

**CHANDRIKA TRADERS LIMITED**



**THE  
ANNUAL REPORT  
2007-2008**

## **BOARD OF DIRECTORS**

ALOK KUMAR  
AJAI KUMAR  
DINESH PAREEK  
RAJIV BANSAL  
AJEET KUMAR

## **AUDITORS**

RTPS & CO.  
CHARTERED ACCOUNTANTS  
3022/1, IIND FLOOR  
CHUNA MANDI, PAHAR GANJ  
NEW DELHI – 110 055.

## **BANKERS**

ICICI BANK, DEFENCE COLONY  
NEW DELHI

## **REGISTERED OFFICE**

37, SHANKER MARKET  
CANNAUGHT PLACE  
NEW DELHI – 110 019.

## **CORPORATE OFFICE**

K-1/77, LGF, CHITRANJAN PARK  
NEW DELHI – 110 019.

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## NOTICE

NOTICE is hereby given that the Annual General Meeting of the Company will be held on Tuesday, the 30<sup>th</sup> day of September, 2008 at 10.00 A.M. at Corp Office at K-1/77, LGF, Chitranjan Park, New Delhi-110 019 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2008 and Profit & Loss Account for the period ended on that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Alok Kumar who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sh Dinesh Pareek who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting up to the conclusion of next Annual General Meeting and to fix their remuneration.

Place: New Delhi  
Date: 27.08.2008

By Order of the Board  
For Chandrika Traders Limited  
sd/-  
(Ajai Kumar)  
Director

### Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member. The proxy in order to be effective must be received by the Company not less than 48 hours before the meeting. The blank proxy form is enclosed.
2. The information pursuant to Corporate Governance Clause of the Listing Agreement regarding the Directors seeking re-appointment in the Annual General Meeting as proposed in item No.2 & 3 of the Notice is annexed hereto and forms part of the Notice.
3. Shareholders are requested to intimate the change of address, if any, immediately for updating of records.
4. The Register of Members and Share Transfer Books will remain closed from 29.09.2008 to 30.09.2008 (both days inclusive)
5. Members are requested to bring their copy of Annual Report along with them at the Annual General Meeting.

## ANNEXURE TO THE NOTICE

### INFORMATION PURSUANT TO CORPORATE GOVERNANCE CLAUSE OF THE LISTING AGREEMENT REGARDING THE DIRECTORS SEEKING RE-APPOINTMENT IN THE ANNUAL GENERAL MEETING

Name of the Director	Sh. Alok Kumar	Sh. Dinesh Pareek
Date of Birth	01.06.1969	16.02.1969
Qualification	Graduate	Graduate
Date of Appointment	01.09.1994	16.07.2003
Expertise in specific functional area	Finance Business	Market
Directorship of other companies	No	No
Chairman/Member of committee of other companies	No	No
Shareholding in the Company	-	-

Place: New Delhi  
Date: 27.08.2008

By Order of the Board  
For Chandrika Traders Limited

sd/-  
(Ajai Kumar)  
Director

## DIRECTORS' REPORT

To

The Members

Your Directors hereby present their twenty-sixth Annual Report on the business and operations of the Company together with the Audited Financial Accounts for the year ended 31<sup>st</sup> March 2008.

### FINANCIAL RESULTS

The financial results of the Company for the year under report are given below:

Particulars	Year ended 31 <sup>st</sup> March, 2008	Year ended 31 <sup>st</sup> March, 2007
	(Rs in lac)	(Rs in lac)
1. Operative & Other Income	58.23	126.89
2. Depreciation	13.43	16.62
3. Profit before tax	21.48	60.96
4. Profit after tax	19.79	58.56
5. Add previous year's balance	70.03	11.26
6. Add excess provisions of the previous year	-15.67	0.39
7. Balance carried to balance sheet	4.12	58.77

### MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

#### FINANCIAL REVIEW

Your Company is a private sector Non Banking Financial Company primarily involved in the business of investment in securities.

#### BUSINESS REVIEW

The company earned its income mainly from making investments/ trading in securities. Since the capital market has remained in bullish mode and is expected the same pace in the current year, the company will mainly focus on making the investment.

#### OPPORTUNITIES

The economic development is the main agenda of the Government. It has set a target of at least 8% GDP growth that will provide very positive environment for making investment in securities market.

#### RISKS AND CONCERNS

Your Company is exposed to business and environmental risks in which it operates including interest rate volatility, economic cycles, market risks and credit policy of government. We are managing these risks by maintaining a conservative financial profile and by following prudent business and management practices.

#### ADEQUATE INTERNAL CONTROL

Your Company has a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any unauthorized use or disposition of assets and that the transactions are authorized, recorded and reported correctly.

#### HUMAN RESOURCE DEVELOPMENT

The human relations at all levels of the Company have remained very cordial throughout the year.

#### AMALGAMTION

We are happy to inform you that the process of amalgamation M/s Akhand Bharat Agro Limited and M/s AMGF Intercorp Ltd. with your company has been completed successfully. The order of Hon'ble High Court of Delhi was filed with the Registrar of Companies and allotment of shares of your company to the shareholders of M/s Akhand Bharat Agro Limited and M/s AMGF Intercorp Limited was made and application for listing has already been filed with the Bombay Stock Exchange Limited and Delhi Stock Exchange Association Ltd. We are hopeful that these shares shall start trading on the Bombay Stock Exchange Ltd. shortly.

#### DIVIDEND

Keeping in view retaining profit for future growth, your Directors are unable to recommend dividend for the year under review.

#### DIRECTORS

As per the Scheme of Amalgamation there is change of management and promoters through the Scheme of Amalgamation and the Directors of transferor companies i.e. M/s Akhand Bharat Agro Limited and M/s AMGF Intercorp Ltd. are to become the Directors of the company and the Directors of Transferee Company cease to be Directors of the company. The Board places on record the appreciation of the services rendered by the erstwhile Directors of the Company during their tenure as Directors of the company.

Sh Manoj Kumar resigned from the Directorship of the company w.e.f. 12.02.2008-and the Board places on record the appreciation of the services rendered by Sh. Manoj Kumar during the tenure of his Directorship of the company.

Sh. Alok Kumar, Director and Sh. Dinesh Pareek, Director retire at the Annual General Meeting and being eligible have offered themselves for re-appointment.

## **CORPORATE GOVERNANCE**

The Company has in place a system of Corporate Governance. A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from the Chartered Accountants regarding compliance of conditions of Corporate Governance as stipulated under Corporate Governance Clause of the Listing Agreement is annexed to the report on Corporate Governance. As on now there is no Chief Financial Officer in the company.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) Appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2008 and of the profits of the Company for the period from April, 2007 to 31<sup>st</sup> March, 2008;
- iii) Proper and sufficient care has been taken 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) The annual accounts have been prepared on a going concern basis.

## **FIXED DEPOSITS**

During the period under review, the Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

## **AUDITORS**

M/s RTPS & Co., Chartered Accountants, Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. As per the terms of the Scheme of Amalgamation all the contracts and appointments were to remain as such. It resulted into there being three Statutory Auditors. However, the statutory auditors M/s. Mehra & Company and M/s. Jatinder Singh & Associates resigned on their own with the coming of the Scheme of Amalgamation into effect. The Company has obtained necessary certificate U/s. 224 (1B) of the Act from M/s RTPS & Co. Chartered Accountants.

## **AUDITORS' REPORT**

The Auditors' Report on the Accounts of the Company for the period under review is self – explanatory and requires no comments..

## **PARTICULARS OF EMPLOYEES**

During the period under review, no employee received salary more than Rs. 24.00 lac per annum or Rs.2.00 lac per month. Accordingly no particulars of employees are being given pursuant to the provisions of Section 217(2A) of the Companies Act, 1956.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board Of Directors) Rules, 1988 are not applicable because there are no manufacturing activities in the Company. However the Company has taken every possible measure to conserve the use of energy in the offices. The Company has neither earned nor spent any foreign exchange during the year.

## **ACKNOWLEDGEMENT**

Your Directors are pleased to place on record their sincere gratitude to the Government, Bankers and business constituents for their continued and valuable co-operation and support to the Company. The Board also takes this opportunity to express their appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

**For and on behalf of the Board**

Place : New Delhi  
Date : 27.08.2008

Sd/-  
(Ajai Kumar)  
Director

Sd/-  
(Dinesh Pareek)  
Director

## CORPORATE GOVERNANCE REPORT

### A. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to good corporate governance. The Company respects the right of its shareholders to information of the performance of the Company and it is its endeavour to maximize the long-term value of the shareholders of the Company. The compliance report is prepared and given in conformity with the mandatory requirements of the Listing Agreement with the Stock Exchanges.

### B. BOARD OF DIRECTORS

The Company is managed and controlled by the Board of Directors. The present composition of Directors is as follows:

a. Promoter Directors	Three
b. Independent non-executive Directors	Two
c. Total	Five

### C. MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met 8 times during the financial year 2007-08:

### D. AUDIT COMMITTEE

The Audit Committee has already been constituted with Sh. Alok Kumar, Sh. Ajai Kumar and Sh. Rajiv Bansal, Directors as the Members of the Committee. Sh. Rajiv Bansal, Director is the Chairman of the Committee. The Committee discharges such duties and functions generally indicated in Clause 49 of the Listing Agreement with the Stock Exchanges and such other functions as may be specifically delegated to the Committee by the Board from time to time.

### E. SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

The Company has a Shareholders/Investors Grievance Committee, which is headed by independent Director Sh. Rajiv Bansal to attend and address the grievances of shareholders/investors as and when received.

### F. INFORMATION ABOUT DIRECTORS TO BE RE-APPOINTED (Add Sh Dinesh Pareek also in table)

Name of Director	Mr. Alok Kumar	Mr. Dinesh Pareek
Date of Birth	01.06.1969	10.02.1969
Date of Initial Appointment	01.09.1994	16.07.2003
Expertise in specific functional areas	Finance Business	Market
Qualifications	Graduate	Graduate
Directorships held in Public Companies	No	No
Chairman/Member of Committees in other Public Ltd Companies	No	No

### G. GENERAL BODY MEETINGS

The details of last three Annual General Meetings are mentioned below:

YEAR	LOCATION	DATE	DAY	TIME
2007	37 Shankar Market, Cannaught Place, New Delhi-110 001.	29.09.2007	Saturday	10.30 A.M
2006	37 Shankar Market, Cannaught Place, New Delhi-110 001.	06.09.2006	Wednesday	10.00 A.M
2005	619 Arenja Corner, Plot no. 71, sector-17, Vashi, Mumbai.	30.09.2005	Friday	2.30 P.M

### H. DISCLOSURES

- The Company has not entered into any transaction of material nature with promoters, Directors or the management or their relatives etc. that may have any potential conflict with the interest of the Company. Except few transactions mention in schedules.
- The Company has complied with the requirement of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital market during the year. There were no penalties imposed nor any strictures passed on the Company by any statutory authority relating to above.

### I. CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and the members of the Senior Management. The Code has also been posted on the Company's website [www.chandrikatradersltd.com](http://www.chandrikatradersltd.com).

### J. MEANS OF COMMUNICATION

The quarterly results are published in the newspapers and are not being sent to each household of shareholders. The results are usually published in Rastiriya Sahara/Veer Arjun (in Hindi) and Pioneer (in English).

## K. GENERAL SHAREHOLDERS INFORMATION

<b>Date, Time and Venue of AGM</b>	30 <sup>th</sup> September 2008, 10.00AM at Corp. office
<b>Financial Calendar</b>	April to March every year
<b>Adoption of quarterly results</b>	4 <sup>th</sup> week of
<b>For the quarter ending</b>	
30 <sup>th</sup> June 2008	July 2008
30 <sup>th</sup> September, 2008	October 2008
31 <sup>st</sup> December, 2008	January, 2009
31 <sup>st</sup> March, 2009	April, 2009
<b>Date of Book Closure</b>	29 <sup>th</sup> – 30 <sup>th</sup> Sept 2008
<b>ISIN number of NSDL/CDSL</b>	INE769D01016
<b>Address for Correspondence</b>	
<b>Registrar and Share Transfer Agent</b>	RCMC Share Registry Private Ltd., B-106, Sector 2, Noida (UP)
<b>Registered Office (Company)</b>	37 Shankar Market, Cannaught Place, New Delhi-110 001.
<b>Corporate Office (Company)</b>	K-1/77, LGF, Chitranjan Park, New Delhi -110 001.
<b>Stock Code</b>	
Delhi Stock Exchange	03164
Bombay Stock Exchange	512624

A Committee of Directors has been constituted to approve the transfer, transmission, dematerialization & re-materialization of shares, issue of duplicate share certificates and allied matters. The Company's Registrars and Share Transfer Agent M/s RCMC Share Registry Private Limited have adequate infrastructure to process share transfer and dematerialization of shares.

A predetermined process cycle at regular interval ensures transfer of shares expeditiously and thereafter an option letter issued to the transferee(s) for dematerialization.

The shares of the Company are listed at Delhi Stock Exchange Association Limited and Bombay Stock Exchange Limited. The Company has paid the listing fee of both the Stock Exchanges.

### SHAREHOLDING PATTERN AS ON 30<sup>TH</sup> JUNE, 2008

Category	No. of Shares	% of Shareholding
Promoters & Promoter Group	79,69,905	59.23
Public	54,86,443	40.77
<b>Total</b>	<b>1,34,56,348</b>	<b>100.00</b>

### DISTRIBUTION OF SHAREHOLDING AS ON 30<sup>TH</sup> JUNE, 2008

No. of Equity Shares held	No. of Shareholders	% to Total Shareholders	No. of Shares	% of Total Shares
1-50000	3419	77.48	570000	4.24
501-10000	419	9.49	316240	2.35
10001-20000	224	5.08	338069	2.51
20001-30000	74	1.68	195683	1.45
30001-40000	46	1.04	158771	1.18
40001-50000	42	0.95	205846	1.53
50001-100000	82	1.86	575342	4.28
100001 and above	107	2.42	11096397	82.46
<b>G. TOTAL</b>	<b>4413</b>	<b>100.00</b>	<b>13456348</b>	<b>100.00</b>

### DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2008.

For Chandrika Traders Limited

-Sd-                      -Sd-  
(Ajai Kumar)              (Dinesh Pareek)

Director                      Director

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members  
**Chandrika Traders Limited**  
37, Shankar Market  
New Delhi-110 001

We have examined the compliance of conditions of corporate governance by Chandrika Traders Limited for the year ended 31 March, 2008 as stipulated in Clause 49 of the Listing Agreement of the said Company with The Delhi Stock Exchange Association Limited and Bombay Stock Exchange Limited.

The compliance of the conditions of the corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company ensuring the compliance of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to explanation given to us we certify that the Company has complied with the conditions of corporate governance as stipulated in the above listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R T P S & Co  
Chartered Accountants

Place: New Delhi  
Dated: 27.08.2008

-sd-  
(Pritam Singh)  
Membership no. 97115

**AUDITOR'S REPORT**

The Shareholders,  
**CHANDRIKA TRADERS LIMITED**  
37, Shankar Market  
NEW DELHI- 110 001

Ladies and Gentlemen,

We have audited the attached Balance-sheet of **M/s. CHANDRIKA TRADERS LIMITED** as at 31<sup>st</sup> March, 2008, the Profit & Loss Account and the Cash Flow Statement of the company for the year ended on that date annexed hereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express on these financial statements based on our audit.

We conducted our audit in accordance with the 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 from any 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Further to our comments we report that:

1. 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.
2. 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 the books.
3. 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.
4. In our opinion the Profit & Loss and the Balance Sheet and the Cash Flow Statement comply with the accounting standards referred in sub section 3 (C) of section 211 of Companies Act 1956.
5. Based on the written representations made by the Directors of the Company and the information and explanations given to us, none of the Directors of the company are, prima facie, as at 31<sup>st</sup> March, 2008 disqualified from being appointed as Director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to the confirmation of the balances of the parties, whether debit or credit and read together with the other notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view: -
  - a) In case of Balance Sheet of the state of affairs of the company as at 31<sup>st</sup>, March, 2008.
  - b) In case of the Profit and Loss Account of the **PROFIT** for the year ended on that date
  - c) In the case of the Cash flow Statement for the year ended on that date.

As required by the Companies (Auditor's report) order, 2003 issued by the Central Government in exercise of the power conferred by section 227 (4-A) of the Companies Act, 1956 on the matters specified in paragraphs 4 and 5 of the said order and according to the information and explanations given to us and on the basis of such checks as we considered appropriate.

We further state that

- 1)
  - (a) The company has maintained proper records showing full particulars, including quantitative details and the situation of its fixed assets.
  - (b) The fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification of fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed during such verification.
  - (c) The Company has not disposed off any asset during the year.
- 2)
  - (a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
    - i. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
    - ii. The company has maintained proper records of inventories. No discrepancy has been noticed on physical verification of stock as compared to book records.
  - (b) During the year the company has not granted / taken any loans Secured or Unsecured to / from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, accordingly the clauses 4(iii) (b) to (d) of the order are not applicable.

- 4) In our opinion and according to the information and explanations provided to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and sale of goods / services. During the course of our audit no major weakness has been noticed in the internal audit.
- 5) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered in to the register, in pursuance of Section 301 of the Companies Act, 1956. Accordingly, the clause 4(v) (b) of the order is not applicable.
- 6) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public and has complied with the directive issued by the Reserve Bank of India and the provisions of Section 58A and Section 58AA of the Companies Act, 1956 and the rules formed there under. No order has been passed by the Company Law Board in this regard.
- 7) The Company has a system of internal audit which, in our opinion, is commensurate with the size and nature of its business.
- 8) The cost audit under section 209 (1) (d) of the Companies Act, 1956 is not applicable to the company.
- 9) (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, ESI, Income Tax, Sales Tax, Wealth Tax, Custom Duty and other statutory dues have been regularly deposited in the time during the year with the appropriate authority and there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31.3.2007.  
  
(b) In our opinion and according to the information and explanations given to us, there are no dues in respect of Income Tax and Wealth Tax that have not been deposited on account of any dispute.
- 10) The company does not have accumulated Losses as at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding year.
- 11) The company has not defaulted in repayment of any dues to financial institutions or Bank or Debenture holders.
- 12) According to the information and explanations given 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.
- 13) The company is not a chit fund or a nidhi / mutual benefit fund / society, therefore, clause 4(xiii) of the order is not applicable to the company.
- 14) The company has kept adequate records of its transactions and contracts in shares, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and other investments, are held in the name of the company or are in process of being transferred in the company's name.
- 15) In our opinion, according to the information and explanations given to us, the company has not given guarantee for loans from Banks and Financial Institutions by third parties.
- 16) In our opinion, on the basis of information and explanations given to us, the company has not taken term loans.
- 17) On the basis of an overall examination of the Balance Sheet of the Company, no funds raised on short-term basis have been used for long-term investment vice versa.
- 18) The company has not made any preferential allotment of shares to any parties or companies covered in the register maintained U/s 301 of the Companies Act, 1956.
- 19) On the basis of records made available to us, the company has not issued debentures during the year.
- 20) The company has not raised any money through a public issue during the year.
- 21) Based upon the audit procedures performed and on the basis of information and explanations provided by the management we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For R T P S & C  
Chartered Accountant

-Sd-  
(Pritam Singh)  
Partner

PLACE: New Delhi  
DATED: 27<sup>th</sup> Aug, 2008

<b>CHANDRIKA TRADERS LIMITED</b>			
<b>BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2008</b>			
<b>SOURCES OF FUNDS</b>	<b>Schedule</b>	<b>AMOUNT (RS.) 31.03.08</b>	<b>AMOUNT (RS.) 31.03.07</b>
<b>Share Holders' Fund</b>			
Capital	1	134,563,480	124,828,000
Reserve & Surplus	2	60,548,167	60,135,689
		<b>195,111,647</b>	<b>184,963,689</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block		21,919,232	21,884,279
Less: Depreciation		7,932,897	6,849,635
Net Block	3	<b>13,986,335</b>	<b>15,034,644</b>
<b>Current Assets</b>			
Investment	4	112,552,452	128,818,882
Cash & Bank Balances	5	1,393,431	4,260,901
Sundry Advances	6	50,455,700	139,519,623
Sundry Debtors	7	38,671,247	24,284,041
Closing Stock		1,879,009	5,410,672
Goodwill		9,735,480.00	-
		<b>214,687,320</b>	<b>302,294,119</b>
<b>Less: Current Liabilities &amp; Provisions</b>			
Current Liabilities & Provisions	8	33,548,241	132,450,011
Defered Tax Liabilities		13,767	6,821
		<b>181,125,312</b>	<b>169,837,287</b>
Miscellaneous Expenditure	9	-	91,757
Defered Tax Assets		-	-
		<b>195,111,647</b>	<b>184,963,689</b>
<b>NOTES ON ACCOUNTS</b>	14		

Sd/-  
(AJAI KUMAR)  
DIRECTOR

Sd/-  
(DINESH PAREEK)  
DIRECTOR

In terms of our report of even date annexed hereto.

for RTPS & Company  
(Chartered Accountants)

Place: New Delhi  
Date : 27<sup>th</sup> Aug. 2008

Sd/-  
Pritam Singh  
Partner

<b>CHANDRIKA TRADERS LIMITED</b>			
<b>PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2008</b>			
	Schedule	AMOUNT(Rs.) 31.03.2008	AMOUNT(Rs.) 31.03.2007
Sales & other Income	10	5,822,570	12,688,516
		<b>5,822,570</b>	<b>12,688,516</b>
Operating Expenses	11	-	-
Administration Expenses	12	2,184,435	4,562,072
Financial expenses	13	54,793	273,035
Depreciation		1,343,469	1,662,465
Advertisement & Publicity Exp. Written off		91,757	91,757
Preliminary Expenses Written off		-	3,362
		<b>3,674,454</b>	<b>6,592,691</b>
Profit (+) Loss (-) for the year		2,148,116	6,095,825
Add : Excess (Short )Provision for Taxation		(1,566,565)	38,880
Less: Provision for Income tax		160,000	156,000
Less: Provision for FBT		2,127	16,415
Less: Deferred Tax Liabilities		6,946	67,949
Less: Expenses P.Y.			17,667
		<b>412,478</b>	<b>5,876,674</b>
<b>NOTES ON ACCOUNTS</b>	<b>14</b>		

Sd/-  
(AJAI KUMAR)  
DIRECTOR

Sd/-  
(DINESH PAREEK)  
DIRECTOR

In terms of our report of even date annexed here

for RTPS & Comp  
(Chartered Accountant)

Place: New Delhi  
Date : 27<sup>th</sup> Aug. 2008

Sd/-  
Pritam Singh  
Partner

**CHANDRIKA TRADERS LTD.**  
**SCHEDULE 1 TO 14 FORMING PART OF**  
**BALANCE SHEET AS AT 31ST MARCH, 2008**

Previous Year Amount (Rs.)			Current Year Amount (Rs.)
	<b>SCHEDULE-1</b>		
	<b>SHARE CAPITAL</b>		
	<b>Authorised</b>		
211,000,000	211,00,000 Equity shares of Rs.10/-each (Previous Year 40,17,600 Equity shares)		211,000,000
	<b>Issued, Subscribed &amp; Paid up</b>		
124,828,000	13,456,348 Equity shares of Rs.10/- each (Prev. Year 40,17,600 equity shares of Rs.10/- each) pursuant to scheme of amalgamation 973,548 no. equity shares of Rs10/- each fully paid up have been allotted on 12.02.2008 to the shareholders of M/s. AMGF Intercorp Ltd & M/s. Akhand Bharat Agro Ltd for consideration other than cash. (P.Y. Nil equity shares )		134,563,480
<b>124,828,000</b>			<b>134,563,480</b>
	<b>SCHEDULE- 2</b>		
	<b>RESERVE &amp; SURPLUS</b>		
24,300,000	Share Premium Account		24,300,000
17,908,644	General Reserve		17,908,644
10,924,100	Capital Reserve		10,924,100
	<b>Profit &amp; Loss Account</b>		
7,002,945	Balance as per last year	7,002,945	
	Add: Profit during the year	412,478	7,415,423
<b>60,135,689</b>			<b>60,548,167</b>
	<b>SCHEDULE- 4</b>		
	<b>Investment</b>		
	<b>(Unquoted)</b>		
86,936,090	Investment in shares as per list attached (At cost) (Unconfirmed and as certified by Management)		61,293,455
	<b>Quoted</b>		
41,882,792	Investment in shares as per list attached (At cost) (Unconfirmed and as certified by Management)		51,258,997
<b>128,818,882</b>			<b>112,552,452</b>
	<b>SCHEDULE-5</b>		
	<b>Cash &amp; Bank Balances</b>		
3,425,594	Cash in hand		715,884
835,306	Balances with Scheduled Bank in Current Account		677,547
<b>4,260,901</b>			<b>1,393,431</b>

<b>CHANDRIKA TRADERS LIMITED</b>			
<b>Previous Year Amount (Rs.)</b>			<b>Current Year Amount (Rs.)</b>
139,519,623	<b>SCHEDULE-6</b> <b>Sundry Advances</b> (Advances recoverable in cash or in kind considered good as certified by management )		50,455,700
<b>139,519,623</b>			<b>50,455,700</b>
24,284,041	<b>SCHEDULE-7</b> <b>Sundry Debtors</b> (Unsecured and considered good unless specified otherwise ) 1) Debts exceeding 6 months a) Doubtful b) Considered good 2) Other Debts		38,671,247
<b>24,284,041</b>			<b>38,671,247</b>
16,837	<b>SCHEDULE-8</b> <b>Current Liabilities &amp; Provisions</b> <b>Current Liabilities</b> R T P S & Co		16,854
15,000	Audit Fee Payable		15,000
	FBT Payable		81
76,046,787	Other Liabilities		32,458,400
56,189,794	Sundry Creditors		859,075
33,178	Expenses Payable		36,704
	<b>Provisions</b> <b>Provision for Taxation</b> Balance as per last year	132,000	
	Add: For the year	160,000	
		292,000	
132,000	Less: Adjusted	132,000	160,000
	<b>Provision for FBT</b> Balance as per last year	16,415	
	Add: For the year	2,127	
		18,542	
16,415	Less: Adjusted	16,415	2,127
<b>132,450,011</b>			<b>33,548,241</b>
112,752	<b>SCHEDULE-9</b> <b>Miscellaneous Expenditure</b> Preliminary Expenses		
112,752	Less: Written off during the year		
	<b>Deferred Revenue Expenses</b> Advertisement	76,759	
76,759	Less: Written off during the period	76,759	-
	Publicity	14,998	
14,998	Less: Written off during the period	14,998	-
<b>91,757</b>			<b>-</b>

**CHANDRIKA TRADERS LIMITED**

Previous Year Amount (Rs.)		Current Year Amount (Rs.)
	<b>SCHEDULE- 10</b>	
	<b>Sales &amp; Other Income</b>	
2,898,023	Media & Video Equipment Hire Income	3,128,612
2,200,602	Con. World Awards	-
1,016,487	Film Exhibition	-
170,000	Sale of Land	-
860,000	Film Tabaahi	-
299,750	Hire Charges Received	-
375,570	Training Charges Received	455,650
364,450	Designing & Development of Software	321,250
144,800	Sale of Software	-
4,137,327	Profit & Loss on Trading of shares/Investment	1,811,176
221,507	Interest Received	104,382
-	Other Income	1,500
<b>12,688,516</b>		<b>5,822,570</b>
	<b>SCHEDULE- 11</b>	
	<b>Operating Expenses (Trading)</b>	
1,665,000	Opening Stock	
1,665,000	Less: Closing Stock	-
	<b>SCHEDULE- 12</b>	
	<b>Administrative Expenses</b>	
557,750	Salaries & Allowances	796,200
108,000	Rent Rates & Taxes	108,000
18,695	Travelling & Conveyance	22,563
7,734	Printing & Stationery	9,306
33,837	Auditor's Remuneration	31,854
2,698	Misc. Expenses	14,807
9,016	Office Maintenance	14,355
101,295	Postage, Telegrams & Telephone	78,046
-	Professional fee	5,618
70,877	Legal & Filing Fee	142,515
4,636	Staff welfare	8,004
2,540	Repair & Maintenance- Fixed Assets	5,857
1,230	Repair & Maintenance- Computers	1,498
36,587	Advertisement & Publicity	110,614
12,462	Car Insurance	18,007
123,840	Electricity Expenses	94,661
462,240	Con. World Awards	-
1,498,553	Warn Motion Pictures	-
25,000	Listing Fee	25,000
15,318	Depository Charges	5,154
79,150	Fee & Taxes	26,393
-	Stamp Duty Charges	177
581,981	Brand Darbar Expenses	-
808,633	Car Clinic Expenses	665,806
<b>4,562,072</b>		<b>2,184,435</b>
	<b>SCHEDULE-13</b>	
	<b>Financial Expenses</b>	
241,627	Interest Paid	
31,408	Bank Charges	54,793
<b>273,035</b>		<b>54,793</b>

## SCHEDULE-3

## CHANDRIKA TRADERS LIMITED

Schedule of "FIXED ASSETS" as  
at 31st March 2008

S.No.	ASSETS	COST				DEPRECIATION				W.D.V.	
		As on 01.04.07	Additions	Sale/Transfer	Total	Up to 31.03.07	For the Year	Sale/Transfer	Total	As on 31.03.08	As on 31.03.07
1	Building	8,003,710	-	-	8,003,710	2,136,526	354,781	-	2,491,307	5,512,403	5,867,184
2	Furniture & Fixtures	3,902,828	-	-	3,902,828	1,466,746	237,272	-	1,704,018	2,198,810	2,436,082
3	Office Equipments	291,548	-	-	291,548	168,868	16,822	-	185,690	105,858	122,680
4	Computers	6,855,973	-	-	6,855,973	1,930,616	311,775	-	2,242,391	4,613,582	4,925,357
5	Software	1,660,000	-	-	1,660,000	792,942	346,823	-	1,139,765	520,235	867,058
6	Cars	1,052,730	500,550	348,107	1,205,173	329,936	75,996	236,206	169,726	1,035,447	722,794
7	Electric Installation	59,690	-	59,690	-	18,197	-	18,197	-	-	41,493
8	Mobile	57,800	-	57,800	-	5,903	-	5,903	-	-	51,897
		21,884,279	500,550	465,597	21,919,232	6,849,734	1,343,469	260,306	7,932,897	13,986,335	15,034,646
	Previous Year	22,290,379	23,900	430,000	21,884,279	5,187,170	1,662,465		6,849,635	15,034,644	

## SCHEDULE – 14

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES OF THE ACCOUNTS

#### A. SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTIONS:

- a. The financial statement is prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provision of the Companies Act, 1956.
- b. The company generally follows mercantile system of accounting and recognizes significant items of income & expenditure on actual basis.

2. FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at the cost less accumulated depreciation on fixed assets has been provided on written down value method in terms of section 350 of the Companies Act, 1956 at rate prescribed in schedule XIV to The Companies Act, 1956.

3. INVESTMENTS:

Investments in shares, securities are valued at cost. The market value of quoted investment is not ascertained.

4. DEFERRED REVENUE EXPENSES:

Preliminary expenses are written off over a period of ten years from the year of payment.

#### B. NOTES TO THE ACCOUNTS:

1. In the opinion of the management the 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 balance sheet.
2. Directors Remuneration

	31.03.2008	31.03.2007
Salary	NIL	NIL
3. Depreciation on fixed assets has been provided on written down value method as per the provision of the Companies Act, 1956 on the following basis:
  - a. For full year on the opening balance.
  - b. On Pro-rata basis for the asset purchased during the year and /or disposed during the year.
4. Investments have been verified and certified by the management. Investments of the company in the form of shares and Govt. securities are either lodged or transferred or held with valid transfer forms as certified.
5. No provision has been made of interest on short term loans and advances given.
6. No deposit has been accepted from the public under section 58 (A) of The Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. Balance in the accounts of debtors, loans and advances, creditors, other assets and liabilities are subject to confirmation and reconciliation from the respective parties.
8. During the year Akhand Bharat Agro Ltd. and AMGF Intercorp. Ltd. was amalgamated with Chandrika Traders Ltd. according to the scheme of amalgamation by the order of Hon'ble High Court of Delhi
9. The appointment date of scheme of amalgamation was 01.04.2007, accordingly effect of all the transactions have been given from that date though the actual effect of the allotment of shares has increased in authorized capital has come w.e.f the effective date i.e. 26.12.2007 and allotment of share was made on 12.02.2008
10. Previous year figure have regrouped or rearranged wherever necessary.

In terms of our report of even date annexed here to.

for RTPS & Comapny  
(Chartered Accountants)

Place: New Delhi  
Date: 27<sup>th</sup> Aug '2008

-Sd-  
Pritam Singh  
Partner

**CHANDRIKA TRADERS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008**  
**(AS PER LISTING AGREEMENT)**

<b>PARTICULAR</b>		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT before tax and extraordinary item		2,148,116
Adjustments for Depreciation		1,343,469
Adjustment for Preliminary Exp/ Deferred Revenue Exp.		91,757
		3,583,342
Less Adjustment for tax provision		1,735,638
Operating profit before working capital charges		1,847,704
Adjustment for (increase) / decrease of working capital		(20,686,445)
Cash generation from operations or		
Net Cash flow from operating Activities		(18,838,741)
LESS: Repayment of Secured Loan		-
NET CASH GENERATION FROM BUSINESS		(18,838,741)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Inflow		
Sale of Fixed Assets-Acquisition of Fixed Assets		(295,159)
Sale of Investment-purchase of investment		16,266,430
NET CASH RECEIVED FORM INVESTING ACTIVITIES		15,971,271
--		(2,867,470)
<b>C. NET CASH INCREASE (USED)</b>		
CASH OR CASH EQUIVALENT OPENING		4,260,901
CASH OR CASH EQUIVALENT CLOSING		1,393,431
NET DECREASE IN CASH OR CASH EQUIVILANT		(2,867,470)

The Board of Directors  
**CHANDRIKA TRADERS LTD.**  
New Delhi.

We have examined the attached cash flow statement of M/s. Chandrika Traders Ltd. for the year ended on 31st March 2008. The statement have been prepared by the company in accordance with the requirements of the listing agreement with stock exchanges and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our report of even date to the members of the company.

for R T P S & Co.  
Chartered Accountants

Place: New Delhi  
Dated: 27.08.2008

-Sd-  
**Pritam Singh**  
Partner