

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007**

	SCH NO	Rs. In Lakhs	
		31.03.2007	31.03.2006
<b>1. INCOME</b>			
a. Income from Financing Operations	12	3463.14	2811.23
b. Other income	13	115.77	76.75
		<u>3578.91</u>	<u>2887.98</u>
<b>A</b>			
<b>2. EXPENDITURE</b>			
a. Finance Charges	14	1656.13	1464.39
b. Establishment Charges	15	266.20	169.57
c. Administrative & Other expenses	16	361.46	286.22
d. Provisions for Non performing Assets		142.96	60.12
e. Bad debts written off	17	772.68	0.00
		<u>3199.43</u>	<u>1980.30</u>
<b>B</b>			
Profit before Depreciation & Tax & Prior period items	A - B	379.48	907.68
Add: Prior Period Income (See note No 5.0)		239.15	
Less : Prior Period Expenses (See note 4.2)		(2267.20)	
Depreciation		(87.93)	(92.79)
Impairment loss		(930.00)	
Profit before Tax		(2666.50)	814.89
Less: Provision for taxation			
Current Tax		0	(309.69)
Fringe Benefit Tax		(17.13)	(1.30)
Add: Deferred Tax		(0.42)	12.83
<b>Net Profit</b>		<u>(2684.05)</u>	<u>516.73</u>
<b>Profit available for appropriation</b>		(2684.05)	516.73
<b>ADD Brought forward from previous year</b>		26.93	19.34
		(2657.12)	536.07
<b>3. APPROPRIATION</b>			
Dividend ( Including Dividend Tax )			135.79
Transfer to Statutory Reserve			103.35
Transfer to General Reserve			270.00
Surplus balance carried to Balance Sheet			26.93
		<u>(2657.12)</u>	<u>536.07</u>

Weighted average number of equity shares of Rs. 10/- each outstanding during the year

Nos. 5954320

Basic and diluted earning per share

Rs. -45.08

**Schedule Nos. 12 - 17 and Notes to Accounts form part of this Profit and Loss Account.**

SUBJECT TO OUR REPORT OF EVEN DATE  
for P B VIJAYARAGHAVAN & CO.,  
*Chartered Accountants*

T N Soundararajan  
*Managing Director*

Daniel Bernard Zwirn

Christopher Tung Suan

P B SANTHANAKRISHNAN  
*Partner*

Jaideep Krishna

R Nagarajan

H Karthik Seshadri

Place: New Delhi

S.NAGALAKSHMI  
*Company Secretary*

Rajen Padukone

Date : 26.06.2007

*Directors*

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2007**

	Rs. In Lakhs	
	31.03.2007	31.03.2006
<b>SCHEDULE 12 INCOME FROM FINANCING OPERATION</b>		
1. Finance charges	2554.30	2626.43
2. Income from Bills Purchased	2.52	0.22
3. Gain on securitisation (see note 4.1)	906.32	184.58
	<u>3463.14</u>	<u>2811.23</u>
<b>SCHEDULE 13 OTHER INCOME</b>		
1. Interest receipts	116.82	74.07
2. Profit / (Loss) on sale of assets/ investments	(1.05)	2.68
	<u>115.77</u>	<u>76.75</u>
<b>SCHEDULE 14 INTEREST /FINANCE CHARGES</b>		
1. On Deposits	0.36	19.28
2. On Bank Finance	1279.41	1236.43
3. On Financial Institution	363.30	187.71
4. On Inter Corporate Deposits	13.10	20.97
5 Brokerage	(0.04)	0.00
	<u>1656.13</u>	<u>1464.39</u>
<b>SCHEDULE 15 ESTABLISHMENT CHARGES</b>		
1. Salaries, allowances and Bonus	172.88	112.90
2. Staff Welfare expenses	71.80	40.42
3. Company's contribution to P F	21.52	16.25
	<u>266.20</u>	<u>169.57</u>
<b>SCHEDULE 16 ADMINISTRATION AND OTHER EXPENSES</b>		
1. Rent	18.01	15.38
2. Rate and Taxes	30.95	17.47
3. Electricity Charges	11.14	9.63
4. Insurance	2.19	2.08
5. Telephone Charges	37.05	34.47
6. Deposit mobilisation expenses	7.29	10.85
7. Advertisement	1.41	0.76
8. Loss on sale of Assets	0.83	1.61
9. Remuneration to Auditor		
Staturoty Audit fess	3.00	1.05
Tax Audit Fees	1.00	0.25
Taxation matters / representation etc	3.00	0.50
Certification	0.60	0.10
Out of Pocket expenses	0.20	0.00
Service Tax	0.37	0.10
10. Other Expenses	244.42	191.97
	<u>361.46</u>	<u>286.22</u>
<b>SCHEDULE 17 BAD DEBTS WRITE OFFS</b>		
Loss on sale of reposed asset	385.36	0.00
Bad Debts / loss on Secutitisation	387.32	0.00
	<u>772.68</u>	<u>0.00</u>