

29th Annual Report

BOARD OF DIRECTORS :

Mr. Tulsidas J. Tanna	Chairman
Mr. Tushar T. Tanna	Managing Director
Mr. Kishore M. Vussonji	Director
Mr. Shirish B. Kamdar	Director

AUDITORS :

M/s. Ramesh M. Sheth & Associates
Chartered Accountants

LEGAL ADVISORS :

M/s. Kanga & Co.
Advocates, Solicitors & Notaries

BANKERS :

HDFC Bank Ltd.
Kotak Mahindra Bank Ltd.
Indian Bank Ltd.

REGISTERED OFFICE :

Devidas Mansion, 3rd Floor,
Mereweather Road,
Colaba, Mumbai - 400 039
E-mail : office@goldcrestgroup.com
Website : www.goldcrestgroup.com

REGISTRAR & SHARE TRANSFER AGENTS :

M/s. Purva Sharegistry (India) Pvt. Ltd.
Corp. Office :
9, Shiv Shakti Industrial Estate,
Sitaram Mills Compound, J. R. Boricha Marg,
Lower Parel, Mumbai - 400 011.
Tel. : 022-23018261, 23016761
Email: busicomp@vsnl.com

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY – NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE GOLDCREST FINANCE (INDIA) LIMITED (“Company”) WILL BE HELD ON FRIDAY, 21ST SEPTEMBER, 2012, AT 10.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT DEVIDAS MANSION, 3RD FLOOR, MEREWEATHER ROAD, COLABA, MUMBAI – 400039 TO TRANSACT FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended 31st March 2012 together with the report of the Board of Directors and the Auditors thereon.
2. To declare Dividend on Equity Shares for the Financial Year ended on 31st March, 2012.
3. To appoint a Director in the place of Mr. Tulsidas J. Tanna, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. Ramesh M. Sheth & Associates, Chartered Accountants (Firm Registration Number – 111883W), Mumbai as Auditors of the Company, to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** Mr. Kishore Vussonji, appointed as an Additional Director of the Company with effect from 30th July, 2012 by passing of resolution by circulation as provided in section 289 of the Companies Act, 1956 pursuant to the provisions of Articles of Association of the Company and who holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956, and being eligible, offers himself for re-appointment and in respect of whom notice in writing has been received by the Company under section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the company liable to retire by rotation.”

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities in granting such approvals, permissions and sanctions, and pursuant to the recommendation of the remuneration committee of the Board and subsequent approval of the Board of Directors at their meeting held on 13th August, 2012, the re-appointment of Mr. Tushar T. Tanna as the Managing Director of the company for a period of Three Years w.e.f. 1st August, 2012 on such terms and conditions including the remuneration as set out in the draft Agreement to be entered into between the Company and Mr. Tushar T. Tanna, placed before the meeting and initialed for the purpose of identification, be and is hereby approved and sanctioned with the liberty to Board of Directors to vary, alter, increase, enhance or widen the scope of remuneration and perquisites, to the extent specified in Schedule XIII and other applicable provisions, if any, of the Act as amended from time to time.”

“**RESOLVED FURTHER THAT** the said re-appointment be made in accordance with the terms and conditions as set out in the Explanatory Statement annexed hereto.”

“**RESOLVED FURTHER THAT** where in any Financial Year during the currency of the tenure of Mr. Tushar T Tanna, the company has no profits or its profits are inadequate, the company may pay to Mr. Tushar T Tanna the above remuneration as the minimum remuneration by way of salary subject to receipt of requisite approvals, if any.”

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"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any present Directors of the company be authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

By order of the Board of Directors

Place: Mumbai

Date: 13th August, 2012

Director

Registered Office:

*Devidas Mansion, 3rd Floor, Mereweather Road,
Colaba, Mumbai – 400 039.*

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE EFFECTIVE SHOULD REACH AT REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE ANNUAL GENERAL MEETING.
2. Corporate Members are requested to send to the company, a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 18th September, 2012 to Friday, 21st September, 2012 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Annual General Meeting.
4. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted at the meeting is annexed hereto.
5. As per the requirement of Clause 49 of the Listing Agreement on Corporate Governance pertaining to appointment of Director / re-appointment of retiring director a statement containing details of the concerned directors is given under Corporate Governance Report.
6. The Dividend, if declared will be paid to those persons or their mandate:
 - a. whose names appear as Beneficial Owners as at the end of the business hours on 17th September, 2012 in the list of Beneficial Owners to be furnished by the National Securities Depository Limited & Central Depository Services (India) Limited in respect of the shares held in electronic form and
 - b. whose names appear as Member in the Register of Members of the company after effecting valid share transfer in physical form lodged with the Registrar & Share Transfer Agent on or before 17th September, 2012.
7. Members are requested to immediately notify changes, if any in their residential address to the Company's Registrar & Share Transfer Agent M/s. Purva Sharegistry (India) Private Limited having registered office at 9, Shiv Shakti Industrial Estate, Sitaram Mills Compound, J. R. Boricha Marg, Lower Parel, Mumbai – 400 011, quoting their folio numbers.
8. Consequent upon the amendment in Section 205A of the Companies Act, 1956 and introduction of Section 205C, by the Companies (Amendment) Act, 1999, now the amounts of dividend remaining unclaimed for a period of Seven years shall be transfer to the Investor Education and Protection Fund (IEPF). Members who have not encashed their dividend warrants for the financial year ended March, 31 2006 and onwards may approach the Company's Registrar & Share Transfer Agent M/s. Purva Sharegistry (India) Private Limited having registered office at 9, Shiv Shakti Industrial Estate, Sitaram Mills Compound, J. R. Boricha Marg, Lower Parel, Mumbai – 400 011 for revalidating the warrants / DD or obtaining Duplicate Warrants / DD it may also be noted that once unclaimed dividend is transferred to IEPF as above no claim can be made by the respective shareholders for the same.

9. Members / Proxies are requested to bring the attendance slip duly filled for attending the meeting and copy of the Annual Report 2011-12.
10. Members seeking any information or clarification on the Annual Report are requested to send in written queries to the company at least one week before the meeting to enable the company to compile the information and provide replies at the meeting.
11. The Ministry of Corporate Affairs (vide circular nos.17/2011 and 18/2011 dated April 21, 2011 and April 29,2011 respectively) has undertaken a “Green Initiative In Corporate Governance” and allowed companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their e-mail addresses for receiving electronic communications.

Annexure to Notice

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

Item No.5

Mr. Kishore Vussonji, appointed as an Additional Director of the Company with effect from 30th July, 2012 by passing of resolution by circulation as provided in section 289 of the Companies Act, 1956 pursuant to the provisions of Articles of Association of the Company and who hold office up to date of this Annual General Meeting under Section 260 of the Companies Act, 1956, and being eligible, offers himself for re-appointment and in respect of whom notice in writing has been received by the Company under section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the company liable to retire rotation.

The members are requested to consider the resolution and approve the same.

None of the Directors of the company is in any way concerned or interested in the proposed resolution except Mr. Kishore Vussonji

Item No.6

Mr. Tushar T Tanna is a commerce graduate, having rich management experience in the field of corporate and finance matters. He is in the Board since last 19 years. He is currently involved with day to day administration of affairs of the company.

Subject to the approval of the Shareholders in the Annual General Meeting , the Board of Directors have at their meeting held on 13th August, 2012, pursuant to the recommendation of the remuneration committee, approved the re-appointment of Mr. Tushar T. Tanna as Managing Director of the Company for a period of 3 years with retrospective effect from 1st August,2012.

The proposed remuneration will be within overall limit of Schedule XIII of the Companies Act, 1956.

Upon the recommendation of the Remuneration Committee, the Board of Directors at their meeting held on 13th August, 2012 have also decided to fix the remuneration payable to Mr. Tushar T Tanna as Managing Director of the company as follows with effect from 1st August, 2012.

a) Salary:

Basic Salary of ₹ 75,000/- per month (₹ 9,00,000/- for a year), exclusive of all allowances and perquisites.

b) Perquisites:

- i) Housing : Furnished / unfurnished residential accommodation or house rent allowance up to 40% of salary in lieu thereof. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962.

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- ii) Medical Reimbursement: Actual expenses incurred for self and family. Medical Insurance Premium for self and family under Medclaim or any of the Schemes.
- iii) Club Fees: Fees for two clubs, including admission and life membership fees.
- iv) Free use of Company's car with driver for the business of the Company. Use of car for private purpose shall be billed by the Company.
- v) Free mobile phone and telephone facility at residence. All personal long distance calls shall be billed by the Company.
- vi) The company shall reimburse actual entertainment and traveling expenses incurred by the managing director in connection with the company's business.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable shall always be subject to the overall ceiling laid down in Sections 198 and 309 and other applicable provision of the Companies Act, 1956.

OTHER TERMS:

- A. The Appointee shall not be entitled to sitting fees for attending meetings of the Board of Directors and/or Committees(s) thereof.
- B. The Appointee shall not be, while he continues to hold office as Managing Director, be liable by rotation.
- C. The Appointee shall not, without Board approval, engage himself in any business, occupation or employment competing with the Company's business.
- D. The Appointee shall not divulge or disclose any confidential information or knowledge obtained by him as to the business or affairs of the Company.
- E. The Appointee shall be entitled to compensation for loss of office on the event, manner and to the extent provided Section 318 of the Act.
- F. In the event of the death of the Appointee during the tenure of his appointment, the Company shall pay to his legal heirs, his full salary and other emoluments for that month and for three months thereafter.
- G. Either party may terminate the Agreement by giving 90 days notice in writing to other without any cause.

MINIMUM REMUNERATION:

Where in any financial year, the company incurs a loss or its profits are inadequate, the company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956 (including any statutory modifications or reenactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

The proposed resolution requires approval of members as Ordinary Resolution.

A copy of the draft Agreement will be available for inspection at the registered office of the Company between 3.00 p.m. and 5.00 p.m. on any working day (Monday to Friday).

The above may be treated as an abstract of the terms of re-appointment in terms of section 302 of the Companies Act, 1956.

None of the Directors except Mr. Tushar T Tanna himself, Mr. Tulsidas J Tanna relatives of him may be considered as concerned or interested in the above resolution.

By order of the Board of Directors

Place: Mumbai

Date: 13th August, 2012

Director

Registered Office:

*Devidas Mansion, 3rd Floor, Mereweather Road,
Colaba, Mumbai – 400 039.*

DIRECTORS REPORT

**The Members,
GOLDCREST FINANCE (INDIA) LIMITED**

Your Directors have pleasure in presenting the TWENTY - NINTH ANNUAL REPORT on the business and operations of your Company and the Audited Statements of Accounts for the Year Ended 31st March, 2012.

FINANCIAL RESULTS:

THE FINANCIAL RESULTS OF THE COMPANY FOR THE YEAR UNDER REVIEW ARE SUMMARISED BELOW:

	Year Ended 31 st March, 2012 (₹ In lacs)	Year Ended 31 st March, 2011 (₹ In lacs)
INCOME		
Turnover / Gross Income	10526.44	2623.70
	10526.44	2623.70
EXPENDITURE		
Purchases	7931.12	2445.94
Changes in Inventories of Finished Goods	1646.07	(837.01)
Employee Costs	53.32	34.69
Finance Charges	124.24	156.71
Depreciation	246.62	271.51
Diminution in value of stock	17.31	63.08
Administration Costs	206.24	149.52
	10224.92	2284.44
Profit / (Loss) Before Tax	301.52	339.27
Less: <u>Provision for Taxation</u>		
Current Year Tax	50.00	68.00
Deferred Tax Liability	10.45	9.37
Profit / (Loss) After Tax	241.07	261.90
Add: Balance brought forward from previous year	807.25	654.83
	1048.32	916.74
Add: Profit / (Loss) transferred from Goldcrest Trade & Merchandise Private Limited (a 100% wholly owned subsidiary of the company)	—	(35.04)
	1048.32	881.70
Add: Amount recoverable from other beneficiary of Goldcrest Realty Trust	(5.22)	(3.65)
Profit / (Loss) available for appropriation	1043.10	878.04
Appropriation:		
Less : Excess Depreciation of Earlier Year W/Off	4.80	—
Short Tax provision w/off	(5.34)	—
Proposed Dividend on Shares	(75.57)	60.71
Tax on Dividend	(12.55)	10.08
Balance carried to Balance Sheet	954.44	807.25
	1043.10	878.04

TURNOVER & OPERATIONS:

The turnover of the company for the year under review is ₹ 10526.44 lacs, as against ₹ 2623.70 lacs in the previous year which in the opinion of the Directors are satisfactory, your Directors are hopeful to improve the growth rate in turnover and profitability in current year. Net Profit after Tax stood at ₹ 241.07 lacs as against ₹ 261.90 lacs in the previous year.

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INDUSTRIAL SCENARIO:

The global economy experienced significant volatility during the year. While growth and employment in the US economy appeared to be improving, the crisis in the Euro Zone threatened to plunge the entire world into turmoil. The deleveraging of the European Banks is expected to affect capital flows to emerging markets and the resultant liquidity crunch might drive up interest rates.

During the year under review, India's GDP moderated to 6.5% after growing by 8.4% per annum in both F.Y. 2009-10 and F.Y. 2010-11. While overall global GDP growth has remained tepid, some of the reasons for the slow down in India were due to weak industrial growth and overall deceleration in investments. The service sector, however, continued to be the key growth driver in the Indian economy, achieving 8.7% growth. Inflationary pressures are a key concern for the economy and stood at approximately 6.9% in March 2012. In a bid to contain inflationary expectations, the RBI increased the repo and reverse repo rates by 175 basis points each during the year under review. The slowdown in growth coupled with high interest rates has led to a decline in investment rates.

India continues to be one of the fastest growing real estate markets in the world and is attracting not only domestic real estate developers but also foreign investors especially NRIs. The housing construction industry is poised for double-digit growth in the backdrop of India's large population base, rising income and rapid urbanization. Despite a higher interest rate environment, the demand for home loans remains robust. There is a slow down in the absorption of commercial and IT spaces, which is largely a factor of the overall deceleration in investments and weakened investor sentiment.

The Indian food grain production for the year is estimated at a record high of over 250 million MTN mainly on account of increase in production of rice and wheat. Overall oil seed production was also in the higher side at about 30 million MTN. However, India still continues to import nearly 50% of its requirement of edible oil. India is the world's largest producer, consumer and exporter of spices.

India's capital markets were one of the worst performing emerging markets in FY 2011-12. Rising interest rates, rising cost of fuel, falling industrial output, weakening rupee and policy indecision were just some of the factors that led to this. During the year, the FIIs were marginal sellers of Indian equities, while domestic institutions were strong buyers. The ensuing year looks to be an equally challenging year for equities.

COMPANYS' PERFORMANCE:

In F.Y. 2011-12 your Company has had an increase in turnover of 300% from F.Y. 2010-11. This is primarily due to an increase in activity in the Commodity Trading and Arbitrage division. Total expenses have also increased in line with the increased turnover; hence the PBT and PAT are relatively in line with that of F.Y. 2010-11. Your Company has been successful in converting its Fully Convertible Debentures in to Equity Shares, thus the Share Capital of the Company has increased from ₹ 6,07,10,200 in F.Y. 2010-11 to ₹7,55,67,600 in F.Y. 2011-12 and Reserves and Surpluses has increased from ₹ 15,82,64,276 in F.Y. 2010-11 to ₹ 30,67,12,020 in 2011-12. This has resulted in our Balance Sheet becoming stronger and an improved Debt: Equity Ratio.

In the coming year, your Company plans to focus on expanding its real estate investments into Warehousing projects. A portfolio of such properties along with a consolidation of our existing properties is what has been envisaged for the coming Financial Year.

In the field of Commodity Trading and Arbitrage, at present your Company deals in Castor, Guar, Jeera, Channa and Black Pepper. In the coming year, your Company plans to expand the basket of commodities in which it deals and foray into other commodities such as Barley, Cotton etc. In addition, the expansion of your Company's Real Estate division into Warehousing will result in synergies in the Commodity Trading and Arbitrage business as well.

INTERNAL CONTROLS AND SYSTEMS:

The company has in place a proper and adequate system of internal control and the same is being reviewed commensurate with its size and nature of operations.

CAUTIONARY STATEMENT:

Having projected fairly achievable expectations, it will not be out of place to indicate that other things remaining equal, economic conditions affecting demand/supply, overall price parity both domestic and overseas, and government regulations, will affect the desired results.

DIVIDEND:

The Board has recommended a Dividend @ 10% (₹ 1/- per share) on Ordinary/Equity Shares for the Year ended 31st March, 2012 (previous year @ 10%), subject to the approval by the Shareholders.

LISTING OF 14,85,740 EQUITY SHARES AT RS.10/- EACH ISSUED PURSUANT TO THE SCHEME OF AMALGAMATION OF THE COMPANY WITH 100% WHOLLY OWNED SUBSIDIARY i.e. GOLDCREST TRADE & MERCHANDISE PRIVATE LIMITED

As you are aware, the Board of Directors of your company vide their Board Meeting held on 10th January, 2012 allotted fresh 14,85,740 Equity shares of ₹10/- each on non-repatriation basis pursuant to conversion of 1,48,574 Fully Convertible Debentures (FCD) of ₹1000/- each of the company in accordance with the conversion ratio of Ten Equity Shares of ₹10/- each of the Company for every one such FCD of ₹1000/- each held by Debenture Holder(s) in the company pursuant to the Scheme of Amalgamation with 100% wholly owned Subsidiary i.e. Goldcrest Trade & Merchandise Private Limited as sanctioned by Hon'ble Bombay High Court. The Company has obtained the Listing Permission on 14th February, 2012 and Trading Permission w.e.f. 14th March, 2012 from Bombay Stock Exchange Limited for above mentioned 14,85,740 Equity Shares of ₹ 10/- each.

DIRECTORS:

To appoint a Director in place of Mr. Tulsidas J. Tanna, who retires by rotation, and being eligible, offers himself for re-appointment.

Mr. Kishore Vussonji was appointed as Additional Director effective from 30th July, 2012. He holds the office up to the date of this Annual General Meeting. He does wish to seek appointment as Director of the company.

Mr. Shailesh S. Vaidya resigned from Directorship of the company w.e.f. 1st August, 2012 due to pre-occupation. The Directors put on record their appreciation for positive contribution of Mr. Shailesh S. Vaidya towards the progress of the Company.

The term of Mr. Tushar Tanna – Managing Director of the Company is due to expire on 31st July, 2012. The Board of Directors on the recommendation of Remuneration Committee at their Board meeting held on 13th August, 2012 re-appointed Mr. Tushar Tanna as the Managing Director of the company for a further period of 3 years w.e.f. 1st August, 2012, subject to approval of shareholders. A resolution proposing the re-appointment of Mr. Tushar Tanna as the Managing Director with effect from 1st August, 2012 will be placed before the shareholders for approval at the ensuing Annual General Meeting.

None of the Company's directors is disqualified from being appointed as a director as specified in Section 274(1)(g) of the Companies Act, 1956.

PUBLIC DEPOSIT:

Your Company has neither invited nor accepted/renewed any "Deposit" from public within the meaning of the term "Deposits" under the Companies (Acceptance of Deposits) Rules 1975, as amended from time to time.

PARTICULARS OF EMPLOYEES:

During the year under review none of the employees of the Company was in receipt of remuneration in excess of the limits, specified under Section 217(2A) of the Companies Act, 1956, whether employed for the whole year or part thereof.

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CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 with regard to Conservation of Energy & Technology absorption is not required to be given, as the same is not applicable to the Company.

Foreign Exchange Earning	:	NIL
Foreign Exchange Outgo	:	₹ 4,91,670/-

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors affirm that;

- i. In the preparation of the Annual Accounts of the Company, the applicable Accounting Standards had been followed.
- ii. The Directors had selected such accounting policies and applied them consistently and 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 at the end of the Financial Year on 31st March, 2012 and Profit or Loss for the year ended as on that date.
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and preventing and detecting fraud and other irregularities.
- iv. The Directors had prepared the Annual Accounts on a going concern basis.

RE-APPOINTMENT OF AUDITORS:

The retiring Auditors M/s. Ramesh M. Sheth & Associates, Chartered Accountants retire and being eligible u/s 224(1B) of the Companies Act, 1956, offer themselves for re-appointment. The Directors recommend the appointment of M/s. Ramesh M. Sheth & Associates, Chartered Accountants, as the Company's Auditors including that of the Branch.

APPRECIATION:

Your Directors acknowledge with gratitude the co-operation and assistance given by the Bankers, Distributors, Customers, Investors, Bombay Stock Exchange Ltd., National Securities Depository Ltd., and Central Depository Services (India) Ltd. during the year under review and are confident that your Company will continue to receive such support in the years ahead.

The Directors also wish to thank all the employees for their contribution, support and continued co-operation throughout the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Mumbai.

Date: 13th August, 2012

CHAIRMAN

CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2011-12

1. COMPANY'S PHILOSOPHY:

At Goldcrest Finance (India) Limited, Corporate Governance is an article of faith, that is integral to its core values. The Company's management is a trustee on behalf of shareholders and is driven by attempts to maximize long-term shareholder value. The Company possesses a Board that is fully aware of its fiduciary responsibilities in the widest sense of the term.

2. BOARD OF DIRECTORS:

The Board of Directors of Goldcrest Finance (India) Limited comprises of Four members, which includes Chairman and Non - Executive Director, one is Managing Director and Executive Director and Two Non-Executive and Independent Directors. The day to day management of the company is conducted by the Managing Director subject to the supervision and overall control of the Board.

(i) The Composition of Board of Directors are as under:-

Name of the Directors	Category	Directorship Held by the Director in Other Companies	No. of Board Committee Membership's held in other companies	
			Chairman	Member
Mr.Tulsidas J. Tanna	Chairman & Non- Executive Director	2	—	—
Mr. Tushar T. Tanna	Managing & Executive Director	2	—	—
*Mr.Shailesh S. Vaidya	Independent & Non- Executive Director	10	—	10
Mr. Shirish B. Kamdar	Independent & Non- Executive Director	—	—	—
**Mr. Kishore Vussonji	Additional Director - Independent & Non- Executive	5	NA	NA

Note:

- (1) Private Limited Companies, Foreign Companies and Companies constituted under Section 25 of the Companies Act, 1956 are excluded for the above purpose.
- (2) Only Audit Committee, investors Grievance Committee and Remuneration Committee (excluding Committee's formed with the Goldcrest Finance (India) Limited) are considered for the purpose of committee position as per Listing Agreements.

* Mr. Shailesh S Vaidya resigned from directorship w.e.f 1st August, 2012

** Mr. Kishore Vussonji appointed as an Additional Director w.e.f. 30th July, 2012

(ii) No. of Board Meetings held in the Financial Year 2011-2012 and dates on which held

During the year, the Board of Directors of Goldcrest Finance (India) Limited met Six times on 12th May, 2011, 9th August, 2011, 11th November, 2011, 31st December, 2011, 10th January, 2012 & 14th February, 2012. The gap between two meetings did not exceed four months. The Board of Directors also passed Circular Resolution on dated 07th October, 2011 during the year, under review.

Attendance of each Director at the Board Meetings and the Last Annual General Meeting:

Name of the Directors	No.of Board Meetings Attended	Attendance at last AGM
Mr.Tulsidas J.Tanna	6	Yes
Mr.Tushar T.Tanna	5	Yes
*Dr.Amrityal C Shah	1	No
**Mr.Shailesh S Vaidya	6	No
Mr. Shirish B. Kamdar	6	Yes
*** Mr. Kishore Vussonji	NA	NA

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* Dr.Amritlal C Shah cease directorship w.e.f. 16th January, 2012

** Mr.Shailesh S Vaidya resigned from directorship w.e.f 1st August, 2012

*** Mr. Kishore Vussonji Appointed as an Additional Director w.e.f. 30th July, 2012.

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Particulars	Mr. Kishore Vussonji	Mr. Tushar T. Tanna	Mr. Tulsidas J. Tanna
Date of Birth	18th September, 1946	29th May, 1954	15th January, 1928
Date of Appointment	30th July, 2012	5th November, 1993	5th November, 1993
Expertise in functional areas	Legal	Finance, Agro Commodity & Investment Services	Agro Commodity & Investment Services
Directorship in other Public Limited Companies*	Comfund Consulting Limited Krishna Ventures Limited Sunteck Realty Limited Weizmann Forex Limited Karma Energy Limited	Tanna Builders Limited Bhor Industries Limited	Quest Academy Limited Goldcrest Software Solutions Limited
Membership of Committees in other Public Limited Companies (includes only Audit and Shareholders'/ Investors' Grievance Committee)	—	—	—
No. of shares held in the Company	NIL	418	17,91,983

*Note: Excludes Directorship in Private Limited Companies, Foreign Companies and Government Bodies.

Code of Conduct

The Board has formulated a code of conduct for the Board members and senior management of the company. All Board members and senior management personnel have affirmed the compliance with the code on annual basis

3. AUDIT COMMITTEE

The Audit Committee as constituted by the Board of Directors Comprised of the following:

Name of the Directors	Category	No.of Meeting	
		Held	Attended
* Dr.Amritlal C.Shah	Non - Executive & Independent Director	4	1
** Mr.Shailesh S.Vaidya	Non - Executive & Independent Director	4	4
Mr.Tushar T.Tanna	Managing & Executive Director	4	4
Mr. Shirish B. Kamdar	Non - Executive & Independent Director	4	4
*** Mr. Kishore Vussonji	Non - Executive & Independent Director	NA	NA

* Dr. Amritlal C Shah cease membership w.e.f. 16th January, 2012

** Mr.Shailesh S Vaidya resigned from membership w.e.f 1st August, 2012

*** Mr. Kishore Vussonji appointed as a member w.e.f. 30th July, 2012.

THE TERMS OF REFERENCE:

The term of reference of the Audit Committee were extensive and included all that was mandated in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. Apart from overseeing and monitoring the financial reporting system within the Company and considering the Un-audited and audited financial results of the relevant quarter, half year and the year before being adopted by the Board. The Audit Committee focused on topics such as review of annual budgets, annual internal audit plan, legal compliance reporting system, review of investment guidelines, compliance of segment-wise reporting, review of the internal control systems,

major accounting policies and practices, compliance with accounting standards and risk management. The Committee also continued to advise the management on areas where a greater internal audit focus was needed and on new areas to be taken up for audit purpose.

4. REMUNERATION COMMITTEE:

The Remuneration Committee at present comprises as follows:

NAME OF DIRECTORS	CATEGORY
Mr. Tulsidas J. Tanna	Non – Executive Director
Dr. Amritlal C. Shah *	Independent & Non-Executive Director
Mr. Shailesh S. Vaidya **	Independent & Non-Executive Director
Mr. Shirish B. Kamdar	Independent & Non-Executive Director
Mr. Kishore M. Vussonji ***	Independent & Non-Executive Additional Director

The Remuneration Committee reviews the remuneration package of Executive Director of the Company.

* Dr. Amritlal C. Shah cease membership w.e.f. 16th January, 2012

** Mr. Shailesh S. Vaidya resigned from membership w.e.f 1st August, 2012

*** Mr. Kishore Vussonji appointed as a member w.e.f. 30th July, 2012.

Details of remuneration paid to Executive Director for the year:

Mr. Tushar T. Tanna, Managing Director - salary of ₹ 6,00,000/- p. a. (exclusive of all allowances and perquisites)

SITTING FEES PAID TO DIRECTORS:

NAME OF DIRECTOR	SITTING FEES PAID ₹
Mr. Tulsidas J. Tanna	60,000
Mr. Shailesh S. Vaidya	60,000
Dr. Amritlal C. Shah	10,000
Mr. Shirish B. Kamdar	60,000
TOTAL	1,90,000

5. SHARE HOLDERS / INVESTORS GRIEVANCE COMMITTEE:

The Board has set up a committee headed by the Chairman of the Company for redressal of shareholders complaints inter-alia to look into the issues relating to Shareholders, including transfer and transmission of Shares, issue of duplicate Share certificates non-receipt of dividend, Annual Report etc.

The Composition of the committee is as under:

NAME OF THE DIRECTORS	CATEGORY
Mr. Tulsidas J. Tanna	Chairman
Dr. Amritlal C. Shah - *	Member
Mr. Shailesh S. Vaidya - **	Member
Mr. Shirish B. Kamdar	Member
Mr. Kishore M. Vussonji - ***	Member

* Dr. Amritlal C. Shah cease membership w.e.f. 16th January, 2012

** Mr. Shailesh S. Vaidya resigned from membership w.e.f 1st August, 2012

*** Mr. Kishore Vussonji appointed as a member w.e.f. 30th July, 2012.

During the year under review there are no pending complaints.

Name and Designation of the Compliance Officer. Mr. Tushar T. Tanna (Managing Director)

Details of Complaints received etc. during the year 2011-12:

Nature of Complaints / queries	No. of Complaints / queries received	No. of complaints not solved to the satisfaction of shareholders
Transfer of shares	NIL	NIL
Non-receipt of Annual Report	NIL	NIL
Non-receipt of dividend warrants	NIL	NIL
Pending share transfers	NIL	NIL
DP and Others	NIL	NIL

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6. GENERAL BODY MEETINGS

The Annual General Meetings (AGMs) of the Company have been held at the following places in the last three years

Financial Year	Date	Time	Venue	Whether Special Resolution Passed
2008-09	18.09.2009	10.00 a.m.	Regd.Office at Devidas Mansion, 3 rd Floor , Mereweather Road, Colaba , Mumbai -400039	Yes (To Re-Appointment of Mr. Tushar Tanna as Managing Director)
2009-10	18.09.2010	10.00 a.m.	Regd.Office at Devidas Mansion , 3 rd Floor , Mereweather Road, Colaba , Mumbai -400039	Yes
2010 -11	21.12.2011	10.30 a.m.	Regd.Office at Devidas Mansion, 3 rd Floor , Mereweather Road, Colaba , Mumbai -400039	Yes <ul style="list-style-type: none">Pursuant to provision of Section 81(1A) Issue and allot of 1,48,574 Fully Convertible Debentures ("FCD") of Rs.1000/- each to the FCD holder of Goldcrest Trade and Merchandise Private Limited pursuant to sanctioned scheme of amalgamation under section 391 to 394 of the Companies Act,1956Investment in share capital of the company by NRI's and PIOs under portfolio investment scheme to the extent of 24% on repatriation basis or otherwise and in any other case up to 49% of the paid up share capital of the company.

All Special Resolutions set out in the respective Notices were passed unanimously on a show of hands by the shareholders present at the meeting. For the year ended 31st March, 2012, there has been no ordinary or special resolution passed by company's shareholders through postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through postal ballot.

7. DISCLOSURES

There are no internal significant related party transaction made by the Company with promoters, Directors, the management or their relatives and their subsidiaries that may have a potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in Note No. 27 (7) in the Notes to Accounts of Annual Report.

There has not been any non-compliance by the Company or penalties, strictures imposed on the company by any Stock Exchange or SEBI or any statutory authority, or any matter related to capital markets during the last three years.

8. MEANS OF COMMUNICATION

Whether half yearly report sent to Shareholders	:	No. As the quarterly results of the company are published in Newspapers
Newspaper in which Quarter Results are Published	:	Business Standard - (English) & Mahanayak (Marathi)
Website if any at which results are published	:	www.goldcrestgroup.com

The presentation made to institutional investors or to the analysts : No. presentation had been made to institutional investors or to the analysts

Whether Management Discussion & analysis is a part of Annual Report or not : Yes

9. GENERAL SHAREHOLDERS' INFORMATION

Date and Time of 29th Annual General Meeting : 21st September, 2012 at 10.00 a.m.
 Venue : Devidas Mansion, 3rd Floor, Mereweather Road, Colaba, Mumbai – 400039.
 Financial Year : 01.04.2011 to 31.03.2012
 Book Closure Date : 18th September, 2012 to 21st September, 2012
 Dividend Payment Dates : on or after 21st September, 2012
 Stock Exchange where the Company's shares are listed : Bombay Stock Exchange Limited
 Phiroze Jeejeebhoy Towers, Dalal Street , Mumbai – 400001
 Payment of Listing Fees : Paid upto Financial Year 2012-13
 Stock Code – Physical : 505576
 ISIN Number for NSDL & CDSL : INE505D01014

Market Price Data:

Market price data: High, Low (based on the closing prices) of shares traded during each month in the last financial year.

Month 2010-11	High	Low
April ' 11	27.80	25.20
May ' 11	35.35	26.30
June '11	28.95	22.25
July ' 11	30.45	24.65
August ' 11	29.20	24.10
September '11	28.55	23.40
October '11	24.55	22.20
November '11	23.10	19.95
December ' 11	21.85	20.85
January '12	26.45	22.90
February '12	34.15	23.85
March '12	36.20	29.95

Registrar & Share Transfer Agents;

Purva Sharegistry (India) Pvt. Ltd.
 Regd. Office :
 9, Shiv Shakti Industrial Estate, Gr.Floor, Sitaram Mill Compound,
 J.R.Boricha Marg, Lower Parel, Mumbai 400 011
 Tel. No. 2301 6761 / 2301 8261 Fax No. 2301 2517
 Email. busicomp@vsnl.com

Share Transfer System

Share transfer in physical form can be lodged with Purva Sharegistry (India) Pvt. Ltd., at the above mentioned address.

The Transfers are normally processed within stipulated time period from the date of receipt, if the documents are complete in all respects.

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DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2012 IS AS FOLLOWS:

Number of Ordinary Shares held.	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shares held
Upto 5000	739	77.30	181142	2.40
5001 to 10000	113	11.82	99536	1.32
10001 to 20000	30	3.14	45744	0.61
20001 to 30000	21	2.20	54937	0.73
30001 to 40000	5	0.52	18731	0.25
40001 to 50000	11	1.15	53560	0.71
50001 to 100000	12	1.26	111521	1.48
100001 and above	25	2.62	6991589	92.52
Total	956	100.00	7556760	100.00

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2012 IS AS FOLLOWS:

Category	Number of Shares held	Percentage of Share holding
Promoters & Associates Companies	4553265	60.25
Indian Public	580516	7.68
Companies (other than Associates Companies)	329234	4.36
FIs	—	—
OCBs and NRIs	2093745	27.71
Mutual Funds	—	—
Banks & Financial Institutions	—	—
Total	7556760	100

Dematerialisation of Shares and Liquidity:

The Company has arrangements with National Securities Depository Ltd. (NSDL) as well as the Central Depository Services Ltd.(CDSL) for demat facility. 94.90% of the Company's Share Capital is dematerialised as on 31.03.2012.

Outstanding GDRs/ADRs/Warrants of any Convertible instruments, conversion date and likely impact on equity: N.A.

Address of Correspondence:

Devidas Mansion,
3rd Floor, Mereweather Road,
Colaba, Mumbai 400 039

Branch Offices:

(1) 701, Crossway Complex Jamnagar – 361008 Gujarat	(2) A-11, Basni Anaj Mandi Jodhpur 342009 Rajasthan	(3) Chandaushi Branch C/o, Ashok Sharma, 547, Shaktinagar, Dist.Muradabad, Chandaushi (U.P.)
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(4) Kochi Branch
V1/1300, Indian Chamber Road,
Kochi, Kerala

For and on behalf of the Board of Directors

Chairman

Mumbai
13th August, 2012

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

To the Members of Goldcrest Finance (India) Ltd

We have examined the compliance of conditions of Corporate Governance by Goldcrest Finance (India) Ltd., for the year ended on 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange's of India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations was limited to review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of the corporate. It is neither an audit nor an expression of an opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to explanations given to us and the representation made by the Directors and the Management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no Investors' grievances remaining unattended /pending for more than 30 days.

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

For RAMESH M. SHETH & ASSOCIATES

FRN : 111883W

Chartered Accountants

M. R. Sheth

(Partner)

M.No.101598

Mumbai
13th August, 2012

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 sub-clause I (D), of the Listing Agreement with the Stock Exchange, I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conducts, as applicable to them for the financial year ended 31st March, 2012.

For GOLDCREST FINANCE (INDIA) LIMITED

Tushar T. Tanna

Managing Director

Mumbai
13th August, 2012

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AUDITORS' REPORT

To the Members of Goldcrest Finance (India) Limited

We have audited the attached Balance Sheet of **GOLDCREST FINANCE (INDIA) LIMITED** as at 31st March 2012, Profit and Loss Account and 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.

We conducted our audit in accordance with 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 includes examining, on a test basis, evidence supporting the amounts and disclosure 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 presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of Sub-section (4A) to Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. On the basis of audit conducted by us we report as under :
 - 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 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.
 - iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable.
 - v) In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on 31st March, 2012, from being appointed as directors in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Attention is invited to note no.27 (8) to notes to accounts regarding non provision and non ascertainment of liability for gratuity. Since the amount of gratuity is not ascertained the overall impact of non - provision is not ascertainable.

- vi) Subject to forgoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and present true and fair view, in conformity with the accounting principles generally accepted in India:
 - (a) In so far it relates to Balance Sheet of the state of affairs of the company as at 31st March, 2012;
 - (b) In so far as it relates to Profit and Loss Account of the profit of the Company for the year ended on that date, and
 - (c) In so far as it relates to Cash Flow Statement of the cash flows of the Company for the year ended on that date.

For Ramesh M. Sheth & Associates
FRN : 111883W
Chartered Accountants

Mumbai
13th August, 2012

M. R. Sheth
(Partner)
M. No. 1 0 1 5 9 8

Annexure referred to in Paragraph 2 of our report of even date to the members of Goldcrest Finance (India) Limited (The Company)

1. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the Company has formulated a programme of physical verification of all the fixed assets. The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a. Inventories have been physically verified by the management. In our opinion, the frequency of the verification is reasonable.
 - b. The procedures of physical verification of stocks followed by the management are adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and book records are not material and have been properly dealt with in books of account.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a. The Company has granted unsecured loans, to one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was ₹ 0.50 crores and year-end balance of such loan was ₹ 0.52 crores.
 - b. The rate of interest and terms of conditions hereto are not prima facie prejudicial to the interest of the Company.
 - c. The interest is received regularly. The maturity of principal amount is of future date and hence regularity of repayment is not commented upon.
 - d. The Company has no overdue recovery amount of principal and interest exceeding ₹ one lakh and hence clause d is not applicable.
 - e. The Company has taken loans from three parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was ₹ 14.94 crores and year-end balance of such loan was ₹ 4.25 crores.
 - f. In absence of any terms and conditions hereto we are unable to comment whether the rate of interest and repayment of principal amount is prima facie prejudicial to the interest of the Company.
 - g. In absence of any terms and conditions we are unable to comment whether the payment of principal amount and interest thereon is regular.
4. The Company has adequate Internal Control Procedure commensurate with the size of the Company and the nature of business, for the purchase of inventory, fixed assets and for the sale of goods.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - a. In our opinion and according to the information and explanation given to us the transactions made pursuant to the contract or arrangement that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b. In our opinion and according to the information and explanation given to us the transactions made pursuant to the contract or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding ₹ 5 lacs in respect of any party during the year have been made at

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the prices which are reasonable having regard to prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public.
7. There is no internal audit system commensurate with the size and nature of its business.
8. The Company is not into production, processing, manufacturing or mining business and hence para 4(viii) of the said Order is not applicable.
9. In respect of statutory dues:

According to the records of the Company, the Company has deducted Provident Fund and Profession tax and the same has normally paid in time. Other statutory dues like Investor Education and Protection Fund and Employees' State Insurance are not applicable. There are no undisputed dues pending in respect to Income-tax, Sales-tax, Wealth tax, Customs Duty, Excise Duty, Cess and other statutory dues.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable.
10. The Company has not incurred any cash losses during the financial year covered by our audit and also in the immediately preceding financial year and there are no accumulated losses in the balance sheet as on 31st March 2012.
11. The Company has obtained loans from banks and is regular in repayment of dues.
12. In our opinion and according to the information and explanation given to us, loans and advances have been granted during the year by the Company on the basis of security by way of pledge of 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 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in shares and securities and timely entries have been made therein. All shares have been held by the Company in its own name.
15. The Company has not given any guarantees for loans taken by others from banks or financial institutions and hence para 4(xv) of the Order is not applicable.
16. The Company has not raised any term loan during the year. The Company has not defaulted in repayment of the term loan obtained in the earlier years.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized any short term funds for long term and vice versa.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures and hence para 4(xix) of the Order is not applicable.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For Ramesh M. Sheth & Associates
FRN : 111883W
Chartered Accountants

Mumbai
13th August, 2012

M. R. Sheth
(Partner)
M. No. 1 0 1 5 9 8

BALANCE SHEET AS ON 31ST MARCH, 2012

	Note No	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
I. Equity And Liabilities			
1) Shareholders' Funds			
A) Share Capital	2	75,567,600	60,710,200
B) Reserves & Surplus	3	306,712,020	158,264,276
C) Money Received Against Debentures	4	-	749
2) Share Application Money Pending Allotment			
3) Non - Current Liabilities			
A) Long - term Borrowings	5	54,685,460	254,225,513
B) Deferred Tax Liabilities (Net)	5-A	7,379,004	6,333,989
C) Other Long Term Liabilities	6	59,623,974	61,389,286
D) Long - term Provisions		-	-
4) Current Liabilities			
A) Short - term Borrowings	7	42,525,000	165,099,000
B) Trade Payables	8	453,421	4,892,150
C) Other Current Liabilities	9	1,115,316	1,158,280
D) Short - term Provisions	10	8,811,843	7,079,341
TOTAL		556,873,638	719,152,784
II. Assets			
1) Non - Current Assets			
A) Fixed Assets	11		
i) Tangible Assets		305,462,985	329,239,267
ii) Intangible Assets		-	-
iii) Capital Work - in - Progress		1,375,000	1,375,000
iv) Intangible Assets Under Development		-	-
B) Non - Current Investments	12	1,568,569	30,125,000
C) Deferred Tax Assets (Net)		-	-
D) Long - term Loans And Advances	13	7,781,565	8,242,917
E) Other Non - Currents Assets	14	54,448	19,060
2) Current Assets			
A) Current Investments	15	61,000	-
B) Inventories	16	87,285,849	230,646,632
C) Trade Receivables	17	127,008,548	56,118,158
D) Cash And Cash Equivalent	18	2,621,137	26,946,977
E) Short - term Loans And Advances	19	23,654,535	36,439,774
F) Other Current Assets		-	-
TOTAL		556,873,638	719,152,784

See Accompanying Notes To The Financial Statements

For Ramesh M. Sheth & Associates

FRN : 111883W
Chartered Accountants

Mr. M. R. Sheth
(Partner)
M.No. 101598
Mumbai
13th August, 2012

For and on behalf of the Board

Mr. Tulsidas J. Tanna - Chairman
Mr. Tushar T. Tanna - Managing Director
Mr. Kishore M. Vussonji - Director
Mr. Shirish B. Kamdar - Director

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PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

	Note No.	For the Year Ended 31st March, 2012 ₹	For the Year Ended 31st March, 2011 ₹
I. Revenue From Operations	20	1,078,089,847	202,955,902
Other Operating Revenue		(31,563,052)	56,780,358
II. Other Income	21	<u>6,116,229</u>	<u>2,633,595</u>
III. Total Revenue		<u>1,052,643,023</u>	<u>262,369,855</u>
IV. Expenses:			
a) Cost of Raw Materials Consumed		-	-
b) Purchases of Stock - in - Trade	22	793,112,618	244,593,611
c) Changes in Inventories of Finished Goods, Work - in - Progress and Stock - in -Trade	23	164,606,658	(83,700,727)
d) Employee Benefits Expense	24	5,331,571	3,468,866
e) Finance Costs	25	12,424,235	15,670,793
f) Depreciation and Amortization Expense		24,661,960	27,151,143
g) Diminishing in value of stock of Securities		1,730,598	6,307,520
h) Other Expenses	26	<u>20,623,863</u>	<u>14,951,883</u>
Total Expenses		<u>1,022,491,503</u>	<u>228,443,089</u>
V. Profit Before Exceptional and Extraordinary Items and Tax	(III-IV)	<u>30,151,520</u>	<u>33,926,765</u>
VI. Exceptional Items		-	-
VII. Profits Before Extraordinary Items and Tax (V-VI)		<u>30,151,520</u>	<u>33,926,765</u>
VIII. Extraordinary Items		-	-
IX. Profit Before Tax (VII - VIII)		<u>30,151,520</u>	<u>33,926,765</u>
X. Tax Expense:			
1) Current Tax		5,000,000	6,800,000
2) Deferred Tax		<u>1,045,015</u>	<u>936,742</u>
		<u>6,045,015</u>	<u>7,736,742</u>
XI. Profit / (Loss) for the period from Continuing (IX-X) Operations		<u>24,106,505</u>	<u>26,190,023</u>
XII. Profit / (Loss) from Discontinuing Operations		-	-
XIII. Tax Expense of Discontinuing Operations		-	-
XIV. Profit / (Loss) from Discontinuing Operations (After Tax)	(XII-XIII)	-	-
XV. Profit / (Loss) for the period		<u>24,106,505</u>	<u>26,190,023</u>
XVI. Earnings per Equity Share:			
1) Basic		3.74	4.31
2) Diluted		3.74	4.31

See Accompanying Notes to the Financial Statements

For Ramesh M. Sheth & Associates

FRN : 111883W

Chartered Accountants

Mr. M. R. Sheth

(Partner)

M.No. 101598

Mumbai

13th August, 2012

For and on behalf of the Board

Mr. Tulsidas J. Tanna - Chairman

Mr. Tushar T. Tanna - Managing Director

Mr. Kishore M. Vussonji - Director

Mr. Shirish B. Kamdar - Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	30,151,520	33,926,765
Add:		
Financial expenses	12,424,235	15,670,793
Depreciation	24,661,960	27,151,143
Interest Received	(2,172,740)	(1,344,011)
Dividend Received	(3,760,033)	(732,667)
Miscellaneous Income	(2,285)	(53,251)
Deputation Charges Received	(150,100)	(386,400)
Preliminary Expenses written off	-	18,969
Sundry Creditors written back	(30,652)	-
Diminishing Value of Stocks	1,730,598	-
Short Provision of Tax	(521,346)	-
(Profit)/ Loss on sale of Investments	22,500,000	7,756,798
Operating Profit before Working Capital changes	84,831,158	82,008,140
Add :		
Changes in Current Assets	90,845,151	(144,393,638)
Changes in Current Liabilities	(4,450,623)	(2,671,220)
	86,394,528	(147,064,858)
Cash generated from operations	171,225,686	(65,056,718)
Net cash before Extra ordinary Items	171,225,686	(65,056,718)
Add : Income Tax Refund of Earlier Year(Net)	-	(5,503,649)
Less: Taxes paid	(13,870,934)	-
Net cash flow from operating activities (A)	157,354,752	(70,560,367)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(406,112)	(3,818,924)
Purchase of Non current Investments	(1,504,569)	-
Profit / Loss on sale of Commodities	-	(7,756,798)
Proceeds from Sale of Non Current Investments	7,500,000	5,280,000
Deputation Charges	150,100	386,400
Miscellaneous Income	2,285	53,251
Interest received	2,172,740	1,344,011
Changes in other non current assets	(35,388)	-
Dividend received	3,760,033	732,667
Net cash flow from investing activities (B)	11,639,089	(3,779,394)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Financial expenses	(12,424,235)	(15,670,793)
Repayment / Acceptance of Long Term Borrowings	(199,540,802)	160,946,992
Increase/(Decrease) in long term Loans and Advances	(85,975)	-
Increase/(Decrease) in short term borrowings	26,000,000	(42,650,000)
Payment of security deposits - other long term liabilities	(189,327)	-
Dividend paid (Including Dividend Tax)	(7,079,341)	(3,551,395)
Net cash from financing activities (C)	(193,319,680)	99,074,804
Net increase /(decrease) in cash & cash equivalents (A+B+C)	(24,325,840)	24,735,043
Cash & Cash equivalents as at year beginning	26,946,977	2,211,934
Cash & Cash equivalents as at year closing	2,621,137	26,946,977
Net increase/(decrease) as disclosed above	(24,325,840)	24,735,043

Figures in brackets indicate outflow

Note : The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 on Cash Flow Statements prescribed under the Companies Act, 1956.

For Ramesh M. Sheth & Associates

FRN : 111883W
Chartered Accountants

Mr. M. R. Sheth
(Partner)
M.No. 101598
Mumbai
13th August, 2012

For and on behalf of the Board

Mr. Tulsidas J. Tanna - Chairman
Mr. Tushar T. Tanna - Managing Director
Mr. Kishore M. Vussonji - Director
Mr. Shirish B. Kamdar - Director

NOTE - 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements :

These financial statements have been prepared on the accrual basis of accounting, under the historical cost convention and in accordance with the Companies Act, 1956 and the applicable Accounting Standards ("AS") issued by the Institute of Chartered Accountants of India ("ICAI").

1.2 Fixed Assets :

Cost of fixed assets comprises of purchase price, duties, levies and any directly attributable cost of bringing the asset to its working condition for the intended use. Borrowing costs related to the acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition or construction are included in the book value of the assets. Fixed Assets includes Property acquired by Goldcrest Realty Trust situated at Viman Nagar, Pune.

1.3 Depreciation :

Depreciation on assets is provided at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

1.4 Valuation of Investments :

Long-term investments are stated at cost less amount written off, where there is a permanent diminution in value.

1.5 Valuation of Inventories :

Inventories are valued at lower of cost or net realisable value. The cost includes direct expenses incurred for bringing the goods to its present location.

1.6 Retirement benefits :

Gratuity payment to employee is accounted when it becomes due and payable.

1.7 Revenue Recognition :

The company is in the business of trading in commodity whereby, sales are recognized when goods are supplied and are recorded net of rebates and sales tax.

Expenses are recognized on accrual basis and provisions are made for all known losses and expenses.

Dividend income is recognized when the right to receive dividend is established. Interest income is recognized on the time proportion method. All other income are recognized as and when due.

1.8 Deferred Taxation :

Income tax expense comprises of current tax and deferred tax charge or credit. Current tax is the amount of income tax determined to be payable or recoverable in respect of the taxable income or loss for a period made in accordance with the Income Tax Act, 1961.

Deferred tax charge or credit and the corresponding deferred tax liability and assets are recognized using the tax rates that have been enacted on the balance sheet date.

In accordance with Accounting Standard 22 – Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, the deferred tax liability for timing differences between book and tax profits occurs when there are actual taxable profits for the year.

Timing difference are the differences between the taxable income and accounting income for a period that originate in one period and capable of reversal in one or more subsequent periods. Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognized only if there is virtual certainty of realization of such amounts. Others are recognized only to the extent there is reasonable certainty of realization on the future. They are reviewed at each balance sheet date to reassess the realisability.

1.9 Segment Reporting

The company is dealing in four types of business activities consisting of Share Trading Operations, Commodity Operation, Operations & Maintenance of Software Development Park and Others. Hence Segment is identified Business activity wise as per Accounting Standard 17 on Segment Reporting.

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
Note - 2		
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
1,01,00,000 Equity Shares of Rs.10/- each	101,000,000	101,000,000
10,00,000 Preference Shares of Rs.100/- each	100,000,000	100,000,000
	<u>201,000,000</u>	<u>201,000,000</u>
ISSUED, SUBSCRIBED AND FULLY PAID-UP		
75,56,760 (Previous Year 60,71,020) Equity Shares of Rs.10/- each	75,567,600	60,710,200
	<u>75,567,600</u>	<u>60,710,200</u>

2.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
At the beginning of the period	6,071,020	60,710,200	6,071,020	60,710,200
Issued During the Period	1,485,740	14,857,400	NIL	NIL
Redeemed or bought back during the period	NIL	NIL	NIL	NIL
Outstanding at end of the period	<u>7,556,760</u>	<u>75,567,600</u>	<u>6,071,020</u>	<u>60,710,200</u>

2.2 Details of shareholders holding more than 5% Equity Shares in the company

Name of Shareholders	As at 31-03-2012		As at 31-03-2011	
	No. of Shares	% of Holding	No. of Shares	% of Holding
TULSIDAS J TANNA	1,791,983	23.71	1,791,983	23.71
TUSHAR T TANNA (held on behalf of M/s. "Goldcrest Exports" [Partnership Firm])	560,449	7.42	560,449	7.42
AJAY FINVEST PVT LTD	553,110	7.32	553,110	7.32
CHITRAN INV. PVT LTD	550,500	7.28	550,500	7.28
CLOVE INV. & LEASING P. LTD	506,000	6.70	506,000	6.70
VIRESH KOTHARI	1,485,740	19.66	-	-

2.3. Rights, preferences and restrictions

The Company has two class of shares referred to as Equity Shares and preference shares having par value of ₹ 10 each and ₹ 100 each respectively. The Company has only issued Equity Shares. Each holder of Equity Shares is entitled to one vote per share.

Dividends, if any, is declared and paid in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has issued 14,85,740/- Equity Shares at Par value of ₹ 10/- per share to Mr. Viresh P. Kothari as per Scheme of Amalgamation approved by Honourable Bombay High Court, with its wholly owned Subsidiary Company M/s. Goldcrest Trade & Merchandise Private Limited.

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NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
Note - 3		
RESERVES & SURPLUS		
<u>Capital Reserves</u>		
As per last balance sheet	9,578,375	9,578,375
Add / less: Adjustments	-	-
At the end of the year	9,578,375	9,578,375
<u>Securities Premium Account</u>		
As per last balance sheet	40,060,593	40,060,593
Add: On issue of shares	133,716,600	-
At the end of the year	173,777,193	40,060,593
<u>General Reserves</u>		
As per last balance sheet	27,900,000	27,900,000
Add: Transfer from General Reserve	-	-
At the end of the year	27,900,000	27,900,000
Surplus in Statement of Profit and Loss		
As per last Balance Sheet	80,725,308	61,979,817
Add : Profit for the year	24,106,505	26,190,023
Add : Amount Recoverable / (Payable) from / to other beneficiary of Goldcrest Realty Trust	(521,741)	(365,191)
	104,310,072	87,804,649
Add/(Less) : Excess Depreciation of Ealier Year W/Off	479,569	-
Short / Excess Tax W.back/ W.Off.	(521,346)	-
Proposed Dividend on shares	(7,556,760)	(6,071,020)
Tax on Dividend	(1,255,083)	(1,008,321)
Profit and Loss	95,456,452	80,725,308
	306,712,020	158,264,276
NOTE - 4		
MONEY RECEIVED AGAINST DEBENTURES		
	-	749
	-	749
NOTE - 5		
LONG-TERM BORROWINGS		
<u>Secured Loans</u>		
A) Loan From Banks		
- Loan from HDFC Bank	26,682,009	55,151,266
(Borrowed by Goldcrest Realty Trust against Mortgage of Unit No.101 to 106,201 to 206, 301 to 306, 401 to 406 & 501 to 506 of Property situated at, Vimannagar Pune owned by Goldcrest Realty Trust)		
- Loan from Kotak Mahindra Bank	28,003,451	199,074,247
(Borrowed against Commodities & Mortgage of Unit No.1 to 6 of 6th flr., 1 to 6 rare side of Gr.flr.& 1 to 6 front side of Gr.flr. of Property situated at Vimannagar, Pune owned by Goldcrest Realty Trust)		
	54,685,460	254,225,513
B) Loan From parties		
	-	-
	-	-
	54,685,460	254,225,513
NOTE - 5 - A		
DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
On account of depreciation:		
Opening deferred tax liability	6,333,989	5,397,247
Add : On account of depreciation	1,045,015	936,742
DEFERRED TAX LIABILITY (NET)	7,379,004	6,333,989

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
Note - 6		
OTHER LONG TERM LIABILITIES		
(Unsecured Considered Goods)		
a) Security Deposits :	51,597,387	51,786,714
	<u>51,597,387</u>	<u>51,786,714</u>
b) Sahara India Commercial Corp.Ltd.- Lonawala Property	7,965,000	7,965,000
Provision for Income Tax :		
Provision for Tax (Net of Tax Paid)		
- A.Y.2010-11	-	11,746
- A.Y.2011-12	61,587	1,622,639
Provision for Fringe Benefit Tax (Net of Tax Paid)		
- A.Y.2009-10	-	3,187
	<u>61,587</u>	<u>1,637,572</u>
	<u>59,623,974</u>	<u>61,389,286</u>
Note - 7		
SHORT-TERM BORROWINGS		
(Unsecured Considered Goods)		
From Group Companies	42,525,000	16,525,000
From Others :		
- 7% Unsecured Convertible Debenture Suspense A/c	-	148,574,000
	<u>42,525,000</u>	<u>165,099,000</u>
Note - 8		
TRADE PAYABLES	453,421	4,892,150
Note - 9		
Other Current Liabilities	1,115,316	1,158,280
	<u>1,115,316</u>	<u>1,158,280</u>
Note - 10		
SHORT TERM PROVISIONS		
Provision for Income Tax :		
Proposed Dividend on shares- F.Y.2011-12	7,556,760	-
Tax on Dividend - F.Y.2011-12	1,255,083	-
Tax on Dividend - F.Y.2010-11	-	1,008,321
Proposed Dividend on shares- F.Y.2010-11	-	6,071,020
	<u>8,811,843</u>	<u>7,079,341</u>

SCHEDULES FORMING PART OF THE ACCOUNTS

NOTE - 11

FIXED ASSETS

DESCRIPTION	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK		
	As at 1st Apr, 2011 ₹	Additions During the Year ₹	Deductions During the Year ₹	As at 31st Mar, 2012 ₹	As at 1st Apr, 2011 ₹	For the Year 31st Mar, 2012 ₹	Dedns. ₹	As at 31st Mar, 2012 ₹	As at 31st Mar, 2011 ₹
ASSETS FOR OWN USE									
Tangible Assets									
Land :									
Leasehold Land	30,978,071	-	-	30,978,071	-	-	-	30,978,071	30,978,071
Building :									
Freehold	433,428,204	-	-	433,428,204	141,687,364	23,654,821	-	268,086,019	291,740,840
Plant & Equipment	3,434,745	-	-	3,434,745	1,139,262	344,322	-	1,951,161	2,295,483
Furniture & Fixtures	521,796	-	-	521,796	296,225	22,557	-	203,014	225,571
Vehicles	3,930,924	-	-	3,930,924	808,635	374,885	473,130	3,220,534	3,121,992
Office Equipment	3,907,392	406,112	-	4,313,504	3,073,913	265,375	-	1,024,187	877,310
Sub Total	476,201,133	406,112	-	476,607,245	147,005,400	24,661,960	473,130	305,462,985	329,239,267
Capital Work in Progress :									
Vila at Aamby Valley City	1,375,000	-	-	1,375,000	-	-	-	1,375,000	1,375,000
Grand Total	477,576,133	406,112	-	477,982,245	147,005,400	24,661,960	473,130	306,837,985	330,614,267
Previous Year	473,757,209	3,818,924	-	477,576,133	119,810,723	27,151,143	-	330,614,267	352,170,762

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
Note - 12		
Non-Current Investments		
Investment in Equity Shares		
Unquoted		
4,80,000 Bonus shares of Quest Academy Ltd. (Prev.Year 4,80,000 Bonus shares) {cost to be Pro-rata}	-	-
5,400 (Previous Year 5,400) Equity Shares of Rs.10/- each of Goldcrest Software Solutions Ltd.	54,000	54,000
Previous Year 3,00,000 Equity Shares of Rs.100/- (face value Rs.10/-) each of Innovative B2B Logistics Solutions Ltd.	-	30,00,000
11,847 Equity Shares of Rs.127/- (face value Rs.1/-) each of Bombay Stock Exchange Ltd.	1,504,569	-
Investment in Govt. Securities		
National Saving Certificate	10,000	71,000
	<u>1,568,569</u>	<u>30,125,000</u>
Note - 13		
Long-term Loans and Advances		
(a) Loans and advances to employees		
Unsecured, considered good	85,975	-
	<u>85,975</u>	<u>-</u>
(b) Balances with government authorities		
Unsecured, considered good		
(i) TDS on Interest Received	-	12,162
(ii) TDS on Rent Received	627,281	627,281
(iii) TDS on Contractor Fees Received	199,715	199,715
(iv) TDS on Commission Received	-	-
(v) Advance Tax paid	191,000	191,000
(vi) Advance Income Tax (Net of Provision of Taxation)	1,882	537,047
	<u>1,019,878</u>	<u>1,567,205</u>
(c) Other loans and advances		
Secured, considered good	5,000,000	5,000,000
(Pledge Against shares)		
Unsecured, considered good	1,675,712	1,675,712
Total	<u>6,675,712</u>	<u>6,675,712</u>
	<u>7,781,565</u>	<u>8,242,917</u>
Note - 14		
Other Non-current Assets		
(a) Accruals		
(i) Interest accrued on deposits	-	-
(ii) Interest accrued on investments	54,448	19,060
(iii) Interest accrued on trade receivables	-	-
Total	<u>54,448</u>	<u>19,060</u>
Note - 15		
Current Investments		
(Valued at lower of cost or fair value)		
Investment in Govt. Securities		
National Saving Certificate	61,000	-
	<u>61,000</u>	<u>-</u>

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NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
Note - 16		
<u>Inventories</u>		
(Valued at lower of cost or net realisable value, unless otherwise stated)		
Finished Goods	87,285,849	230,646,632
Total	<u>87,285,849</u>	<u>230,646,632</u>
Note - 17		
<u>Trade Receivables</u>		
(Unsecured unless otherwise stated)		
(Trade receivables outstanding for a period exceeding six months from the date they were due for payment)		
	1,000	-
Other Trade receivables		
Unsecured, considered good		
(Trade receivables outstanding for a period Less then six months from the date they were due for payment)		
	127,007,548	56,118,158
Total	<u>127,008,548</u>	<u>56,118,158</u>
Note - 18		
<u>Cash & Cash Equivalent</u>		
a) Cash at Bank	2,351,810	26,808,180
b) Cash in hand	269,327	138,796
	<u>2,621,137</u>	<u>26,946,977</u>
Note - 19		
<u>Short Term Loans & Advances</u>		
(a) Loans and advances to employees		
Unsecured, considered good	63,200	-
(b) Prepaid expenses - Unsecured, considered good		
(For e.g. Insurance premium, Annual maintenance contracts, etc.)	76,007	88,945
(c) Balances with government authorities		
Unsecured, considered good		
(i) VAT credit receivable	949,840	1,270,939
(ii) TDS on Interest Received	-	-
(iii) TDS on Rent Received	5,972,617	-
(iv) TDS on Commission Received	-	-
(v) Advance Tax paid	-	-
(vi) Advance Income Tax (Net of Provision of Taxation)	1,348,317	-
(d) Inter-corporate deposits	10,000,000	-
(e) Loans granted to Related Party		
Inter-corporate deposits		
(Refer Note No. 27 (7) of Other Note)	5,244,554	35,079,890
Total	<u>23,654,535</u>	<u>36,439,774</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS

	For the Year Ended 31st March, 2012 ₹	For the Year Ended 31st March, 2011 ₹
Note - 20		
Revenue from Operations		
Sales	1,078,089,847	202,955,902
Total Sales	1,078,089,847	202,955,902
Other Operating Revenue		
Income from Operation & Maintenance of Software Development Park	59,522,587	56,664,033
Rent Received	8,327,299	7,873,123
Recovery of NPA		
(Loss) / Profit on Mutual Fund	164,474	-
Profit on Share Trading	(4,944,582)	10,267,619
Profit on sale/Trdg. of Shares - F & O	708,128	2,074,136
Speculation Profit / (Loss) on Share Trading	512,899	(41,103)
Profit / (Loss) from Currency Trading	(1,950,550)	420,238
Profit / (Loss) from Trading of Commodity	(71,403,308)	(20,477,687)
Profit / (Loss) on Sale of Investments	(22,500,000)	-
Total Operating Revenue	(31,563,052)	56,780,358
Note - 21		
Other Income		
Dividend Received	3,760,033	732,667
Miscellaneous Income	2,285	53,251
Deputation Charges Received	150,100	386,400
Provision W/Back	-	117,267
Sundry Creditors W/bank	31,071	-
Interest Income (TDS of ₹1,74,304/-)	2,172,740	1,344,011
Total Other Income	6,116,229	2,633,595
Note - 22		
Purchases of Stock - in Trade		
	793,112,618	244,593,611
	793,112,618	244,593,611
Note - 23		
Changes in Inventories of Finished Goods, Work - in - Progress and Stock - in -Trade		
Opening Stock	185,383,243	101,682,516
Less: Closing Stock	20,776,585	185,383,243
	164,606,658	(83,700,727)
Note - 24		
EMPLOYEE BENEFITS EXPENSE		
Salaries,Bonus and allowances	3,897,740	2,576,914
Contribution to Provident Fund	430,965	116,904
Staff Wefare Expenditure	223,470	8,348
Directors Salary / HRA	675,000	750,000
Medical Exp. / Medclaim Policy Premium - Directors	104,396	16,700
	5,331,571	3,468,866
Note - 25		
Finance Charges		
Interest Paid to others	12,424,235	15,670,793
	12,424,235	15,670,793

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NOTES FORMING PART OF FINANCIAL STATEMENTS

	For the Year Ended 31st March, 2012 ₹	For the Year Ended 31st March, 2011 ₹
Note - 26		
<u>OTHER EXPENSES</u>		
<u>Selling & Distribution Expenses</u>		
Godown / Warehousing charges	2,660,636	2,079,094
Stock Insurance Premium	15,214	48,337
Brokerage & Commission on Purchase	76,450	313,221
Brokerage & Commission on Sales	-	83,926
Guargum Kharajat	246,517	166,716
Chana Kharajat	22,394	42,764
Black Paper Kharajat	-	11,379
Guarseeds Kharajat	70,050	24,640
Guargum Quality Claimed	(364,140)	-
Jeera Quality Claimed	(440,078)	-
Castor kharajat	204,112	47,645
Office Rent - Jodhpur	18,000	78,000
Office Rent - Chandoshi	25,000	
Miscellaneous Exp. - Chandoshi	15,000	
A/c Written off (Kasar) - Jamnagar	419	-
Cash Discount on Purchase	(278,108)	-
Analysis Charges	363,210	160,411
Brokerage on Currency Trading	71,355	52,459
Comm./Service Tax / Cess/ Vol.Chgs. - Commodity Trdg.	2,546,318	546,561
Comm./Service Tax / Cess/ Vol.Chgs. - Jamnagar	-	10,272
Comm./Service Tax / Cess/ Vol.Chgs. - Jodhpur	-	157,690
	5,252,349	3,823,115
<u>Share Trading Expenses</u>		
Demat Charges	110,795	108,927
Service Tax / St.Duty/ T.O.Chgs./ Rounding Off	171,622	82,752
Service Tax / St.Duty/ T.O.Chgs. - F & O	27,131	15,535
Security Trans.Tax	508,175	-
Security Trans.Tax - F & O	23,658	404,347
	841,381	611,561
Travelling, conveyance and Petrol Expenses	2,058,463	483,312
Postage, telephone-fax & Office Exp.	632,673	419,923
Legal and professional fees	2,644,109	1,505,786
<u>Repairs and Maintenance - Others</u>		
Repairs & maintenance- Vehicles	712,683	179,001
Electricity Charges	(122,372)	26,903
Diesel Charges	28,206	(7,523)
Water Charges	189,179	67,452
Repairs & maintenance- Office / Equip	1,589,345	1,683,128
	2,397,041	1,948,961

NOTES FORMING PART OF FINANCIAL STATEMENTS

	For the Year Ended 31st March, 2012 ₹	For the Year Ended 31st March, 2011 ₹
Housekeeping Expenditure	1,351,706	968,183
Property Tax	2,525,300	2,445,022
Advertising Expenses	61,246	62,273
Electricity Expenses	447,065	212,604
Audit fees	179,444	187,304
Loan Processing / Prepayment Charges	425,758	372,900
Business Promotion	346,490	461,457
<u>Other Expenses</u>		
Courier Expenses	21,324	9,802
Annual Listing Fees	27,575	16,545
Annual Custodial Fees	33,090	33,090
Bank Charges	8,697	18,314
Filing Fees	7,260	8,480
Insurance	80,001	54,293
Directors Sitting Fees	190,000	95,000
A/c Written Off	-	1,544
Printing & Stationery	150,364	81,703
Miscellaneous expenses	775	62,550
Stamp Duty / Registration Charges / Agreement Charges	436,983	600,440
Franking / Notary Charges	820	
N.A.Tax	-	57,512
Books & Periodicals	25,235	15,356
Amalation Expenses	20,000	-
Preliminary Exp.W/Off	-	18,969
Internet Charges	16,875	-
Establishment Fees	-	164,680
Insurance - Jamnagar	748	-
Insurance - Bangalore Property	91,491	59,409
Membership and Subscription	17,918	21,004
Inspection Charges	28,800	2,400
Vehicle Insurance	51,137	4,817
<u>Rates and Taxes</u>		
- Company profession Tax	8,400	4,000
- Company profession Tax - Jamnagar	2,400	-
Club Facility Expenditure	55,945	33,574
Donation	185,000	86,000
	1,460,838	1,449,482
	20,623,863	14,951,883

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Note - 27 OTHER NOTES

(1) (a) Administrative Expenses include amounts paid/payable to the Auditors:

<u>Particulars</u>	<u>2011- 2012</u>	<u>2010- 2011</u>
	₹	₹
Audit Fees	1,57,384	1,65,244
Tax Audit Fees	22,060	22,060
Total	<u>1,79,444</u>	<u>1,87,304</u>

(b) - i Remuneration paid to Executive Directors : -

	<u>2011- 2012</u>	<u>2010- 2011</u>
	₹	₹
Director's Remuneration	6,00,000	6,00,000
Total	<u>6,00,000</u>	<u>6,00,000</u>

ii Remuneration paid to Non - Executive Directors : -

	<u>2011- 2012</u>	<u>2010- 2011</u>
	₹	₹
Director's Sitting Fees	1,90,000	95,000

iii Computation of Net Profit and Director's Remuneration :-

	<u>2011- 2012</u>	<u>2010- 2011</u>
	₹	₹
Profit as per Profit & Loss Account	3,01,51,520	3,39,26,765
Add: Director's Remuneration	6,00,000	6,00,000
Net Profit u/s 198	<u>3,07,51,520</u>	<u>3,45,26,765</u>
5% of the above	15,37,576	17,26,338

(2) (a) Expenditure in Foreign Currency :

	<u>2011- 2012</u>	<u>2010- 2011</u>
	₹	₹
Traveling Expenses	4,91,670	91,300

(b) Earnings in Foreign Exchange:

Nil Nil

(3) Earnings per share as required by the Accounting Standard 20 :

	<u>2011-2012</u>	<u>2010-2011</u>
(a) Weighted Average number of Equity Shares of Rs. 10 each outstanding during the year	64,42,455	60,71,020
(b) Net Profit after tax available for Equity Shareholders (₹)	₹ 2,41,06,505	₹ 2,61,90,023
(c) Earnings (in Rupees) per share		
Basic	3.74	4.31
Diluted	3.74	4.31

(4) Goldcrest Realty Trust is a private trust having Corpus amount of ₹10,000/-. The Company has invested the said corpus amount and is holding 98% beneficiary interest. The other beneficiary is Mrs. Nita T. Tanna holding the balance 2% interest. By virtue of holding majority beneficiary interest in the said trust all the Assets, Liabilities, Income and Expenditures are incorporated in the Companies Books of Account. The interest of the other beneficiary in the said trust is shown separately as, amount recoverable from other beneficiary.

(5) Breakup of Deferred Tax Liability

Nature of Timing Difference:	<u>2011-2012</u>	<u>2010-2011</u>
	₹	₹
Opening deferred tax liability	63,33,989	53,97,247
Add : On account of depreciation	10,45,015	9,36,742
Closing deferred tax liability	<u>73,79,004</u>	<u>63,33,989</u>

(6) Segment Information as required by Accounting Standard 17

Segment Report for the year ended 31st March, 2012

Segment Report as per Business Activities

Particulars	<u>Amount (₹)</u>			
	Operations & Maintenance of Software			Others
	Commodity Operations	Share Operations	Development Park	
SEGMENT REVENUE				
- Sales	1,078,089,847	-	-	-
- Profit/(Loss) from Hedge / Trading	(71,403,308)	-	-	-
- Profit/(Loss) from Currency Trading	-	-	-	(1,950,550)
- Share Trading Income	-	(26,059,080)	-	-
- Rent Income	-	-	59,522,587	8,327,299
- Interest Income	429,697	-	-	1,743,043
- Miscellaneous Income	-	-	-	2,285
- Deputation Charges Received	-	150,100	-	-
- Sundry Creditors W/Back	-	-	-	31,071
- Dividend Received	-	3,760,033	-	-
Net Sales / Income from Operations	<u>1,007,116,236</u>	<u>(22,148,948)</u>	<u>59,522,587</u>	<u>8,153,148</u>
SEGMENT RESULTS				
- Sales	1,078,089,847	-	-	-
- Profit/(Loss) from Hedge / Trading	(71,403,308)	-	-	-
- Profit/(Loss) from Currency Trading	-	-	-	(1,950,550)

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- Share Trading Income	-	(26,059,080)	-	-
- Rent Income	-	-	59,522,587	8,327,299
- Interest Income	429,697	-	-	1,743,043
- Miscellaneous Income	-	-	-	2,285
- Deputation Charges Received	-	150,100	-	-
- Sundry Creditors W/Back	-	-	-	31,071
- Dividend Received	-	3,760,033	-	-
Total Income	1,007,116,236	(22,148,948)	59,522,587	8,153,148
Less : Expenditure				
Purchases	793,112,618	-	-	-
Employee Cost	2,254,890	-	-	3,076,681
(Increase) / Decrease in Stock	164,606,658	-	-	-
Depreciation	273,791	237,765	22,967,619	1,182,785
Diminishing value of Stock	-	1,730,598	-	-
Administrative Expenses	7,116,631	841,381	6,442,255	6,223,596
	<u>39,751,648</u>	<u>(24,958,692)</u>	<u>30,112,713</u>	<u>(2,329,914)</u>
Less: i. Interest	8,341,347	-	4,082,888	-
Profit Before Tax	31,410,300	(24,958,692)	26,029,825	(2,329,914)
CAPITAL EMPLOYED				
- Segment Assets	145,242,466	35,445,545	216,052,204	160,133,422
Less :				
- Segment Liabilities	112,005	42,176	16,678,583	69,040,004
Capital Employed	145,130,461	35,403,369	199,373,621	91,093,419

(7) Related party Disclosures as required by Accounting Standard - 18:

Related Party disclosures have been set out in a separate statement annexed to Financial Statements. The related parties, as defined by Accounting Standard 18 "Related Party Disclosure" issued and as prescribed by the Companies (Accounting Standard) Rules 2006 in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key management persons and taken on record by the Board.

a) List of Related Parties:

Parties where control exists:

Other Related parties with whom transactions have taken place during the year:

Associate Companies :

Mist Investment & Trading Pvt. Ltd.

Perique Finance & Leasing Pvt. Ltd.

Marmalade Construction Pvt. Ltd.

Goldcrest Realty Trust

Goldcrest Capital Markets Limited

Key Management Personnel :

Mr. Tulsidas J. Tanna

Mr. Tushar T. Tanna

Relatives of Key Management :

Prime Hygiene Care Pvt. Ltd.

Amount (₹.)

b) Transactions during the year with related parties

Nature of Transactions	Associate Companies	Key Management Personnel	Relatives of Key Management Personnel
Advances Recoverable in cash or Kind			
Balance Recoverable as at 1st April, 2011	11,50,70,000	—	50,79,890
Advance During the Year	52,45,93,488	—	45,01,313
Recovered During the Year	51,96,68,488	—	43,36,649
Balance Recoverable as at 31st March, 2012	11,50,70,000	—	52,44,554
Advances Payable in cash or Kind			
Balance Payable as at 1 st April, 2011	1,65,25,000	—	—
Advance Received during the Year	87,78,40,000	—	—
Advance Paid During the Year	85,18,40,000	—	—
Balance payable as at 31 st March, 2012	4,25,25,000	—	—
Expenditure			
- Share Trading Expenditure	4,50,786	—	—
- Medical Expenses	—	2,07,796	—
- Mediclaim Expenses	—	62,386	—
- Sitting Fees	—	1,90,000	—
- Remuneration	—	6,00,000	—

(8) The present liability for the future payment of gratuity to employees has not been ascertained by the Company and not provided for.

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- (9) As per Schedule 6 of the Company's Act Part 4C and 4D of (Manufacturing Company) is not applicable.
- (10) There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2012. 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.
- (11) The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-Revised Schedule VI to the Companies Act, 1956. Consequent to the notification of the Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per the Revised Schedule VI. Accordingly, the previous year's figures have also been reclassified/regrouped to conform to this year's classification. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

For Ramesh M. Sheth & Associates

FRN : 111883W

Chartered Accountants

Mr. M. R. Sheth

(Partner)

M.No. 101598

Mumbai

13th August, 2012

For and on behalf of the Board

Mr. Tulsidas J. Tanna - Chairman

Mr. Tushar T. Tanna - Managing Director

Mr. Kishore M. Vussonji - Director

Mr. Shirish B. Kamdar - Director

GOLDCREST FINANCE (INDIA) LIMITED

Registered Office : 3rd Floor, Devidas Mansion, Mereweather Road, Colaba, Mumbai - 400 039.

PROXY FORM

Members Folio No. / Client ID No. _____

No. of Shares held _____

I / We the undersigned _____ of _____ being a member of

GOLDCREST FINANCE (INDIA) LIMITED hereby appoint _____

_____ of _____

_____ or failing him _____

_____ of _____

_____ as my / our proxy to attend and vote for me / us , on my / our behalf at the 29th Annual General Meeting of the Company to be held at Regd. Office at Devidas Mansion, 3rd Floor, Mereweather Road, Colaba, Mumbai - 400 039 on Friday, the 21st September, 2012 at 10:00 AM and at any adjournment thereof.

Signed this _____ day of _____ 2012.

Affix 1 ₹
Revenue
Stamp

Signature _____

- Note : 1) The Proxy Form must reach at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
2) A proxy need not be a member.

GOLDCREST FINANCE (INDIA) LIMITED

Registered Office : 3rd Floor, Devidas Mansion, Mereweather Road, Colaba, Mumbai - 400 039.

ATTENDANCE SLIP

Twenty-Ninth Annual General Meeting - 21st September, 2012

L/F NO. / Client ID No. _____

Mr. / Mrs. / Miss _____
(Member's Name in Block Letters)

I certify that I am a registered Member / Proxy for the registered member of the Company. I hereby record my presence at the 29th Annual General Meeting of the Company to be held at 10.00 A.M. at Devidas Mansion, 3rd Floor, Mereweather Road, Colaba, Mumbai - 400 039 on Friday, the 21st September, 2012.

_____ If signed by proxy , his/her name should be written here in Block Letters.

_____ Member's / Proxy's Signature

- Note : 1) Member's / Proxy holders are requested to bring the Attendance Slip with them when they come to the Meeting and hand it over at the gate after affixing their signature on it.
2) Members who come to attend the meeting are requested to bring their copies of the Annual Report with them.