

SAHARA ASSET MANAGEMENT COMPANY PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2007

		As at 31.3.2007 RS.	As at 31.3.2006 RS.
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS' FUNDS			
Share Capital	A	385,500,000	328,000,000
Reserves & Surplus			
Share Premium Account		22,000,000	22,000,000
TOTAL FUNDS		407,500,000	350,000,000
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
Gross Block	B	13,140,997	19,285,085
Less: Depreciation		6,915,434	12,744,939
		6,225,563	6,540,146
INVESTMENTS	C	84,908,118	108,186,421
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	D	943,785	13,678,155
Cash and Bank Balances	E	7,025,365	4,785,668
Loans and Advances	F	60,824,280	21,960,177
		68,793,430	40,424,000
LESS : CURRENT LIABILITIES & PROVISIONS	G	10,440,074	31,337,181
NET CURRENT ASSETS		58,353,356	9,086,819
PROFIT AND LOSS ACCOUNT		258,012,962	226,186,614
TOTAL ASSETS (NET)		407,500,000	350,000,000

**Significant Accounting Policies and
Notes to Accounts**

K

Per our report attached to the Accounts
For CHATURVEDI & PARTNERS
CHARTERED ACCOUNTANTS

For and on behalf of the Board.

Sd/-
ANIL CHATURVEDI
Partner

Sd/-
C.KAMDAR
DIRECTOR

Sd/-
O.P.SRIVASTAVA
DIRECTOR

**MUMBAI : 8th September,
2007**

SAHARA ASSET MANAGEMENT COMPANY PRIVATE LIMITED

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

<u>INCOME</u>		For the Year ended 31.03.2007 Rs.	For the Year ended 31.03.2006 Rs.
Advisory Income	H	10,977,770	7,363,845
Other Income	I	11,317,020	13,067,573
		<u>22,294,790</u>	<u>20,431,418</u>
 <u>EXPENDITURE</u>			
Operating and other expenses	J	50,257,769	108,210,250
		<u>50,257,769</u>	<u>108,210,250</u>
LOSS BEFORE DEPRECIATION		-27,962,979	-87,778,832
Depreciation		<u>2,066,989</u>	<u>2,543,531</u>
LOSS BEFORE TAXATION AND PRIOR PERIOD EXPENSES		-30,029,968	-90,322,363
Prior Period Expenses		<u>608,602</u>	<u>1,055,365</u>
LOSS BEFORE TAXATION		-30,638,570	-91,377,728
Provision for taxation		760,000	0
Frindge Benefit Tax		<u>427,778</u>	<u>859,034</u>
 NET LOSS FOR THE YEAR		 -31,826,348	 -92,236,762
Balance brought forward from previous year		-226,186,614	-133,949,852
 BALANCE CARRIED TO BALANCE SHEET		 <u>-258,012,962</u>	 <u>-226,186,614</u>
Significant Accounting Policies and Notes to Accounts	K		
EARNINGS PER SHARE (See Note - 2f)			
Basic & Diluted Earnings Per Share		(1.18)	(3.58)
Face Value Per Share		10	10

Per our report attached to the Accounts
For CHATURVEDI & PARTNERS
CHARTERED ACCOUNTANTS

Sd/-
ANIL CHATURVEDI
Partner

For and on behalf of the Board.

Sd/-
C.KAMDAR
DIRECTOR

Sd/-
O.P.SRIVASTAVA
DIRECTOR

MUMBAI : 8th September, 2007