecured loans to 2 parties listed in the Register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 2,12,25,000/- and the year end balance of loan granted to such parties was Rs. 1,39,75,000/-.
- 3b) In our opinion, the rate of interest wherever applicable and other terms & conditions on which loans have been granted to such party listed in the register maintained under section 301 of the Companies Act, 1956 are not prima-facie, pre-judicial to the interest of the Company.
- 3c) Payment of Principal amount and interest are regular wherever stipulated.
- 3d) In respect of loans granted to such party listed in the register maintained under section 301 of the Companies Act, 1956, these are repayable on demand and hence the question of overdue amounts does not arise.
- 3e) The Company has not taken any loans, secured or unsecured from Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and as such provisions of sub-clause iii) (f) & (g) are not applicable.
- 4) In our opinion and according to the information and explanations given to us, it appears that there are adequate internal control systems, commensurate with the size of the Company and nature of the business for the purchase of inventory, fixed assets & for the sale of goods. During the course of audit, we have not observed any continuing failure to correct any major weakness in internal control.
- 5a) According to the information and explanations given to us, particulars of contracts or arrangements entered into in under section 301 of the Companies Act, 1956 have been property entered in the Register required to be maintained under that section;

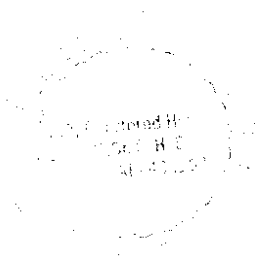
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- 5b) The transaction made in pursuance of ~~such~~ contract or arrangement have been made at prices which are reasonable ~~having~~ regard to prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties;
- 6) In our opinion and according to the explanations given to us, the company has not accepted any deposits within the meaning of section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 during the year.
- 7) We have been informed that, as the Company's internal control system ensures reasonable checking of its financial and other records the Company has not yet started a formal Internal Audit Department.
- 8) As informed to us, the Central Government has not prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 for any of the products of the Company ;
- 9a) The Company have generally been regular in depositing Income tax, Sales Tax, Wealth Tax, Service Tax , Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2009 for a period exceeding six months from the date they became payable. As explained to us, the provisions of the Provident Fund and the Employees State Insurance Act, 1948 are not applicable to the Company.
- b) According to the information and explanations given to us, and as per books and records examined by us there are no disputed amount payable for Income tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and cess etc.
- 10) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- 11) In our opinion and according to the explanations given to us, we are of the opinion that company has not defaulted in repayment of dues to the financial institution / banks.
- 12) We have been informed that the Company has not granted any loans and advances on the basis of security by way of pledge or shares, debentures and other securities.
- 13) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore Clause 4 (XIII) of the Companies (Auditor's Report) Order 2003 does not apply to the Company.

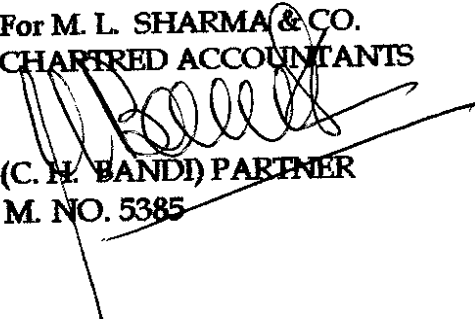
- 14) In our opinion and according to the information and explanations given to us, the company has maintained timely entries in respect of transactions and contracts of dealing or trading in shares, securities, debentures and other investments in accordance with general practice. The shares, debentures, securities and other investments have been held by the company in its own name.
- 15) According to information and explanations given to us, the company has not given any guarantee for loan taken by others from bank or financial institution.
- 16) According to the information and explanations given to us, No Term loans were availed during the year.
- 17) As per the information and explanations given to us, and on examination of the balance sheet of the company. We report that no funds raised on short term basis have been used for long term investment;
- 18) According to the information and explanation given to us, during the period covered by our audit report, the company has not made preferential allotment of shares to parties & companies covered in the register maintained under section 301 of the Companies act, 1956.
- 19) During the year the company has not issued any debentures.
- 20) During the period covered by our audit report, the company has not raised any money by way of public issue.
- 21) In our opinion and according to the explanations given to us, no fraud on or by the company has been noticed or reported during the year, that cause the financial statements to be materially misstated.

Place : Mumbai

Date : - 5 MAY 2009



For M. L. SHARMA & CO.
CHARTERED ACCOUNTANTS


(C. H. BANDI) PARTNER
M. NO. 5385

SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)
BALANCE SHEET AS AT 31ST MARCH, 2009

	<u>Schedule</u>	<u>As at 31st March, 2009</u>	<u>As at 31st March, 2008</u>
<u>SOURCES OF FUNDS</u>			
Shareholders' Fund			
Share Capital	1	18100000	18100000
Reserve & Surplus	2	24276116	13575361
Total Funds Employed		42376116	31675361
 <u>APPLICATION OF FUNDS</u>			
Investments	3	25855810	23200810
Current Assets, Loans & Advances			
Cash & Bank Balances	4	12322	74217
Loans & Advances	5	17593890	8529096
		17606212	8603313
Less: Current Liabilities & Provisions	6		
Current Liabilities		5515	3371
Provisions		1080391	125391
		1085906	128762
Net Current Assets		16520306	8474551
Total Fund Utilised		42376116	31675361

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS 9

As per our report of even date
For **M.L. SHARMA & COMPANY**
Chartered Accountants

For and on behalf of the Board

(C.M. BANDI) Partner
Membership No: 5385
Place: Mumbai
Dated



U. K. Joshi
Director

Gauri Joshi
Director

- 5 MAY 2009

SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	<u>Schedule</u>	Current <u>Year</u> Rupees	Previous <u>Year</u> Rupees
<u>INCOME</u>			
Income from Operation	7	11612948	3739792
		<u>11612948</u>	<u>3739792</u>

EXPENDITURE

Administrative & Other Expenses	8	644307	64704
		<u>644307</u>	<u>64704</u>

PROFIT

Profit before Tax		10968641	3675088
Less : Provision for Taxation - Current		975000	98000
- MAT Credit Entitlements		<u>(706968)</u>	-
Profit after Tax		10700609	3577088
Income tax for earlier years		146	19
Balance brought forward from last year		<u>6625361</u>	<u>3048254</u>
Profit available for Appropriations		<u>17326116</u>	<u>6625361</u>

EARNING PER SHARE

(Refer Note no 2 C of Schedule 9)
 Basic/Diluted earning per share

8.56 2.86

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

As per our report of even date
 For **M.L. SHARMA & COMPANY**
 Chartered Accountants

(C H BANDI) Partner
 Membership No : 5385
 Place : Mumbai
 Dated : 5 MAY 2009

For and on behalf of the Board

B. S. Joshi
 Director

Gauri Jate
 Director

SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)
SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS 31ST MARCH, 2009

	<u>As at 31st March, 2009</u> Rupees	<u>As at 31st March, 2008</u> Rupees
<u>SCHEDULE - 1</u>		
<u>SHARE CAPITAL</u>		
Authorised		
1840000 (Previous Year 1840000) Equity Shares of Rs 10/- each	18400000	18400000
116000 (Previous Year 116000) 10% Redeemable Non Cumulative Preference Shares of Rs 100/- each	11600000	11600000
	<u>30000000</u>	<u>30000000</u>
Issued, Subscribed & Paid Up		
1250000 (Previous Year 1250000) Equity Shares of Rs 10/- each fully paid up	12500000	12500000
56000 (Previous Year 56000) 10% Redeemable Non Cumulative Preference Shares of Rs 100/- each fully paid up	5600000	5600000
	<u>18100000</u>	<u>18100000</u>

10% Redeemable Non-Cumulative Preference Shares are redeemable not later than 14th October, 2014.

SCHEDULE - 2

RESERVE & SURPLUS

Capital Redemption Reserve As per last Balance Sheet	6900000	6900000
General Reserve As per last Balance Sheet	50000	50000
Surplus	17326116	6625361
Balance in Profit & Loss Account	<u>24276116</u>	<u>13575361</u>

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SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)

SCHEDULE - 3
INVESTMENTS

	<u>As at 31st March, 2009</u>			<u>As at 31st March, 2008</u>	
	Face Value Rupees	No of <u>Shares</u>	<u>Cost</u> Rupees	<u>No of</u> Shares	<u>Cost</u> Rupees
<u>LONG TERM INVESTMENTS</u>					
<u>Fully Paid Up (Quoted) :</u>					
Equity Shares of					
Modern India Ltd	2	7665000	<u>15230810</u>	7700000	<u>15300810</u>
			<u>15230810</u>		<u>15300810</u>
<u>Fully Paid Up (Unquoted) :</u>					
Equity Shares of					
Equest Capital Advisors Pvt Ltd	10	40000	400000	40000	400000
Gyan Ventures Pvt Ltd	10	1500	15000	-	-
Lexicon Constructions Pvt Ltd	10	1500	15000	-	-
Mandev Tubes Pvt Ltd	10	37000	4995000	-	-
10% Redeemable Non-Cumulative Preference Shares of					
Alcyone Trading Co Pvt Ltd	100	19000	1900000	19000	1900000
Ignatius Trading Co Pvt Ltd	100	28000	2800000	28000	2800000
Candescent Traders Pvt Ltd	100	5000	<u>500000</u>	28000	<u>2800000</u>
			<u>10625000</u>		<u>7900000</u>
TOTAL			<u>25855810</u>		<u>23200810</u>
Aggregate Book Value - Quoted			15230810		15300810
Aggregate Book Value - Unquoted			10625000		7900000
Market Value - Quoted Investments			1134803250		1576960000

SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)

As at 31st
March, 2009
 Rupees

As at 31st
March, 2008
 Rupees

SCHEDULE - 4

CASH & BANK BALANCES

Cash on Hand	10000	10000
In Current Account with Scheduled Bank	<u>2322</u>	<u>64217</u>
	<u>12322</u>	<u>74217</u>

SCHEDULE - 5

LOANS & ADVANCE

(Unsecured, Considered Good)

Loans	14825000	8100000
Advance Income Tax, Tax Deducted at Sources & FBT	865671	121222
MAT Credit Entitlement	706968	-
Loans to Employee	36000	60000
Interest Receivables	<u>1160251</u>	<u>247874</u>
	<u>17593890</u>	<u>8529096</u>

SCHEDULE - 6

CURRENT LIABILITIES & PROVISIONS

Current Liabilities

Sundry Creditors for expenses other than Micro, Small & Medium Enterprises	5515	3371
	<u>5515</u>	<u>3371</u>
Provisions		
Provisions for Taxations	<u>1080391</u>	<u>125391</u>
	<u>1085906</u>	<u>128762</u>

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SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)
SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2009

	Current	Previous
	<u>Year</u>	<u>Year</u>
	Rupees	Rupees
<u>SCHEDULE - 7</u>		
<u>INCOME FROM OPERATION</u>		
Interest - Gross [TDS Rs 339943/- (Previous year Rs 72625/-)]	1500194	321904
Dividend - Gross		
From Long Term Investments	1533000	3388000
Long Term Capital Gain	8578351	-
Other Income	1403	29888
	11612948	3739792

SCHEDULE - 8
ADMINISTRATIVE & OTHER EXPENSES

Salary & Bonus	96576	47968
Professional Fees	520000	5618
Filing Fees	5000	3540
Bank & Demat Charges	9008	1707
Employers' Profession Tax	2500	2500
Auditors' Remuneration		
For Audit Fees	5515	3371
For Certification	2248	-
Miscellaneous Expenses	3460	-
	644307	64704

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SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)
SCHEDULES OF NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT AND THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

SCHEDULE - 9

1) Significant Accounting Policies :

A General:

- i) These accounts are prepared on the Historical Cost Convention and on the Accounting Principle of a Going concern.
- ii) Accounting Principles not specifically referred to otherwise are consistent with earlier years and in consonance with generally accepted Accounting Principles.

B Fixed Assets:

The Company does not own any Fixed Assets during the year.

C Retirement Benefits:

Retirement benefits are not applicable to the company.

D Investments:

All investments are long term, which are stated at cost. Provision for diminution in the value of investments made only if, such a decline is other than temporary in the opinion of the management. Investments include shares and securities purchased with the intention of holding them as investments as per Board Resolution.

E Recognition of Income & Expenditure:

Income & expenditure are accounted for on accrual basis.

F Taxation:

Provision for income tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred income taxes are recognised for the future tax consequences attributable to timing difference between the financial statement determination of income and their recognition for tax purposes. The effect of deferred tax assets & liabilities of a change in tax rates is recognised in income using the tax rates and tax laws that have been enacted for substantively enacted by the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

G Contingent Liability:

Contingent Liabilities are not provided for in the accounts and are disclosed by way of notes, if any.

2) Notes on Account :

A Disclosure of related party transaction as required by para 23 of AS 18 issued by the Chartered Accountants of India :

a) List of Related Parties over which control exists:

Name of the Related Party (As Identified by the Management)	Description of Relationship
1. Indian Institute of Jewellery Ltd	Associates
2. Modern India Ltd	Associates
3. Modern India Property Developers Pvt Ltd	Associates

SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)

b) Details of transactions Related Parties during the Financial Year ended 31.03.2009:

Description of transactions	Key Management Personnels	Key Management personnel holding substantial interest
1. Interest received on ICD	0 (0)	796194 (320499)
2. Dividend Received	0 (0)	1533000 (3388000)
3. Transfer of MCX Licence/Professional Fees	0 (0)	500000 (1700000)
4. Loans/Advances given during the year (Net)	0 (0)	13975000 (6800000)
Outstanding Balance as on 31.03.2009		13975000 (Loans Given) 7250000 (Loans Given Previous Year)

B As per AS 17 in respect of segment reporting, the only segment in which company deals is Investments in shares, hence no separate classifications have been made.

C Earning per Share:

In compliance with Accounting standard-20 "Earning per Share" issued by The Institute of Chartered Accountants of India, Basic earning per share has been calculated by dividing net profit after tax with the weighted average number of Equity Shares outstanding during the period as per details given below :-

	Year ended 31.03.2009	Year ended <u>31.03.2008</u>
Net Profit available for equity shareholders	10700609	3577088
Weighted average number of equity shares outstanding	1250000	1250000
Basic/Diluted Earning Per Share (Nominal Value Rs 10/-)	8.56	2.86

D. As per the Guidance Note on Accounting for Credit available in respect of Minimum Alternative Tax (MAT) under the Income Tax Act, 1961 the Company has recognised the MAT credit entitlement for current year amounting to Rs **706968/-** and shown under Loans and Advances as MAT credit entitlement and the same has been credit to Profit and Loss Account.

E There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at Balance Sheet date. Further, the Company has not paid any interest to any Micro and small Enterprises during the accounting year, nor is any interest payable to any Micro and Small Enterprises on the Balance Sheet Date. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

F Loans & Advances includes Loans & Advances given to Company's in which Directors/Relatives are interested :

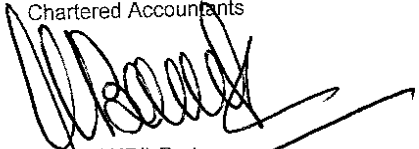
Name of the Company	Balance as on 31.03.2009	Maximum Balance Outstanding
1. Indian Institute of Jewellery Limited	0 (7250000)	7250000 (7250000)
2. Modern India Property Developers Ltd	13975000 (0)	13975000 (0)

SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)

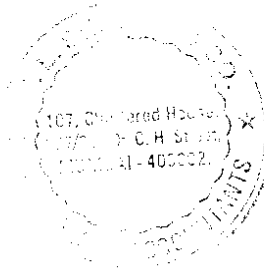
- G Provision involving substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.
- H Information pursuant to the provisions of paragraphs 3 & 4 of Para II Schedule VI of the Companies Act, 1956
- | | |
|--|----------------|
| a) Quantitative details of Purchases, Sales & Stocks : | Not Applicable |
| b) Licence Capacity/Installed Capacity | Not Applicable |
- I The Company did not earn any Foreign Exchange by way of Exports.
- J Previous year figures are regrouped/rearranged whenever necessary.
- K Figures have been rounded off the nearest rupee.
- L Additional information pursuant to part IV of Schedule VI of the Companies Act, 1956 annexed herewith.

Signature to Schedules '1' to '9'

As per our report of even date
For **M.L. SHARMA & COMPANY**
Chartered Accountants


(C.H. BANDI) Partner
Membership No : 5385
Place : Mumbai
Dated

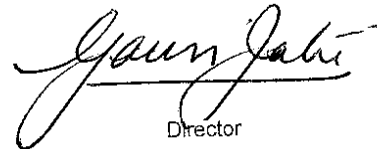
- 5 MAY 2009



For and on behalf of the Board



Director

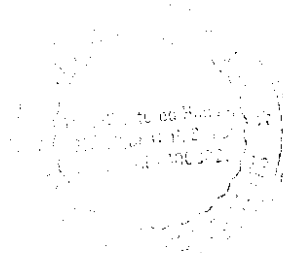

Director

SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL FINANCIAL PROFILE

a Registration Details		11-77781 of 1994
Registration No		11
State Code		31/03/2009
Balance Sheet Date		
b Capital raised during the year (Amount in Rs Thousands)		
Public Issue		Nil
Right Issue		Nil
Bonus Issue		Nil
Private Placement		Nil
c Position of mobilisation and deployment of funds (Amount in Rs Thousands)		
Total Liabilities		42376
Total Assets		42376
Sources of Funds		
Paid Up Capital		18100
Reserve & Surplus		24276
Secured Loans		Nil
Unsecured Loans		Nil
Application of Funds		
Net Fixed Assets		Nil
Investments		25856
Net Current Assets		16520
Miscellaneous Expenditure		Nil
Accumulated Losses		Nil
d Performance of Company (Amount in Rs Thousands)		
Turnover		11613
Total Expenditure		644
Profit Before Tax		10969
Profit After Tax		10701
Earning per Share in Rs		8.56
Dividend Rate %		Nil
e Generic Names of Three Principal Products/Services of Company (As per monetary terms)		
Item Code No (ITC Code)		NA
Products Description		NA

As per our report of even date
 For **M.L. SHARMA & COMPANY**
 Chartered Accountants

(C H BANDI) Partner
 Membership No : 5385
 Place : Mumbai
 Dated : - 5 MAY 2009



For and on behalf of the Board

[Handwritten Signature]


Director

[Handwritten Signature]
 Director

SARAT DERIVATIVES AND FUTURES LIMITED
(FORMERLY AS SARAT LEASING AND FINANCE LIMITED)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009
AS PER LISTING AGREEMENT

	<u>2008-2009</u>	<u>2007-2008</u>
	Rupees	Rupees
A <u>CASH FLOW FROM OPERATING ACTIVITIES:</u>		
Net Profit before tax and extraordinary items	10968641	3675088
Adjustment for :		
Profit on Sale of Investments	(8578351)	0
Dividend from Long Term Investments	(1533000)	(3388000)
Operating Profit before working capital changes	857290	287088
Adjustment for :		
Trade and other receivables	(7613377)	(5843116)
Trade payables	2144	0
Cash generated from operation	(6753943)	(5556028)
Direct Taxes	(764303)	(56902)
Cash flow before extraordinary items	(7518246)	(5812930)
Extraordinary items	0	0
NET CASH FROM OPERATING ACTIVITIES	(7518246)	(5812930)
B <u>CASH FLOW FROM INVESTING ACTIVITIES:</u>		
Purchases/Sale of Investments (Net)	5923351	2700000
Dividend from Long Term Investments	1533000	3388000
NET CASH USED IN INVESTING ACTIVITIES	7456351	6088000
C <u>CASH FLOW FROM FINANCING ACTIVITIES:</u>		
Proceeds from short term borrowings	0	(450000)
Redemption of Preference Shares	0	0
NET CASH USED IN FINANCING ACTIVITIES	0	(450000)
Net increase in cash and cash equivalents	(61895)	25070
Cash and cash equivalents (Opening)	74217	49147
Cash and cash equivalents (Closing)	12322	74217

For **M L SHARMA & COMPANY**
Chartered Accountants

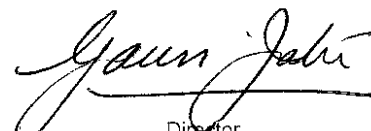

C H Bandi (Partner)
Membership No : 5385
Place : Mumbai
Dated :

- 5 MAY 2009

For and on behalf of the Board



Director


Director