

# **METROPOLITAN VENTURES INDIA LIMITED**

**4<sup>th</sup> ANNUAL REPORT**

**2010-2011**

For Metropolitan Ventures India Ltd.

  
Director

**BOARD OF DIRECTORS:**

DEVENDRA SURANA	-	DIRECTOR
MANISH SURANA	-	DIRECTOR
N. KRUPAKAR REDDY	-	DIRECTOR

**REGISTERED OFFICE:**

Block "A", 3<sup>RD</sup> Floor, Surya Towers,  
Sardar Patel Road,  
Secunderabad - 500 003.

**AUDITORS:**

M/s. Sekhar & Co.  
Chartered Accountants  
133/4, R P Road,  
Secunderabad - 500 003.

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 4<sup>th</sup> Annual General Meeting of the Members of **METROPOLITAN VENTURES INDIA LIMITED** will be held on Thursday, 19<sup>th</sup> May, 2011 at 11.30 a.m. at the Registered Office of the Company at Block "A", 3<sup>rd</sup> Floor, Surya Towers, S P Road, Secunderabad - 500 003 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended 31<sup>st</sup> March, 2011 along with Auditors' Report & Directors' Report thereon.
2. To appoint a Director in place of Shri. Devendra Surana who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Sekhar & Co., Chartered Accountants, Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

By Order of the Board  
for **METROPOLITAN VENTURES INDIA LIMITED**

  
**DEVENDRA SURANA**  
DIRECTOR

Place: Secunderabad  
Date: 15.04.2011

### NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend, and, on a poll, to vote instead of himself and such proxy need not be a member.
2. The proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

## DIRECTORS REPORT

To  
The Members,

Your Directors have pleasure in presenting the 4<sup>th</sup> Annual Report and the Audited Statement of Accounts for the financial year ended 31st March 2011, together with the Auditors Report thereon.

### FINANCIAL RESULTS:

Your company financial results for the year 2010-11 are given below in summarized format:

Particulars	For the period ended on 31/03/2011 Rs.	For the Period ended on 31/03/2010 Rs.
<b>INCOME</b>	-	-
	-	-
<b>EXPENDITURE</b>		
a) Audit fees		
b) Filing Fees	2,206	2,206
c) Professional and consultancy fee	4,208	12,700
d) Preliminary Expenses written off	4,200	300
e) Telephone charges	35,137	35,137
	1,000	-
Profit before Taxation	46,751	50,343
Provision for taxation	(46,571)	(50,343)
Current year		
For earlier years	-	-
<b>Profit after taxation</b>		(1,41,005)
Balance B/F from Previous Year	(46,751)	90,662
	29,46,928	28,56,266
<b>Balance C/F to Balance Sheet</b>	29,00,177	29,46,928

### DIVIDEND:

The Directors do not recommend any dividend for the financial year 2010-11.

### FIXED DEPOSITS:

The Company has not accepted any deposits from the public for the year under review within the meaning of Section 58A of the Companies Act, 1956.

### DIRECTORS:

Shri Devendra Surana, Director of the Company, will retire by rotation at this Annual General Meeting and being eligible, offers himself for reappointment



### **COMPLIANCE CERTIFICATE:**

In accordance with requirement of Section 383A of the Companies Act, 1956, Certificate from Shri Syed Meera Mohiddin, Practicing Company Secretary, is enclosed certifying that all legal requirements, in respect of the Company for the year ended 31st March, 2011 have been complied with marked as Annexure-1.

### **DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956:**

In Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i. That in the preparation of the accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
- iii. 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;
- iv. That the Directors have prepared the accounts for the financial year ended 31st March, 2011 on a 'going concern' basis.

### **PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information as required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, forms part of this Report and is annexed herewith.

### **PARTICULARS OF EMPLOYEES:**

During the period under review, there are no employees covered under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of the Employees) Rules, 1975.

### **ACKNOWLEDGEMENTS:**

The Board desires to place on record its sincere appreciation for the support and co-operation received from the Company's Bankers and Officials of the concerned Government Departments, employees and the members for the confidence reposed by them in the management.

Place: Secunderabad  
Date: 15.04.2011

By Order of the Board  
For **METROPOLITAN VENTURES INDIA LIMITED**

  
**DEVENDRA SURANA**  
DIRECTOR

  
**MANISH SURANA**  
DIRECTOR

## ANEXURE TO THE DIRECTORS REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors ) Rules, 1988, and forming part of the Directors Report:

### 1. CONSERVATION OF ENERGY:

Energy conservation measures taken: The Company is very careful in using the power to reduce the cost of maintenance and conserve the resources.

Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: Nil

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods : N.A

### 2. TECHNOLOGY ABSORPTION:

#### FORM B:

(Disclosure of particulars with respect to technology absorption)

#### A. RESEARCH AND DEVELOPMENT (R&D)

Specific areas in which R& D carried out by the Company	:	Nil
Benefits derived as a result of the above R& D	:	Nil
Future plan of action	:	Nil
Expenditure on R & D	:	Nil

#### B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The Company is making all efforts for improving productivity, product quality and reducing consumption of scarce raw material and fuels.


### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO:


Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:

Foreign Exchange inflow	:	NIL
Foreign Exchange Outgo	:	NIL

By Order of the Board  
for METROPOLITAN VENTURES INDIA LIMITED

Place: Secunderabad  
Date: 15.04.2011

  
DEVENDRA SURANA  
DIRECTOR

  
MANISH SURANA  
DIRECTOR

**CIN: U45200AP2007PLC053036**

**Nominal Capital: Rs. 1,00,00,000**

**Compliance Certificate**

**To**  
**The Members**  
**M/s. Metropolitan Ventures India Limited**  
**Block "A" 3<sup>rd</sup> Floor, Surya Towers,**  
**S.D. Road,**  
**Secunderabad – 500 003.**

We have examined the registers, records, books, and papers of **M/s. Metropolitan Ventures India Limited** ("the Company") 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 31<sup>st</sup> March, 2011 (i.e. from 1<sup>st</sup> April, 2010 to 31<sup>st</sup> 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 I** to this Certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure II** to this Certificate, with the Registrar of Companies as required under the Act and the rules made there under.
3. The Company, being a public limited company, the restriction clauses as provided in Section 3(1)(iii) of the Companies Act, 1956 is not applicable.
4. The Board of Directors duly met 4 (four) times on 18.05.2010, 02.08.2010, 29.10.2010 and 17.01.2011. In respect of each meeting proper notices were given, the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its register of members during the financial year.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2010 was held on 30<sup>th</sup> June, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. The Company has not held any extraordinary general meetings during the financial year.
8. The Company has not advanced any loans to its directors and/or persons or firms or companies referred in section 295 of the Companies Act, 1956.



9. The Company has not entered into any contracts falling within the purview of section 297 of the Act
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there are 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 certificates during the financial year.
- 13.
- (i) There was no allotment/transfer/transmission of shares during the financial year under review.
  - (ii) The Company not deposited any amount in a Separate Bank Account as no dividend was declared during the financial year.
  - (iii) The Company has not deposited any amount in a Separate Bank Account as no dividend was declared during the financial year.
  - (iv) The Company has not effected any transfer of the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have been remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no such cases.
  - (v) The Company has complied with the requirement of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. During the financial year under review, Shri N. Krupakar Reddy was appointed as additional director wef 03.05.2010 and Shri S. Balasubramanian, Director was resigned from the office of Directorship wef 03.05.2010.
15. The Company's paid up capital being less than the prescribed Rs. 5.00 crores, it is not required to appoint a Managing Director/Whole-time Director/Manager and accordingly the provisions of section 269 of the Companies Act, 1956 to that extent, are not applicable.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals from the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such other authorities 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 there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.

The Company has not bought back any shares during the financial year.





21. The Company does not have any Preference Shares / Debentures.
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 during the financial year.
24. Amount borrowed by the Company from directors, members, public, financial institutions banks and others during the financial year ending 31<sup>st</sup> March, 2011 is within the borrowing limits of the Company.
25. The Company has not made any loans, investments or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of 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 Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the 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 financial year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines and penalties or any other punishment 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 and as such, Section 418 of the Act is not applicable to the Company.

Place: Secunderabad  
Date: 15.04.2011



*Syed Meera Mohiddin*  
**Syed Meera Mohiddin**  
**Company Secretary in Practice**  
**ACS: 19395**  
**CP No: 7813**

**Annexure - I**

**Registers as maintained by the Company:**

1. Register of Members u/s 150.
2. Minutes Book of Meeting of Directors u/s 193.
3. Minutes Book of proceedings of General Meetings u/s 193.
4. Register of Particulars in which Directors are interested under Section 301.
5. Register of Directors, Managing Director u/s. 303.
6. Register of Directors' Shareholdings u/s. 307.
7. Register of Applications for allotment of shares



*Syed Meera Mohiddin*  
**Syed Meera Mohiddin**  
**Company Secretary in Practice**  
**ACS: 19395**  
**CP No: 7813**

Place: Secunderabad  
Date: 15.04.2011

**Annexure – II**

Forms and Returns as filed by the Company with the Registrar of Companies, Andhra Pradesh, Hyderabad during the financial year ending 31<sup>st</sup> March, 2011

S. No.	Form No./ Return	Filed on	Under Section	Event	Whether filed within the prescribed time (Yes/No)	If delay in filing whether requisite fee paid (Yes/No)
1.	Form 32	01.06.2010	303	Appointment of Shri N. Krupakar Reddy as Additional Director  Resignation of Shri Balasubramanian from the office of Directorship	Yes	NA
2.	Form 66	09.07.2010	383A	Compliance Certificate obtained from Syed Meera Mohiddin, Company Secretary in Practice for the financial year 2009-10.	Yes	NA
3.	Forms 23AC, 23ACA	03.08.2010	220	Audited Balance Sheet, Profit and Loss Account, Auditors' Report and the Directors' Report, adopted in the 3 <sup>rd</sup> Annual General Meeting, for the financial year ended on 31 <sup>st</sup> March 2010	No	Yes
4.	Form 20 B	15.09.2010	159	Annual Return for the 3 <sup>rd</sup> Annual General Meeting held on 30 <sup>th</sup> June, 2010	No	Yes
5.	Form 32	18.11.2010	303	Regularization of Director	No	Yes



*Syed Meera Mohiddin*  
**Syed Meera Mohiddin**  
**Company Secretary in Practice**  
**ACS: 19395**  
**CP No: 7813**

Place: Secunderabad  
Date: 15.04.2011



# SEKHAR & CO.

CHARTERED ACCOUNTANTS

**PARTNERS:**

K.C. Devdas, B.Com., F.C.A.

C. Amarnath, B.Com., L.L.B., F.C.A.DISA (ICA)

G. Ganesh, B.Com., F.C.A., DISA (ICA)

## *Auditors Report to the Shareholders*

1. We have audited the attached Balance Sheet of Metropolitan Ventures India Limited as at **31<sup>st</sup> March 2011**, 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 conduct our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit 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 by the Companies (Auditor's Report) (Amendment) Order, 2004 (Together henceforth referred to as the "Order" issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act 1956 (henceforth referred to as the "Act") is given below.

### **A. Fixed Assets : Clause 4(i) of the Order**

- i. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- ii. We are informed that management at reasonable intervals has physically verified all the fixed assets of the company. As per the information and explanations given to us there were no material discrepancies during such verification.
- iii. In our opinion and according to the explanations given to us, a substantial part of the assets has not been disposed by the company during the year.

### **B. Inventories : Clause 4(ii) of the Order**

- i. The Company has not held any inventory during the period covered by the audit hence we have not reported on the matters specified in this clause.

### **C. Loans and Advances & Loans against Pledge of Securities (Clauses 4(iii) of 4 (xii) of the Order.**

- i. The Company has not granted any loans to companies / firms or such other parties covered under section 301 of the Act. Hence we have nothing to report on clauses (i) - (iv) 'Order'.

  
15/4/2011

- ii. The Company has taken a loans of ₹5,15,000 from one Company covered under section 301 of the Act during the year. The Maximum amount involved and year end outstanding is ₹5,4,29,84,780.
- iii. The interest and the other terms of repayment are not *prejudicial* to the interest of the company.
- iv. In our opinion the company has not defaulted in repayment of principal, or interest as per the terms of the Memorandum of agreement entered into.
- v. The company has not granted any loans on pledge of shares, debentures or other securities hence we have not reported on the clause 4(xii) of the 'Order'

**D. Transactions with parties under section 301 of the Act. Clause 4(v) of the Order :**

- i. There are no transactions that need to have been entered under this clause hence we have not reported on the matters specified under this clause.

**E. Deposits - Clause 4(vi) of the Order.**

During the year the company has not accepted any deposits within the meaning of section 58A and section 58AA of the 'Act'.

**F. Internal Audit - Clause 4(vii) of the Order.**

Keeping view the size and nature of operations of the company the provisions of this clause are not applicable to the company.

**G. Cost Records - Clause 4(viii) of the Order**

The maintenance of cost records are not applicable to the nature of operations of the company..

**H. Statutory Payments - Clause 4(ix) of the Order.**

- i. According to the records of the Company, apart from the certain instances of delays in depositing undisputed income tax deducted at source, Employee's State Insurance, Provident Fund and Sales tax, the company has been regular in depositing undisputed statutory dues including Provident fund, Employee State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues with appropriate authorities.
- ii. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of statutory dues which has remained outstanding as at 31<sup>st</sup> March 2011 for a period of more than six months from the date they became payable.
- iii. According to the information and explanations given to us and records of the company there are no dues of sales tax / income tax / customs duty / wealth tax / service tax / excise duty / cess, which have not been deposited on account of any dispute.  
Further, since the Central Government till date has not prescribed the amount of cess payable under section 441A of the 'Act', we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

**I. Losses**

The accumulated losses as at 31<sup>st</sup> March 2011 does not exceed Fifty Percent of its networth of the Company. However the Company has incurred cash



loss of ₹.11,614 during the year and ₹.15,206 immediately preceding financial year.

**J. Internal Control**

In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business.

**K. Miscellaneous**

- i. The Company is not a chit fund, nidhi / mutual benefit fund and therefore requirements to such class of companies are not applicable.
- ii. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the 'Act'
- iii. The company has not taken any loans from financial institution or bank or debenture holders and accordingly the question of default does not arise.
- iv. The company has not granted loans and advances on the basis of security by pledge of shares, debentures and other securities.
- v. As explained and verified, the company is not dealing or trading in shares, securities, debentures and other investments.
- vi. As explained, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- vii. The company has not obtained any loans, accordingly clause(xvi) and (xvii) of para 4 of the 'Order' is not applicable.
- viii. The Company has not issued any shares / debentures during the year. Accordingly compliance of clause (xviii) to (xx) of para 4 of 'Order' is not applicable.
- ix. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.


**4. Further to our comments above, we report that:**

- i. We have obtained all the information and explanations, which to our best of our knowledge and belief, were necessary for the purposes of the audit.
- ii. In our opinion, proper books of accounts 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.

  
15/4/2011

- iv. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with Accounting Standards referred to in section 211(3C) of the 'Act'.
- v. On the basis of written representations received from the Directors, as on 31<sup>st</sup> March 2011 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31<sup>st</sup> March 2011 from being appointed as a Director in terms of Section 274(1)(g) of the 'Act'.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, together with the Notes thereon and attached thereto, give in the prescribed manner, the information required by the 'Act', and also give a true and fair view in conformity with accounting principles generally accepted in India.
1. In the case of Balance Sheet, the state of affairs of the Company as at 31<sup>st</sup> March 2011.
  2. In the Case of Profit and Loss account the '**Loss**' for the year ended on that date.
  3. In the case of cash flow statement the Cash flows for the year ended on that date.

*For Sekhar & Co.,  
Chartered Accountants,  
Firm Regn No : 003695-S*

  
15/4/2011

G. Ganesh  
M.No.211704  
Partner

Secunderabad , Andhra Pradesh  
April 15, 2011

**METROPOLITAN VENTURES INDIA LIMITED**  
**Balance Sheet as on 31st March 2011**

Particulars	Sch.No.	As on 31- Mar - 2011 Rs.	As on 31- Mar - 2010 Rs.
<b>I.Sources of Funds</b>			
a) Share capital	1	5,000,000	5,000,000
b) Reserves & Surplus		2,900,177	2,946,928
c) Unsecured Loans	2	42,984,780	42,969,780
<b>Total</b>		<b>50,884,957</b>	<b>50,916,708</b>
<b>II.Application of Funds</b>			
<b>A)Fixed Assets</b>			
a) Gross Block	3	50,417,500	50,417,500
b) Less Depreciation		-	-
c) Net Block		<b>50,417,500</b>	<b>50,417,500</b>
<b>B) Current Assets Loans and advances</b>			
Cash & Bank Balances	4	18,141	14,755
Sundry Debtors	5	381,250	381,250
<b>Less: Current Liabilities &amp; Provisions</b>		<b>399,391</b>	<b>396,005</b>
Provisions			
<b>Net Current assets</b>	6	<b>2,206</b>	<b>2,206</b>
<b>C) Miscellaneous Expenses</b>			
( to the extent not written off or adjusted )	7		
Preliminary Expenses		70,272	105,409
Significant Accounting Policies and Notes to Accounts	9		
<b>Total</b>		<b>50,884,957</b>	<b>50,916,708</b>

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

Signatories to Balance Sheet  
and Schedules 1 to 7 & 9  
for and on behalf of the Board.

**For Sekhar & Co,**  
**Chartered Accountants**

Firm No. 003695-S



**G.GANESH**

(Partner)

M.No. - 211704

Place : Secunderabad

Date :

*MSurana*  
**(Devendra Surana)**  
**Director**

*Manish*  
**(Manish Surana)**  
**Director**

**METROPOLITAN VENTURES INDIA LIMITED**  
**Profit & Loss Account for the year ended 31st March 2011**

Particulars	Sch.No.	As on 31- Mar - 2011 Rs.	As on 31- Mar - 2010 Rs.
<b>INCOME</b>			
<b>Total</b>			
<b>EXPENDITURE</b>			
a) Expenses	8	46,751	50,343
<b>Total</b>			
Profit for the year		(46,751)	(50,343)
Profit before Taxation		(46,751)	(50,343)
Provision for Taxation Current Year For earlier years			(141,005)
Profit after Taxation		(46,751)	90,662
Balance B/F fr.Previous Year		2,946,928	2,856,266
Balance C/F to balance sheet		<b>2,900,177</b>	<b>2,946,928</b>
Significant Accounting Policies and Notes to Accounts	9		

The Schedules referred to above form  
an integral part of the Profit & Loss Account  
As per our report of even date

Signatories to Profit & Loss Account  
and Schedule 8&9  
for and on behalf of the Board.

For Sekhar & Co,  
Chartered Accountants

  
(Devendra Surana)  
Director

  
(Manish Surana)  
Director

G.GANESH  
(Partner)

M.No. 211704

Place : Secunderabad

Date :





**Schedules to the Balance Sheet**

1. Share Capital	As on 31- Mar - 2011 Rs.	As on 31- Mar - 2010 Rs.
	Rs.	Rs.
AUTHORISED 1000000 Equity Shares of Rs.10/- each	10,000,000	10,000,000
ISSUED SUBSCRIBED 500000 Equity Shares of Rs.10/- each fully paid up (The above shares held by M/s Bhagyanagar India Ltd - Holding Company)	5,000,000	5,000,000
<b>Total</b>	5,000,000	5,000,000

2. Unsecured Loans	As on 31- Mar - 2011 Rs.	As on 31- Mar - 2010 Rs.
Loan from Holding Company	42,984,780.00	42,969,780
<b>Total</b>	42,984,780	42,969,780

4. Cash and Bank Balances	As on 31- Mar - 2011 Rs.	As on 31- Mar - 2010 Rs.
a) Balance with scheduled Banks - In current account	18141	14,755
<b>Total</b>	18,141	14,755

5. Sundry Debtors	As on 31- Mar - 2011 Rs.	As on 31- Mar - 2010 Rs.
Others - Lotus Properties Developers Pvt Ltd	381,250	381,250
<b>Total</b>	381,250	381,250





6. Current Liabilities	As on 31- Mar - 2011 Rs.	As on 31- Mar - 2010 Rs.
Audit fee payable	2206	2,206
<b>Total</b>	<b>2,206</b>	<b>2,206</b>

7. Miscellaneous Expenses (to the Extent not written off or adjusted)	As on 31- Mar - 2011 Rs.	As on 31- Mar - 2010 Rs.
Opening Balance	105409	140,546
Less: written off during the period	35137	35,137
<b>Balance to be carried forward to the B/S</b>	<b>70,272.00</b>	<b>105,409</b>

8. Expenses	As on 31- Mar - 2011 Rs.	As on 31- Mar - 2010 Rs.
a) Filing Fees	4208	12,700
b) Professional & Consultancy Charges	4200	300
c) Audit Fees	2206	2,206
d) Preliminary Expenses writtern off	35137	35,137
e) Telephone charges	1000	
<b>Total</b>	<b>46,751</b>	<b>50,343</b>



**METROPOLITAN VENTURES INDIA LIMITED**

**Schedule No. 3 Fixed Assets**

Name of the Asset	Gross Block				Depreciation				Net Block	
	As on 01-04-10	Additions During the year	Del/Adj During the year	As on 31-03-11	up to 01.04.10	For the year	Del/Adj During the year	Up to 31-03-11	As on 31-03-11	As on 31-03-10
Land Free Hold	50,417,500		-	50,417,500	-	-	-	-	50,417,500	50,417,500
	50,417,500	-	-	50,417,500	-	-	-	-	50,417,500	50,417,500



Metropolitan Ventures India Limited  
Cash flow Statement for the year ended 31st March 2011

PARTICULARS	(Amount in Rupees)	
	2010-11	2009-10
<b>A. Cash flow from Operating Activities</b>		
Net profit before tax as per annexed Profit and loss account		
Add: Adjustments for:	(46,751)	(50,343)
Depreciation	-	-
Preliminary Expenses Written off	-	-
Pre-operative Expenses	35,137	35,137
Unrealised gain of Foreign Exchange	-	0
Lease rents Amortised	-	-
Bad debts Written off & Provision for bad debts	-	-
Balances/Provisions no longer required written back	-	-
Profit on sale of investments(Net)	-	-
Profit on Sale of Assets	-	-
Interest paid	-	0
Interest Received	-	-
Dividends Received	-	-
<b>Operating profit before working Capital Changes</b>		
inventories	(11,614)	(15,206)
Loans and Advances	-	-
Other current Assets	-	-
Sundry Debtors	-	-
Trade payables and other Current liabilities	-	-
Advance from Customers	-	(1,565,780)
<b>Cash generated from Operations</b>		
Income tax and Fringe Benefit Tax paid	-	(1,565,780)
Taxes of Earlier years	-	-
<b>Net cash (used in)/from operating activities(A)</b>	(11614)	(1,580,986)
<b>B Cash flow from Investing Activities</b>		
<b>Net Cash (used in)/from Investing Activities (B)</b>		
<b>C Cash flow from Financing Activities</b>		
Proceeds form Short term Loans(Net)	-	-
Repayment/(Receipt) of Long Term Loans	15,000	1,565,780
Interest paid	-	-
Dividend Paid	-	-
<b>Net Cash (used in)/from Investing Activities ©</b>	15,000	1,565,780
<b>Net Increase / Decrease in cash and Cash Equivalents (A+B+C)</b>	3386	(15,206)
Cash and Cash Equivalents Opening Balance	14755	29,961
Cash and Cash Equivalents Closing Balance	18141	14,755
<b>Change in Cash and Cash Equivalents</b>	3,386	(15,206)

Notes: The above Cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow statement issued by the Institute of Chartered Accountants of India

In terms of our report of even date

For and on behalf of Board of

For Sekhar & Co  
Chartered Accountants  
Firm No. 003695-S

G. GANESH  
Partner  
M. No. 211704  
Place: Secunderabad  
Date:



(Devendra Surana)  
Director

*Devendra Surana*

(Manish Surana)  
Director

*Manish Surana*

## **9. Significant Accounting Policies and Notes on Accounts Forming Part of Balance Sheet and Profit & Loss Account**

### **9 A. Significant Accounting Policies**

#### **I. Basis of Preparation of Financial Statements.**

The financial statements are prepared under the Historical cost convention with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

#### **II. Use of Estimates.**

The Preparation of Financial Statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### **III. Own Fixed Assets.**

Fixed Assets are stated at cost net of modvat / cenvat / value added tax , less accumulated depreciation and impairment loss, if any. Any costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations to the fixed assets are capitalized.

#### **IV. Depreciation**

Depreciation is provided on written down value method, at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

#### **V. Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### **VI. Investments**

Current investments are carried at the lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary in the opinion of the management.





**VII. Inventories**

Items of Inventories are measured at lower of cost or net realizable value, after providing for obsolescence, if any. Cost of inventories comprises of all cost of purchase including duties and taxes other than credits under CENVAT and is arrived on First in First out basis. Semi Finished goods are valued at cost or net realizable value whichever is lower. Finished goods are valued at cost including excise duty payable or net realizable value whichever is lower. Cost includes Direct Material, Labour cost and appropriate overheads.

**VIII. Employee Retirement / Terminal Benefits**

The employees of the company are covered under Group Gratuity Scheme of Life Insurance Corporation of India. The premium paid thereon is charged to Profit and Loss Account. Leave Encashment liability is provided on the basis of best management estimates on actual entitlement of eligible employees at the end of the year.

**IX. Provision, Contingent Liabilities and Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities which are not recognized are disclosed in notes. Contingent Assets are neither recognized nor disclosed in Statements.

**X. Revenue Recognition in Case of Real Estate Transactions**

Revenue in case of real estate transactions is made on the basis of concluded on contracts for sales and purchases.

**XI. Provision for Taxation**

Provision is made for Income Tax, estimated to arise on the results for the year, at the current rate of tax, in accordance with the Income Tax Act, 1961. Taxation deferred as a result of timing difference, between the accounting & taxable profits, is accounted for on the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax asset is recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed, as at each Balance Sheet date to re-assess realization.

**XII. Excise and Customs Duty**

Excise and Customs Duty are accounted on accrual basis. CENVAT credit is accounted by crediting the amount to cost of purchases on receipt of goods and is utilized on dispatch of material by debiting excise duty account.





**XIII. Prior Period Expenses / Income :**

Prior period items, if material are separately disclosed in Profit & Loss Account together with the nature and amount. Extraordinary items & changes in Accounting Policies having material impact on the financial affairs of the company are disclosed.

**XIV. Sundry Debtors, Loans and Advances**

Doubtful Debts/Advances are written off in the year in which those are considered to be irrecoverable.

**XV. Earnings per Share**

The Company reports basic and diluted earnings per share in accordance with Accounting Standard-20 (AS-20) issued by the Institute of Chartered Accountants of India. Basic earnings per share are computed by dividing the net Profit or Loss for the year by the Weighted Average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.



**9B) Notes to Accounts**

**(i) Related Party Disclosure**

**A: Relationship**

<u>Entities in which directors are interested</u>	<u>Holding Company</u>	<u>Joint Venture &amp; Associates</u>	<u>Key Management Personnel</u>	<u>Relatives of key management Personnel</u>
Surana Telecom and Power Limited	Bhagyanagar India Limited		Devendra Surana	Namrata Surana
Innova Technologies Private Limited			Manish Surana	Vinita Surana
Value infrastructure & Properties Pvt Ltd			N.K.Reddy	Nivriti Surana
Bhagyanagar Energy & Telecom Pvt Ltd				G.M.Surana
Bhagyanagar Infrastructure Ltd				Narender Surana
Bhagyanagar Entertainment Ltd				
Every Time Foods Industries Pvt Ltd				
Surana Infocom Private Ltd				
Andhra Electro Galvanishing Works				
Tranquil Avenues India Pvt Ltd				
Royal Skyscrapers India Pvt Ltd				
Innova Infrastructure Pvt Ltd				
Majestic logistics Pvt Ltd				
Innova Biotech India Pvt Ltd				
Epicentre Entertainment Private Ltd				

Bhagyanagar Metals Ltd				
Scientia Infocom India Private Ltd				
Bhagyanagar Properties Private Limited				
Bhagyanagar Ventures Ltd				
Surana Ventures Limited				
BEIDCPL				
Advantage Real Estate India Pvt Ltd				
Globecom Infra Ventures Pvt Ltd				
GMS Realtors Pvt Ltd				

**B: Transactions**

(Rs. in lacs)

<u>Nature of Transaction</u>	<u>Entities in which directors are interested</u>	<u>Holding Company</u>	<u>Associates</u>	<u>Key Management Personnel</u>	<u>Relatives of Key Management Personnel</u>
Unsecured Loan availed	Nil (Nil)	15,000	Nil	Nil	Nil
Maximum Loan Outstanding	Nil (Nil)	429.84	Nil	Nil	Nil



2. The Company was incorporated on 6th March, 2007.
3. Estimated Contractual liability on account of Capital Commitment – NIL.
4. Contingent liabilities as on 31.03.11 are nil as certified by the management.
5. The Holding Company Bhagyanagar India Ltd is holding 74% shares in the company.
6. **Loans from holding company:** As per the terms and conditions of the MOU with the holding company M/S Bhagyanagar India Ltd an interest is payable on the loan.  
As per the terms of agreement the interest accrual will occur in forthcoming year when the same shall be accounted for in books of accounts.

As per our report of even date  
For Sekhar & Co.,  
Chartered Accountant,  
Firm Regn No: 003695-S

for and on behalf of the board

G. Ganesh  
Partner

Membership No: 211704



*MSurana*

Devendra Surana  
Director

*MS*

Manish Surana  
Director

Place: Secunderabad  
Date:



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**  
(Pursuant to Part IV of Schedule VI to the Companies Act, 1956)

**I. Registration Details**

a)	Registration No.	U45200AP2007PLC053036		
b)	State Code No	01		
c)	Balance Sheet Date	31	03	2011
		(Date)	(Month)	(Year)

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

a)	Public Issue	Nil
b)	Rights Issue	Nil
c)	Bonus Issue	Nil
d)	Private Placement	Nil

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs.) 31-03-11**

a)	Total Liabilities	5,08,87,163
b)	Total Assets	5,08,87,163
	Sources of Funds	
i)	Paid up Capital	50,00,000
ii)	Reserves & Surplus	29,00,177
iii)	Proceeds of Share Warrants	-
iv)	Secured Loans	-
v)	Unsecured Loans	42,984,780
vi)	Net deferred tax liability	-
d)	Application of Funds	
i)	Net Fixed Assets	5,04,17,500
ii)	Capital Work-in-progress	-
iii)	Investments	-
iv)	Net Current Assets	397,185

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

i)	Turnover	-
ii)	Total Expenditure	46,751
iii)	<del>Profit</del> /Loss for the Year	(46,751)
iv)	<del>Profit</del> /Loss Before Tax	(46,751)
v)	<del>Profit</del> /Loss After Tax	(46,751)
vi)	Face Value per share (Rs.)	10.00
vii)	Earnings per share (Rs.)	- 0.09
viii)	Dividend (%)	-

**V. Generic names of three Principal Products of Company**  
Item.Code.No. Name  
(ITC Code)

For and on behalf of the Board

Place	:	Secunderabad	Sd/-		Sd/-
Date	:	15.04.2011	<b>DEVENDRA SURANA</b>		<b>MANISH SURANA</b>
			Director		Director