

KRISHNA-DEEP TRADE AND INVESTMENT LTD

29th

ANNUAL REPORT

2010 – 2011

KRISHNA-DEEP TRADE AND INVESTMENT LTD

BOARD OF DIRECTORS

Mr. Prakash M. Shah	:	Whole Time Director (<i>Appointed w.e.f 7th December, 2010</i>)
Mr. Baiju M. Shah	:	Whole Time Director (<i>Appointed w.e.f 7th December, 2010</i>)
Mr. Vinayak B. Desai	:	Independent and Non-Executive Director
Mr. Manharbhai Jhavari	:	Independent and Non-Executive Director (<i>Appointed w.e.f 12th August, 2011</i>)
Mr. Peter Thomas	:	Executive Director (<i>Resigned w.e.f. 7th December, 2010</i>)
Mr. Mahesh Naidu	:	Executive Director (<i>Resigned w.e.f. 7th December, 2010</i>)
Mr. Rasik Chaturvedi	:	Independent and Non-Executive Director (<i>Resigned w.e.f. 7th December, 2010</i>)
Mr. Dilip Pimparkar	:	Independent and Non-Executive Director (<i>Resigned w.e.f. 7th December, 2010</i>)
Mr. K. Gopalkrishnan	:	Independent and Non-Executive Director (<i>Resigned w.e.f. 12th August, 2011</i>)

BANKERS:

Central Bank of India and HDFC Bank

AUDITORS:

M/s. Koshal & Associates, Thane

REGISTERED OFFICE:

Gala 107, Building no. 9
Jogani Industrial Complex, Chunabhatti
Mumbai - 400022
Maharashtra

SHARE TRANSFER AGENT:

System Support Services

209, Shivali Industrial Estate, 89,
Andheri Kurla Road, Saki Naka,
Andheri (East), Mumbai 400072

LISTING OF EQUITY SHARES:

The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001.

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 29TH ANNUAL GENERAL MEETING OF THE MEMBERS OF KRISHNA-DEEP TRADE AND INVESTMENT LTD WILL BE HELD ON THURSDAY, THE 29TH DAY OF SEPTEMBER, 2011 AT 10.30 A.M. AT REGISTERED OFFICE OF THE COMPANY SITUATED AT 107, BLDG NO. 9, JOGANI INDUSTRIAL COMPLEX, CHUNABHATTI, MUMBAI - 400 022 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts for the year ended 31st March 2011 along with notes and schedules thereon as on that date and the reports of Directors' and Auditors' thereon.
2. To appoint M/s Ladha Singhal & Associates, Chartered Accountants, in place of retiring auditor M/s. Koshal & Associates, as statutory auditor of the Company and to hold office from the conclusion of this Annual General Meeting, until the conclusion next Annual General Meeting and to authorise Board of Directors to fix their remuneration.
3. To appoint Director in place of Mr. Vinayak B. Desai, who retires by rotation & being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

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

APPOINTMENT OF MR. PRAKASH SHAH AS DIRECTOR OF THE COMPANY

"RESOLVED THAT Mr. Prakash Shah who was appointed as an Additional Director, pursuant to Section 260 of the Companies Act, 1956, w.e.f. from December 7, 2010 and who holds office upto the date of 29th Annual General Meeting, but who is eligible for appointment and in respect of whom the Company has received notice in writing from himself under section 257 of the Companies Act 1956, proposing his candidature for the post of Director be and is hereby appointed as Director of the Company."

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

APPOINTMENT OF MR. BAIJU SHAH AS DIRECTOR OF THE COMPANY

"RESOLVED THAT Mr. Baiju Shah who was appointed as an Additional Director, pursuant to Section 260 of the Companies Act, 1956, w.e.f. from December 7, 2010 and who holds office upto the date of 29th Annual General Meeting, but who is eligible for appointment and in respect of whom the Company has received notice in writing from himself under section 257 of the Companies Act 1956, proposing his candidature for the post of Director be and is hereby appointed as Director of the Company."

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

APPOINTMENT OF MR. PRAKASH SHAH AS WHOLE TIME DIRECTOR OF THE COMPANY

“RESOLVED THAT pursuant to the provision(s) of the Articles of Association of the Company and section 260, 269 and any other applicable provisions of the Companies Act, 1956 (“the Act”), approval of members, be and is hereby accorded to the appointment of Mr. Prakash M. Shah, as Whole Time Director of the Company, for the period of five years w.e.f. December 7, 2010.”

“RESOLVED FURTHER THAT pursuant to the provision(s) of the Articles of Association of the Company and section 255, 256 and any other applicable provisions of the Companies Act, 1956 (“the Act”), office of Mr. Prakash Shah, be liable to retirement by rotation.”

“RESOLVED FURTHER THAT Mr. Prakash Shah, in his capacity as Whole Time Director, at present be paid no remuneration, however, in future during the tenure of Mr. Prakash Shah, Whole Time Director, the Company may pay such remuneration, subject to necessary approvals, if required, and provisions of Companies Act, 1956 read with Schedule XIII of the Act.”

“RESOLVED FURTHER THAT Mr. Prakash M. Shah, be and is hereby authorised on behalf of the Company to sign, certify and/or file applications, forms, returns, undertakings, documents and other papers as may be required with Bombay Stock Exchange, Securities and Exchange Board of India, Registrar of Companies, Income Tax Department, Reserve Bank of India and all other regulatory authorities.”

“RESOLVED FURTHER THAT any one of the Director(s) of the Company be and is hereby authorised to file, sign and do all such acts and deeds as may be necessary in connection with the said appointment.”

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

APPOINTMENT OF MR. BAIJU SHAH AS WHOLE TIME DIRECTOR OF THE COMPANY

“RESOLVED THAT pursuant to the provision(s) of the Articles of Association of the Company and section 260,269 and any other applicable provisions of the Companies Act, 1956 (“the Act”), approval of members, be and is hereby accorded to the appointment of Mr. Baiju M. Shah, as Whole Time Director of the Company for the period of five years w.e.f. December 7, 2010.”

“RESOLVED FURTHER THAT pursuant to the provision(s) of the Articles of Association of the Company and section 255, 256 and any other applicable provisions of the Companies Act, 1956 (“the Act”), office of Mr. Baiju M. Shah, be liable to retirement by rotation.”

“RESOLVED FURTHER THAT Mr. Baiju Shah, in his capacity as Whole Time Director, at present be paid no remuneration, however, in future during the tenure of Mr. Baiju Shah, Whole Time Director, the Company may pay such remuneration, subject to necessary approvals, if required, and provisions of Companies Act, 1956 read with Schedule XIII of the Act.”

“RESOLVED FURTHER THAT Mr. Baiju M. Shah, be and is hereby authorised on behalf of the Company to sign, certify and/or file applications, forms, returns, undertakings, documents and other papers as may be required with Bombay Stock Exchange, Securities and Exchange Board of India, Registrar of Companies, Income Tax Department, Reserve Bank of India and all other regulatory authorities.”

“RESOLVED FURTHER THAT any one of the Director(s) of the Company be and is hereby authorised to file, sign and do all such acts and deeds as may be necessary in connection with the said appointment.”

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

APPOINTMENT OF MR. MANHARBHAI N. JHAVARI AS DIRECTOR OF THE COMPANY

“RESOLVED THAT Mr. Manharbhai N. Jhavari who was appointed as an Additional Director, pursuant to Section 260 of the Companies Act, 1956, w.e.f. from August 12, 2011 and who holds office upto the date of 29th Annual General Meeting, but who is eligible for appointment and in respect of whom the Company has received notice in writing from members under section 257 of the Companies Act 1956, proposing his candidature for the post of Director be and is hereby appointed as Director of the Company.”

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

INCREASE IN AUTHORISED SHARE CAPITAL

“RESOLVED THAT pursuant to Articles of Association and section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 40,000,000/- (Rupees Four Crores only) divided into 4,000,000 (Forty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 77,500,000/- (Rupees Seven Crores Seventy Five Lakhs only) divided into 7,750,000 (Seventy Seven Lakhs Fifty Thousand only) Equity Shares of Rs. 10/- (Rupees Ten only) each.”

“RESOLVED FURTHER THAT any of the Director of the Company, be and is hereby severally authorised on behalf of the Company to certify, sign and to do statutory filling under his signature and to take necessary steps to implement the above resolution.”

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

ALTERATION IN MEMORANDUM OF ASSOCIATION

“RESOLVED THAT pursuant to the provisions of section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing **Clause V(a)** of the Memorandum of Association of the Company be and is hereby substituted by the following:

V(a). The Authorized Share Capital of the Company is **Rs. 77,500,000/- (Rupees Seven Crores Seventy Five Lakhs only)** divided into 7,750,000 (Seventy Seven Lakhs Fifty Thousand only) Equity Shares of Rs. 10/- (Rupees Ten only) each, with the rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being with power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being.”

11. To consider and if thought fit to pass, with or without modification(s), the following resolution as an Special Resolution:

ALTERATION IN ARTICLES OF ASSOCIATION

“RESOLVED THAT pursuant to the provisions of section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing **Clause 2(a)** of the Articles of Association of the Company be and is hereby substituted by the following:

2(a). The Authorised Share Capital of the Company is **Rs. 77,500,000/- (Rupees Seven Crores Seventy Five Lakhs only)** divided into 7,750,000 (Seventy Seven Lakhs Fifty Thousand only) Equity Shares of Rs. 10/- (Rupees Ten only) each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being.”

BY ORDER OF THE BOARD

DATE: AUGUST 12, 2011

PLACE: MUMBAI

**SD/-
PRAKASH SHAH
WHOLE TIME DIRECTOR**

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2. The proxies, in order to be effective must be duly stamped and signed and should be deposited at registered office company, not less than 48 hours before the time fixed for the commencement of the meeting.**
- 3. The Register of Members and Share Transfer Register will remain closed from Tuesday, the 27th September, 2011 to Thursday, the 29th September, 2011 (both days inclusive).**
- 4. Members/Proxies are requested to produce the attendance slip duly signed for attending the meeting and also requested to bring copies of Annual Report.**
- 5. Corporate members are required to send to the Company a duly certified copy of the Board Resolution, pursuant to section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the AGM.**
- 6. Members holding shares in physical form are requested to intimate to the Company's Registrar and Share Transfer Agents, System Support Services, 209, Shivali Industrial Estate, 89, Andheri Kurla Road, Saki Naka, Andheri (East), Mumbai 400072 the following:**
 - a) Change in their address, if any, along with the pincode
 - b) Request for consolidation of shareholdings in one account if share certificates are held in multiple accounts or joint accounts in identical order of names.
- 7. Members holding shares in dematerialized mode are requested to intimate changes if any in their addresses along with pin code to their Depository Participants.**
- 8. The explanatory statements, in respect of Item No. 4, 5, 6, 7, 8, 9, 10 and 11 of the notice, pursuant to section 173(2) of the Act are annexed hereto.**
- 9. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to members. To support this commendable initiative of MCA, company intend to implement the said initiative in full-fledged manner from subsequent general meetings and therefore seek members' support by requesting them to register their email address in respect of electronic holdings with their Depository through their concerned Depository Participants as early as possible. Members who hold shares in physical mode are requested to register their email address with Company's Registrar and Transfer Agents System Support Services, email id: syss72@yahoo.com.**
- 10. As required under Clause 49 of the Listing Agreement particulars of Directors seeking re-appointment/appointment are as follows:**

Appointment/Re-appointment of Directors:

As required under listing agreement, the particulars of directors who are proposed to be appointed/re-appointed given below:

A. Details of Mr. Vinayak Desai

Name of the Director	Mr. Vinayak B. Desai
Date of Birth and Age	02/04/1941 and 70 years
Qualification	B.S.C (Tech)
Expertise in specific functional areas	Expertise in Manufacture and quality control of pharmaceutical formulation and Bulk drugs.
Other Directorships and memberships of the Committees	Nil
No of shares held	Nil

B. Details of Mr. Prakash M. Shah

Name of the Director	Mr. Prakash M. Shah
Date of Birth and Age	24/04/1944 and 67 years
Qualification	Under Graduate
Expertise in specific functional areas	25 years of experience in Pharmaceuticals business
Other Directorships	Naxpar Lab Private Limited Parnax Lab Private Limited Naxpar Pharma Private Limited
Memberships of the Committees in other companies	Nil
No of shares held	36,000 Equity Shares

C. Details of Mr. Baiju Shah

Name of the Director	Mr. Baiju Shah
Date of Birth and Age	25/07/1954 and 57 years
Qualification	B.Com
Expertise in specific functional areas	20 years of rich experience in pharmaceutical business
Other Directorships	Naxpar Lab Private Limited Naxpar Pharma Private Limited
Memberships of the Committees	Nil
No of shares held	26,850 Equity Shares

D. Details of Mr. Manharbhai N. Jhvari

Name of the Director	Mr. Manharbhai N. Jhvari
Date of Birth and Age	13/05/1943 and 68 years
Qualification	Under Graduate
Expertise in specific functional areas	Having experience in Industry and Pharmaceutical sector
Other Directorships	Nil
Memberships of the Committees	Nil
No of shares held	Nil

EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

ITEM NO.4:

As per section 260 and Regulation 72 of Table A of the Companies Act, 1956, additional director appointed by the Board of Directors, holds office only up to the date of Annual General Meeting to be held after his appointment, thereby making his office due for members consent at the said Annual General Meeting.

In view of the above, Mr. Prakash M. Shah who was appointed as Additional Director w.e.f. 7th December, 2010 by the Board of Directors of the Company pursuant to section 260 and Regulation 72 of Table A of the Companies Act, 1956 and who holds office upto the date of 29th Annual General Meeting, be appointed as director of the Company. Further, the Company has received a notice from him, under section 257 of the Companies Act, 1956 along with the deposit of Rs. 500/- proposing his candidature as Director of the Company.

Therefore Board recommends the said resolution for approval of members.

Except Mr. Baiju M. Shah and Mr. Prakash Shah, none of the Directors of the Company are concerned or interested in the said resolution.

ITEM NO.5:

As per section 260 and Regulation 72 of Table A of the Companies Act, 1956, additional director appointed by the Board of Directors, holds office up to the date of Annual General Meeting to be held after his appointment, thereby making his office due for members consent at the said Annual General Meeting.

In view of the above, Mr. Baiju M. Shah who was appointed as Additional Director w.e.f. 7th December, 2010 by the Board of Directors of the Company pursuant to section 260 and Regulation 72 of Table A of the Companies Act, 1956 and who holds office upto the date of 29th Annual General Meeting, be appointed as director of the Company. Further, the Company has received a notice from him, under section 257 of the Companies Act, 1956 along with the deposit of Rs. 500/-from himself proposing his candidature as Director of the Company.

Therefore Board recommends the said resolution for approval of members.

Except Mr. Prakash M. Shah and Mr. Baiju M. Shah, none of the Directors of the Company are concerned or interested in the said resolution.

ITEM NO.6:

As per section 269 of the Companies Act, 1956, Board of Directors appointed Mr. Prakash Shah as Whole Time Director, w.e.f. December 7, 2010, considering his experience and knowledge of more than 25 years in the industry and the board members then agreed that it was justifiable, as company will get immense benefit from his services. Further, the said appointment is subject to members' approval and therefore board recommends the said resolution for approval of members.

Except Mr. Prakash M. Shah and Mr. Baiju M. Shah, none of the Directors of the Company are concerned or interested in the said resolution.

ITEM NO.7:

As per section 269 of the Companies Act, 1956, Board of Directors appointed Mr. Baiju Shah as Whole Time Director w.e.f. December 7, 2010, Mr. Shah is a qualified commerce graduate and having rich experience of more than 20 years in the industry and the board members then agreed that it was justifiable, as company will get immense benefit from his services. Further, the said appointment is subject to members' approval and therefore board recommends the said resolution for approval of members.

Except Mr. Prakash M. Shah and Mr. Baiju M. Shah, none of the Directors of the Company are concerned or interested in the said resolution.

ITEM NO.8:

As per section 260 and Regulation 72 of Table A of the Companies Act, 1956, additional director appointed by the Board of Directors, holds office up to the date of Annual General Meeting to be held after his appointment, thereby making his office due for members consent at the said Annual General Meeting.

In view of the above, Mr. Manharbhai N. Jhavari who was appointed as Additional Director w.e.f. August 12, 2011 by the Board of Directors of the Company pursuant to section 260 and Regulation 72 of Table A of the Companies Act, 1956 and who holds office upto the date of 29th Annual General Meeting, be appointed as director of the Company. Further, the Company has received a notice from member, under section 257 of the Companies Act, 1956 along with the deposit of Rs. 500/- proposing his candidature as Director of the Company.

Except Mr. Manharbhai N. Jhavari, none of the Directors of the Company are concerned or interested in the said resolution.

ITEM NO.9:

Pursuant to completion of merger of Naxpar Lab Pvt Ltd and Parnax Lab Pvt Ltd (Transferor) with the Company, shareholders of the transferor companies have to be discharged by allotting shares in the Company. Therefore, company proposes to increase the authorised share capital of the Company from Rs. 40,000,000/- (Rupees Four Crores only) divided into 4,000,000 (Forty Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 77,500,000/- (Rupees Seven Crores Seventy Five Lakhs only) divided into 7,750,000 (Seventy Seven Lakhs Fifty Thousand only) Equity Shares of Rs. 10/- (Rupees Ten only) each and thereby creating sufficient provision to accommodate proposed allotment of equity shares in future.

None of the Directors of the Company are concerned or interested in the said resolution.

ITEM NO.10 and 11:

Considering the increase in authorised share capital it is necessary to alter the capital clause in the Memorandum of Association and Articles of Association to the effect of increased authorised share capital.

In view of the same, Board of Directors hereby request to pass suitable resolution to that effect.

None of the Directors of the Company are concerned or interested in the said resolution.

**PLACE: MUMBAI
DATE: AUGUST 12, 2011**

**BY ORDER OF THE BOARD
SD/-
PRAKASH SHAH
WHOLE TIME DIRECTOR**

DIRECTORS' REPORT

To,
THE MEMBERS,
KRISHNA-DEEP TRADE AND INVESTMENT LTD

Your Directors have great pleasure in presenting 29th ANNUAL REPORT along with the Audited Balance Sheet and Profit and Loss Account, for the year ended 31st March, 2011.

1. FINANCIAL RESULTS:

The financial Results are briefly indicated below:

PARTICULARS	(Rupees)	
	YEAR ENDED	
	31 st March 2011	31 st March 2010
Total Income	NIL	65,752
Total Expenditure	577,521	2,66,119
Profit/ (Loss) before Taxes	(577,521)	(2,00,367)
Less: Provision for Income Tax (net off short/ (excess) provision for earlier years)	NIL	NIL
Profit/ (Loss) After Taxes	(577,521)	(2,00,367)
Previous Year Balance Brought Forward	(1,895,117)	(16,94,749)
Balance carried to Balance Sheet	(2,472,637)	(18,95,117)

2. DIVIDEND:

In view of the carried forward losses, your directors do not recommend any dividend.

3. FIXED DEPOSITS:

The Company has not accepted public deposits within the meaning of section 58A of the Companies Act, 1956 and rules framed there under.

4. SUBSIDIARIES:

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 do not apply to the Company.

5. COMPOSITION OF BOARD OF DIRECTORS:

1. Pursuant to section 260 of the Companies Act, 1956, Mr. Prakash M. Shah and Mr. Baiju M. Shah were appointed as Additional Executive Director with effect from December 7, 2010 and Mr. Manharbhai N. Jhavari appointed as Additional Non-Executive Director with effect from August 12, 2011. In terms of Section 260 of the Companies Act, 1956, their term expires at the ensuing Annual General Meeting. Their candidature for the appointment as Director of the Company is proposed to be placed for approval of the shareholders at the ensuing Annual General Meeting.
2. Mr. Peter Thomas, Mr. Rasik Chautrvedi, Mr. Dilip Pimparkar and Mr. Mahesh Naidu resigned as Director of the Company with effect from December 7, 2010 and Mr. K. Gopalkrishnan resigned as Director of the Company with effect from August 12, 2011; Board thanked all Directors for providing valuable service during their tenure.
3. Mr. Vinayak B. Desai, Director of the Company, retires by rotation and being eligible has offered himself for re-appointment. The Members are requested to re-appoint him in the ensuing Annual General Meeting.

6. DIRECTOR'S RESPONSIBILITY STATEMENT:

As required under section 217 (2AA) of the Companies Act, 1956 the Board of Directors hereby confirms:

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that 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 and of the Profit of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

7. COMPLIANCE CERTIFICATE:

Compliance Certificate as required under section 383A of the Companies Act, 1956 prepared and issued by M/s. HS Associates, Company Secretaries, is annexed to this report as **Annexure - I**.

8. AMALGAMATION OF NAXPAR LAB PVT LTD AND PARNAX LAB PVT LTD WITH THE COMPANY:

Pursuant to clause 24(f) of the listing agreement, company has received in-principle approval from Bombay Stock Exchange with respect to scheme of amalgamation of Naxpar Lab Pvt Ltd and Parnax Lab Pvt Ltd with the Company vide letter dated May 12, 2011 and subsequently the scheme was filed with Hon'ble Bombay High Court for further action and as per direction no. 446 of 2011 issued by Hon'ble Bombay High Court dated 15th July, 2011, meeting of shareholders is to be held on August 22, 2011 for their approval. Further, members are requested to note that said merger is in process, owing to which necessary entries pertaining to merger has not been considered in preparation of Annual Accounts for the year ended March 31, 2011.

9. CORPORATE GOVERNANCE CODE:

The Report on Corporate Governance and Management Discussion and Analysis are annexed to this report as **Annexure - II and III** respectively.

10. STOCK EXCHANGE REQUIREMENTS:

Being listed at The Bombay Stock Exchange Limited, Mumbai your company has paid listing fees till March, 2012.

11. CHANGE IN AUDITORS:

In terms of section 224 (2) (b), company has received notice from retiring auditor M/s. Koshal & Associates, stating his unwillingness to be reappointed as statutory auditor of the Company, owing to which members are requested to appoint M/s Ladha Singhal & Associates, Chartered Accountants, as statutory auditor, in place of M/s. Koshal & Associates and to hold office from the ensuing Annual General meeting till the conclusion of the next Annual General Meeting.

Further, M/s Ladha Singhal & Associates have signified their willingness to be appointed as statutory auditor and further confirmed that their appointment, if made, shall be within the limits specified under Section 224 (1B) of the Companies Act, 1956.

12. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION & FOREIGN EXCHANGE:

Since the Company does not carry out any manufacturing activities, particulars required to be disclosed with respect to the conservation of energy and technology absorption in terms of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars) Rules, 1988 are not applicable.

Further, as per the requirement of aforesaid rules, the Company hereby specifies that there were no foreign exchange transactions during the year.

13. COMMITTEES OF BOARD:

Board has constituted Committees pursuant to Clause 49 of Listing Agreement with Stock Exchange. The Audit Committee and the Shareholders Committee are constituted by the Board comprising of 3 members as per Clause 49 of Listing Agreement with Stock Exchange.

14. PARTICULARS OF EMPLOYEES:

In accordance with the provision of Section 217(2A) of the Companies Act, 1956, read with the Companies Particulars of Employees Rules, 1975, there were no employees during the whole or part of the year that were in receipt of remuneration in excess of limits as mentioned in the said section and hence no details are given as such.

15. EXPLANATION TO POINT NO. (VII) QUALIFICATION IN ANNEXURE TO AUDITORS' REPORT:

The Management assures the establishment of formal internal audit system from the financial year ended March 31, 2011.

16. EXPLANATION TO QUALIFICATION IN CORPORATE GOVERNANCE REPORT:

The Company has taken initiative for developing website.

17. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to place on record, gratitude for corporation and support received from their Banker, various departments and agencies of Central and State Government and dedication and commitment of the staff at all levels.

BY ORDER OF THE BOARD

DATE: AUGUST 12, 2011

PLACE: MUMBAI

**SD/-
PRAKASH SHAH
CHAIRMAN AND DIRECTOR**

COMPLIANCE CERTIFICATE

CIN No. of the Company: L67120MH1982PLC027925

Authorised capital: Rs.4,00,00,000/- (Four Crores)

Paid up capital: Rs. 3,20,00,000/- (Three Crores Twenty Lacs only)

To,
THE MEMBERS,
KRISHNA-DEEP TRADE AND INVESTMENT LIMITED

We have examined the registers, records, books and papers of **KRISHNA-DEEP TRADE AND INVESTMENT LIMITED**, ("the Company") as required to be maintained under the Companies Act, 1956, (the "Act") and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31ST MARCH, 2011** ("financial year"). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under and wherever the documents are filed late, the additional filing fees have been paid..
3. The Company being a Public Limited Company has the minimum prescribed paid up Capital.
4. The Board of Directors duly met (8) Eight times on 08/04/2010, 31/05/2010, 31/07/2010, 12/10/2010, 15/11/2010, 07/12/2010, 12/02/2011 and 21/02/2011 in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolution was passed during the year.
5. The Company had closed its Register of Members and Share Transfer Book from Monday, 27th September, 2010 to Wednesday, 29th September, 2010 (both days inclusive).
6. The Annual General Meeting for the financial year ended on 31st March, 2010 was held on 29th September, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. During the financial year one extra ordinary general meeting was held on November 17, 2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.

8. The Company has not advanced any loans to its Directors and/or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any transactions attracting the provisions of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the Financial Year.
13. The Company has:
 - (i) delivered all the certificates on transfer of Equity Shares made during the year in accordance with the provisions of the Act and on allotment Equity Shares made on preferential basis pursuant to section 81(1A) of the Companies Act, 1956.
 - (ii) not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 - (iii) not posted warrants to any members of the Company as no dividend was declared during the financial year.
 - (iv) not transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years, required to be transferred to the Investor Education and Protection Fund.
 - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors is duly constituted and during the year following were appointed as additional director:
 - (i) Mr. K. Gopalkrishnan and Mr. Vinayak Desai w.e.f. August 1, 2010 and
 - (ii) Mr. Prakash Shah, Mr. Baiju Shah w.e.f. December 7, 2010.

Further, Mr. Peter Thomas Shah, Mr. Rasik Chaturvedi, Mr. Mahesh Naidu and Mr. Dilip Pimparkar resigned as Director of the Company w.e.f. December 7, 2010.
15. During the year, Mr. Prakash M. Shah and Mr. Baiju M. Shah were appointed as Whole-Time Director w.e.f. December 7, 2010 and Mr. Mahesh Naidu was appointed as Whole Time Director w.e.f. August 1, 2010 in accordance with the provisions of section 269 of the Act. However, Mr. Mahesh Naidu resigned as Whole Time Director w.e.f. December 7, 2010.
16. The Company has not appointed any sole-selling agents.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/ or such authorities prescribed under the various provisions of the Act.

18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has allotted 28,00,000 (Twenty Eight Lacs) Equity Shares of Rs.10/- each at premium of Rs.2/- each on April 8, 2010 pursuant to section 81(1A) of the Companies Act, 1956.
20. The Company has not bought back any shares during the financial year.
21. The Company has no preference share capital or debentures and as such there was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not accepted any public deposits under section 58A of the Act.
24. The Company has not borrowed money by way of loan attracting provisions of section 293(1)(d) of the Act.
25. The Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate attracting the provisions of section 372A of the Act.
26. The Company has shifted its registered office within the local limits and has duly complied with necessary provisions of the Act..
27. The Company has altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny and has complied with the necessary provisions of the Act.
28. The Company has not altered the provisions of the memorandum with respect to the name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to authorized share capital of the company during the year under scrutiny.
30. The Company has not altered the provisions of articles of association during the year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the company for alleged offences under the Act.
32. The Company has not received any money as security from its employees during the year.
33. The provisions of section 418 of the Act are not applicable to the Company during the financial year.

SIGNATURE

**PLACE: MUMBAI
DATE: AUGUST 12, 2011**

**SD/-
HEMANT SHETYE
PARTNER
HS ASSOCIATES
C.P. No.: 1483**

ANNEXURE "A"

REGISTERS AND RECORDS MAINTAINED BY THE COMPANY

- a) Register of Transfers.
- b) Register of Share application and allotment.
- c) Register of charges under Section 143.
- d) Register of members under Section 150.
- e) Index of member under Section 151.
- f) Minutes Book under Section 193.
- g) Books of Account under Section 209.
- h) Register of Contracts under Section 301.
- i) Register of Directors, Managing Director, manager and secretary under Section 303.
- j) Register of Director's shareholdings under Section 307.

ANNEXURE "B"

FORMS AND RETURNS AS FILED BY THE COMPANY WITH THE REGISTRAR OF COMPANIES DURING THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2011.

Sr. No	Forms	Sections	Date of filing	Particulars
1	Form 66	Sec. 383A	28/12/2010	Filing of Compliance Certificate for the financial year ended March 31, 2010
2	Form 23AC & ACA	Sec. 220	28/12/2010	Filing of Balance sheet and Profit and loss Account for financial year ended March 31, 2010
3	Form 20B	Sec. 159	14/04/2011	Filing of Annual return for the year 2010 showing facts as on September 29, 2010.
4	Form 32	Sec 260	12/10/2010	Appointment of Mr. Vinayak B. Desai and Mr. K. Gopalkrishnan as Additional Director of the Company we.f. August 1, 2010
5	Form 32	Sec 260	11/12/2010	Appointment (Regularization) of Mr. Vinayak B. Desai and Mr. K. Gopalkrishnan and Mr. Mahesh Naidu as Director of the Company.
6	Form 32	Sec 260	07/12/2010	Appointment of Mr. Prakash Shah and Mr. Baiju Shah as Additional Director w.f. December 7, 2010 and Reigantion of Mr. Rasik Cahturvedi, Mr. Peter Thomas, Mr. Mahesh Naidu and Mr. Dilip Pimparakr w.e.f. December 7, 2010.
7	Form 18	Sec 146	21/09/2010	Shifting of Registered Office within local limits
8	Form 2	Sec 75	04/05/2010	Allotment of 28,00,000 Equity Shares
9	Form 25C	Sec 269	14/02/2011	Appointment of Mr. Prakash Shah and Mr. Baiju Shah as Whole time Director.
10	Form 25C	Sec 269	27/12/2010	Appointment of Mr. Mahesh Naidu as Whole time Director.
11	Form 61	Sec 192A	23/10/2010	Filing of Calendar Event under sec 192A read with (Passing of Resolution by Postal Ballot) Rules, 2001

12	Form 23	Sec 192	30/11/2010	Registration of following resolution: 1. Sec 17 and 18 - Alteration in object clause 2. Sec 149 (2A) - To commence new line of business 3. Sec 293(1)(d) – borrowing in excess of paid up capital and free reserves 4. Sec 293 (1)(a) – To create charge / mortgage of property of the Company 5. Regulation 12 of Takeover Code – Change in Management Control
13	Form 23	Sec 192	02/04/2010	Registration of following resolution: 1. Increase in Authorised Share Capital 2. Alteration in Articles of Association 3. Preferential issue of shares under section 81 (1A)
14	Form 5	Sec 94	02/04/2010	Increase of authorised share capital, resolution passed on March 22, 2010
15	Form 20(A)	Sec 149 (2A)	30/11/2010	Commencement of business in relation to the objects other than main objects as specified in the Memorandum of Association

PLACE: MUMBAI
DATE: AUGUST 12, 2011

SIGNATURE

SD/-
HEMANT SHETYE
PARTNER
HS ASSOCIATES
C.P. No.: 1483.

ANNEXURE - II

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy:

The Company always wishes to have a much better Code of Corporate Governance with transparency and exchange of information to the Board, Management Team and other Associates.

2. Board of Directors:

The Board of the Company comprises of four Directors out of which two are Executive Director and other two Directors are Independent Non-Executive Directors.

None of Directors of the Company is either member in more than ten committees and/or Chairman of more than five committees in other companies in which he is Director.

As on March 31, 2011 composition of directors and details of their Directorship are mentioned below:

Name of Director	Category	Other Directorship	Total No. of Membership/ Chairmanship of Committees in other companies		Inter-se relationship between Directors
			Member	Chairman	
Mr. Prakash Shah \$	Whole Time Director	1. Naxpar Lab Private Ltd 2. Parnax Lab Private Ltd 3. Naxpar Pharma Private Ltd	-----Nil-----	-----Nil-----	Brother of Mr. Baiju Shah
Mr. Baiju M. Shah \$	Whole Time Director	1. Naxpar Lab Private Ltd 2. Naxpar Pharma Private Ltd	-----Nil-----	-----Nil-----	Brother of Mr. Prakash Shah
Mr. Vinayak Desai	Non -Executive Independent	-----Nil-----	-----Nil-----	-----Nil-----	No relation with any Directors
Mr. K. Gopalkrishnan	Non -Executive Independent	1. Nityasha Healthcare Pvt Ltd	-----Nil-----	-----Nil-----	No relation with any Directors

\$ Appointed as Additional Executive Director w.e.f. 7th December, 2010.

3. Board Meeting:

During the year 2010-2011, there were in total eight (8) board meetings held on 8th April, 2010, 31st May, 2010, 31st July, 2010, 12th October, 2010, 15th November, 2010, 7th December, 2010, 12th February, 2011 and 21st February, 2011. The time gap between the two meetings was not more than four months. All the information required to be furnished to the Board was made available along with detailed Agenda.

The composition of the Directors and their attendance at the Board Meetings during the year ended 31st March, 2011 and at the last Annual General Meeting held on September 29, 2010 are as follows:

Name of Director	Category of Directors	No. of Board Meetings attended	Attendance at the last AGM held on September 29, 2010
Mr. Prakash M. Shah \$	Whole Time Director	2	No
Mr. Baiju M. Shah \$	Whole Time Director	2	No
Mr. Vinayak B. Desai	Non-Executive Director	5	Yes
Mr. K. Gopalkrishnan Nair	Non-Executive Director	5	Yes
Mr. Peter S. Thomas *	Executive Director	6	Yes
Mr. Rasik J. Chaturvedi *	Independent Director	6	Yes
Mr. Dilip A. Pimparkar *	Independent Director	6	Yes
Mr. Mahesh Naidu *	Independent Director	6	Yes

\$ Appointed as Additional Executive Director w.e.f. 7th December, 2010.

** Resigned as director w.e.f. 7th December, 2010*

4. Code of Conduct:

Declaration by CEO affirming compliance of code of conduct by all the Board Members and Senior Management Personnel is enclosed as **Annexure II (A)**.

Further, at present the Company is not having its own website, owing to which the code of conduct is not posted on the Website. However, company is in process of developing its own website at the earliest.

5. Audit Committee of the Board:

a. Audit Committee:

Pursuant to Clause 49 of the Listing Agreement, Audit Committee of is duly constituted comprising of 3 Directors, out of which two-third are Non-Executive Directors.

As on March 31, 2011 composition of members of Audit Committee and their details are mentioned below:

Sr. No	Name of the Members	Category of Directors	Designation	Brief Detail
1.	Mr. K. Gopalkrishnan	Independent Director	Chairman, Audit Committee	Mr. Gopalkrishnan possesses degree in B.S.C, B.M.S. and is well versed with financial aspects.

2.	Mr. Vinayak Desai	Independent Director	Member, Audit Committee	Mr. Desai possess degree in B.S.C (Tech) and is well versed with financial aspects.
3.	Mr. Baiju Shah	Whole Time Director	Member, Audit Committee	Mr. Shah is a Commerce Graduate and well versed with financial aspects.

Further, during the year there was change in composition of Audit committee, owing to resignation of some directors. Accordingly, the audit committee was reconstituted by virtue of Board Resolution passed at the meeting held on 7th December, 2010.

During the year 2010-2011, the Audit Committee met seven (7) times on 15th April 2010, 31st May, 2010, 30th July 2010, 15th November, 2010, 7th December, 2010, 12th February, 2011 and 21st February, 2011 as against the minimum requirement of four meetings and the gap between two meetings did not exceed four (4) months and at all committee meetings requisite quorum as required under the clause 49 (II) (B) was fulfilled.

The composition of the Directors and their attendance at the Audit Committee Meetings during the year ended March 31, 2011 are as follows:

Sr. No	Name of the Members	Category of Directors	No. of Audit Committee meeting attended
1.	Mr. K. Goaplkrishnan	Independent Director	3
2.	Mr. Vinayak Desai	Independent Director	3
3.	Mr. Baiju Shah	Whole Time Director	3
4.	Mr. Rasik J. Chaturvedi #	Independent Director	4
5.	Mr. Dilip A. Pimparkar @	Independent Director	4
6.	Mr. Mahesh G. Naidu @	Executive Director	4

Mr. Chautrvedi resigned as Director of the Company w.e.f. 7th December, 2010 and by virtue of his resignation as director he ceases to be Chairman of Audit Committee w.e.f. 7th December, 2010. However, during his tenure as Chairman he was present at the Annual General Meeting of the Company held on September 29, 2010.

@Resigned as Director of the Company w.e.f. 7th December, 2010 and by virtue of his resignation as director he ceases to be Member of Audit Committee w.e.f. 7th December, 2010.

Broad terms of reference of the Audit Committee are as per following:

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Approval of Related Party Transactions.

2. Disclosures:

a) Basis of Related Party Transaction

During the year under review, there were no related party transactions of material nature in the ordinary course of business or apart from ordinary business with the Promoters, Directors or their relatives.

b) Disclosure of Accounting Treatment:

The Company in general follows Accounting Standards in preparation of financial statements.

c) Board Disclosures - Risk Management:

The Company has risk management policy in place for evaluating risk in advance and thereby minimizing and controlling risk. The risk management policy is updated on regular basis and placed before the board.

d) Proceeds from preferential issues etc:

The Company has raised Rs. 33,600,000 by way of preferential allotment of 2,800,000 Equity Shares of Rs. 10 each at premium of Rs. 2 each on April 8, 2010. The money raised was utilize for the purposes stated in the notice and disclosure to that effect was reviewed by the Audit Committee.

e) Remuneration of Directors:

There are no pecuniary transactions involving non-executive directors and no remuneration is paid to any of the directors. Further, no shares are held by non-executive directors in the Company.

f) Shareholders/Investors Grievance Committee (SGC):

SGC Committee comprise of three (3) Directors. The Chairman of SGC Committee is an Independent Director.

As on March 31, 2011 composition of members of SGC Committee and their details are mentioned below:

Sr. No	Name of the Members	Category of Directors	Designation
1.	Mr. K. Gopalkrishnan	Independent Director	Chairman, Audit Committee
2.	Mr. Vinayak Desai	Independent Director	Member, Audit Committee
3.	Mr. Baiju Shah	Whole Time Director	Member, Audit Committee

Term of Reference:

- 1) Review/Resolve Investors, queries and complaints.
- 2) Review of corporate actions, if any.
- 3) Review of documents submitted to Stock Exchanges.
- 4) Review the documents processed by Registrar and Transfer Agents.

During the year 2010-2011, the SGC Committee met 4 times on 15th April, 2010, 30th July, 2010, 7th December, 2010 and February 12, 2011. Further, during the year there was change in composition of SGC committee, owing to resignation of some directors. Accordingly, the SGC committee was reconstituted by virtue of Board Resolution passed at the meeting held on 7th December, 2010.

The composition of the Directors and their attendance at the Audit Committee Meetings during the year ended March 31, 2011 are as follows:

Sr. No	Name of the Members	Category	No. of Committee meeting attended
1.	Mr. K. Gopalkrishnan	Independent Director	2
2.	Mr. Vinayak Desai	Independent Director	2
3.	Mr. Baiju Shah	Independent Director	2
4.	Mr. Rasik J. Chaturvedi #	Independent Director	2
5.	Mr. Dilip A. Pimparkar @	Independent Director	2
6.	Mr. Mahesh G. Naidu @	Executive Director	2

Mr. Chautrvedi resigned as Director of the Company w.e.f. 7th December, 2010 and by virtue of his resignation as director he ceases to be Chairman of SGC Committee w.e.f. 7th December, 2010.

@Resigned as Director of the Company w.e.f. 7th December, 2010 and by virtue of his resignation as director he ceases to be Member of SGC Committee w.e.f. 7th December, 2010.

The detail of complaints received during the year 2010-2011 is mentioned below:

Sr. No.	Particulars	Received	Course of Action
1.	Non-receipt of share certificate relating to transfer of 50 shares	07.02.2011	The compliant was duly addressed on 23.02.2011 by Registrar & Transfer agent and necessary documents were sent to the Investor.

Pursuant to clause 47 (a), Mr. Prakash Shah, Director of the Company act as Compliance Officer and discharge necessary duties relating to monitoring of share transfer process, direct liaison with various authorities such as SEBI, Stock Exchanges, Registrar of Companies, etc.

As on March 31, 2011, there are no pending complaints, as also there are no complaints not resolved to the satisfaction of shareholders.

g) Miscellaneous:

There were no instances of non-compliance on any matter related to the capital market during the past three years and that no penalties or strictures were imposed on the Company by any Stock Exchange or SEBI.

The Board affirms that no person has been denied access to the audit committee during the year. The Company has complied with mandatory provisions of corporate governance except posting of code of conduct on website of the Company and is in the process of adopting the non-mandatory provisions of the corporate governance.

3. CEO/CFO Certification:

As required by Clause 49(V) of the Listing Agreement, the CEO/CFO Certificate for the financial year ended 31st March, 2011 signed by Mr. Prakash Shah, CEO and Mr. Baiju Shah, CFO was placed before the Board of Directors at their meeting held on 12th August, 2011.

4. General Body Meetings:

a) Annual General Meetings:

Financial Year	Date	Time	Venue	Special Resolution(s)
2008	September, 29, 2008	5.00 p.m.	Registered Office	NIL
2009	September 23, 2009	3.00 p.m.	Registered Office	NIL
2010	September 29, 2010	10.30 am	Registered Office	NIL

b) Details of Extra Ordinary General Meeting:

EGM Date	Time	Venue	Special Resolution(s)
March 22, 2010	11.00 a.m.	Registered Office	1. Alteration of Articles of Association 2. Preferential Allotment u/s 81(1A) of the Companies Act, 1956
November 17, 2010	3.00 p.m.	Registered Office	1. Alteration of Object Clause u/s 17 of the Companies Act, 1956. 2. Commencement of New Business u/s 149(2A) of the Companies Act, 1956. 3. Change of Management Control u/r 12 of SEBI Takeover Code, 1997

c) Details of Resolutions passed through Postal Ballot and voting details:

During the year 2010-2011, following resolutions were duly passed through postal ballot on November 17, 2010 and for the conduct of postal ballot, Mr. Hemant Shetye, Practicing Company Secretary, was appointed as scrutinizer in terms of section 192A read with (Passing of Resolution by Postal Ballot) Rules, 2001.

Resolution 1:

Amendment to sub clause C (other objects) of clause iii of Memorandum of Association of the Company - Introduction of clause no. 94 & 95			
Nature of Resolution: SPECIAL			
Result: Approved			
Particulars	Postal Ballot Forms received	No of Shares	% of total paid up capital
Total Postal Ballot Forms received (A)	63	1584770	49.52
<u>Less:</u> Invalid Postal Ballot Forms received (B)	06	(46950)	(1.46)
Net Valid postal Ballot Forms (as per register)	57	1537820	48.06
Postal Ballot Forms with assent for Resolution	55	1537420	48.04
Postal Ballot Forms with dissent	02	400	0.02

Resolution no. 2:

Approval for Commencement of New Business u/s 149 (2A) of the Companies Act, 1956			
Nature of Resolution: SPECIAL			
Result: Approved			
Particulars	Postal Ballot Forms received	No of Shares	% of total paid up capital
Total Postal Ballot Forms received (A)	63	1584770	49.52
<u>Less:</u> Invalid Postal Ballot Forms received (B)	06	(46950)	(1.46)
Net Valid postal Ballot Forms (as per register)	57	1537820	48.06
Postal Ballot Forms with assent for Resolution	53	1537120	48.03
Postal Ballot Forms with dissent	04	700	0.03

Resolution no. 3:

Increase in the Borrowing Powers of the Company u/s 293 (1)(d) of the Companies Act, 1956			
Nature of Resolution: ORDINARY			
Result: Approved			
Particulars	Postal Ballot Forms received	No of Shares	% of total paid up capital
Total Postal Ballot Forms received (A)	63	1584770	49.52
<u>Less:</u> Invalid Postal Ballot Forms received (B)	06	(46950)	(1.46)
Net Valid postal Ballot Forms (as per register)	57	1537820	48.06
Postal Ballot Forms with assent for Resolution	52	1536770	48.02
Postal Ballot Forms with dissent	05	1050	0.04

Resolution no. 4:

To Create Charge/Hypothecate/Mortgage Property Of The Company u/s 293 (1) (a) of the Companies Act, 1956			
Nature of Resolution: ORDINARY			
Result: Approved			
Particulars	Postal Ballot Forms received	No of Shares	% of total paid up capital
Total Postal Ballot Forms received (A)	63	1584770	49.52
<u>Less:</u> Invalid Postal Ballot Forms received (B)	06	(46950)	(1.46)
Net Valid postal Ballot Forms (as per register)	57	1537820	48.06
Postal Ballot Forms with assent for Resolution	52	1487120	46.47
Postal Ballot Forms with dissent	05	50700	1.59

Resolution no. 5

Change in Management Control Pursuant To Regulation 12 Of The SEBI (Substantial Acquisition Of Shares And Takeovers) Regulation, 1997			
Nature of Resolution: SPECIAL			
Result: Approved			
Particulars	Postal Ballot Forms received	No of Shares	% of total paid up capital
Total Postal Ballot Forms received (A)	63	1584770	49.52
Less: Invalid Postal Ballot Forms received (B)	06	(46950)	(1.46)
Net Valid postal Ballot Forms (as per register)	57	1537820	48.06
Postal Ballot Forms with assent for Resolution	51	1486770	46.46
Postal Ballot Forms with dissent	06	51050	1.6

4. Means of Communication:

The quarterly/yearly financial results were published in English Newspaper “The Asian Age” and in Regional Language newspaper “Aapla Mahanagar” and intimated to Stock Exchange from time to time.

5. General Shareholder Information:

a) Annual General Meeting:

Day and Date	Time	Place
Thursday, 29 th September, 2011	11.30 a.m.	Gala no. 107, Building No.9, Jogani Industrial Complex, Chunabhatti, Mumbai – 400022

b) Financial Year:

The financial year of the Company is from April to March.

c) Date of Book Closure:

Tuesday, 27th September, 2011 to Thursday, 29th September, 2011 (both days inclusive)

d) Dividend

Considering the loss for the financial year 2010-2011, no dividend was declared.

e) Listing of Shares and Payment of Listing Fees:

The Company is listed with Bombay Stock Exchange Ltd (BSE) - Scrip Code 506128 and Annual Listing Fees for financial year 2011-12 has been paid.

f) Information on Market Price:

The details of high, low of market price of company's shares traded on the Bombay Stock Exchange Ltd. (BSE) during the financial year 2010-2011.

Month	BSE		
	High	Low	Volume of shares traded (No.)
August 2010	12.39	11.80	100
September 2010	25.64	13.00	1250
October 2010	58.10	26.90	850
November 2010	106.05	61.00	42,650
December 2010	78.30	59.60	1,25,050
January 2011	63.30	49.10	15,300
February 2011	56.10	48.50	2,550
March 2011	93.00	45.65	1,91,000

g) Registrar and Share Transfer Agent

The Company has appointed System Support Services for processing and approving the transfer of shares. Their contact details are as follows:

System Support Services

209, Shivaji Industrial Estate, 89,
Andheri Kurla Road, Saki Naka,
Andheri (E), Mumbai 400072
Tel.:022-28500835
Email id: sysss72@yahoo.com

h) Share Transfer System

The share transfer of securities in physical form are registered, duly transferred and dispatched within 15 days of the receipt, if the transfer documents are in order. The share transfers are approved every fifteen days. The shares in de-materialized form are processed and transferred within 15 days from receipt of de-materialization requests. The shares held in electronic form are transferable through Depository Systems. Transfers of shares held in Physical Mode are processed by Registrar & Transfer Agents, System Support Services on periodic basis.

i) Categories of Shareholders as on March 31, 2011

Category	No. of Shares Held	% Shareholding
Bodies Corporate	1,27,900	4%
Promoters	1,40,850	4.40%
General Public	29,31,250	91.60%
NRI/OCB	Nil	Nil
Total	32,00,000	100.00

j) Distribution of shareholding as on March 31, 2011

No. of shares	No. of Share-holders	% of Share-holders	No. of Shares	% of Shares
Up to 500	267	77.168	43737	1.367
501 - 1000	12	3.468	9300	0.291
1001 - 2000	5	1.445	7365	0.230
2001 - 3000	1	0.289	2500	0.078
3001 - 4000	0	0.000	0	0.000
4001 - 5000	1	0.289	5000	0.156
5001 - 10000	9	2.601	82150	2.567
10001 & above	51	14.740	3049948	95.311
	346	100.00	3200,000	100

k) Dematerialization of Shares:

The Company has availed connectivity for both the Depositories i.e. National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) with ISIN - INE383L01019. As on 31st March, 2011, details of shares held in dematerialized mode and physical mode are as under:

Particulars	No. of Shares	% of Total Capital
Held in Demat form with NSDL	13,97,050	43.66%
Held in Demat form with CDSL	8,77,150	27.41%
Holdings in Physical Mode	9,25,800	28.93%
Total	32,00,000	100.00%

l) Plant Locations:

Due to non-involvement in manufacturing sector, company does not have any factory or unit in India.

m) Outstanding GDRs/ADRs/Warrants or any convertible instruments:

The Company has not issued any GDRs/ADRs/Warrants or convertible instruments.

n) Address for Investor Correspondence:

EITHER

System Support Services

209, Shivaji Industrial Estate, 89,
Andheri Kurla Road, Saki Naka,
Andheri (E), Mumbai 400072
Tel.:022-28500835
Email id: sysss72@yahoo.com

OR

Mr. Prakash Shah
Compliance Officer
Email id: kdtil@hotmail.com
Add: Gala No. 107, Bldg. no. 9, Jogani Industrial Complex,
Chunabhatti, Mumbai – 400 022
Tel no: 022-30015666

ANNEXURE II (A)

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2011.

Sd/-

Prakash Shah

Whole-Time Director and CEO

August 12, 2011

CERTIFICATE ON CORPORATE GOVERNANCE BY COMPANY SECRETARY IN PRACTICE FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2011.

To,

The Members

Krishna-Deep Trade and Investment Limited

We have reviewed the implementation of Corporate Governance procedures by the Company during the year ended March 31, 2011, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, except that *code of conduct of the Company is not displayed on the web as the website of the Company was not constructed.*

We further state that our examination of 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 HS Associates

Company Secretaries

Sd/-

Hemant Shetye

Partner

FCS - 2827

COP - 1483

Dated: August 12, 2011

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE AND DEVELOPMENT:

Although the global recessionary conditions continued for most of the past years, Indian economy registered significant recovery.

B. OPPORTUNITIES AND STRENGTHS

Your company has realigned itself on the requirements of the market especially in the value added sector. The Company is now focusing on the direct pharmaceuticals market.

C. RISKS & CONCERNS

The prevailing high inflation and increase in interest rates may make economy recovery slow. Our company is working on areas like continuous improvement and cost reduction at various levels to counter above risk. However, the present economic scenario in the domestic sector looks very positive.

D. OUTLOOK

Your Company is geared up to convert new opportunities into successful businesses going forward. External factors would continue to play an important role but through effective risk management processes, it would be possible to steer ahead in turbulent times, based on your Company's high level of engagement and commitment both internally as well as externally.

E. INTERNAL CONTROL & SYSTEMS AND THEIR ADEQUACY

The system is designed to ensure that the financial and other records are reliable for preparing financial statements and other data. Audits are conducted to review the adequacy and suggest improvement, if any, for strengthening the existing system.

F. ENVIRONMENT & SAFETY

Concern for environment and safety are integral to Company's business and part of business ethos. Your company always takes initiative to support any movement for environment benefit and recently company is planning to adopt in full fledged manner initiative taken by Ministry of Corporate Affairs on "Green Initiative" by allowing paperless compliance by companies.

G. INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT

The Industrial Relations continue to be peaceful and cordial. The Directors wish to acknowledge the efforts of all the employees.

H. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis are on the basis of judgments and it could differ materially from those expressed or implied, owing to changes in the Government regulations, tax laws and other statutes and other incidental factors.

AUDITORS' REPORT

To,

THE MEMBERS OF KRISHNA-DEEP TRADE AND INVESTMENT LTD,

We have audited the attached Balance Sheet of **M/S. KRISHNA-DEEP TRADE AND INVESTMENT LTD** as at 31st March, 2011 and the Cash Flow statement and Profit and Loss Account annexed hereto for the year ended on that date. 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 standard generally accepted in India. Those Standards required 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 test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies 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) of section 227 of the Companies Act, 1956 and according to the information and explanations given to us during the course of our audit and the basis of such checks as were considered appropriate, We give in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state that.
 - a. 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.
 - b. 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 of Account.

- c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of Account.
- d. On the basis of written representation received from directors, and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March 2011 from being appointed as a director in term of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
- e. In our opinion, the Profit & Loss Account and Balance Sheet and Cash Flow Statement comply with the Accounting Standards referred to in the Section 3(C) of Sec.211 of the Companies Act, 1956.
- f. In our opinion and to the best of our information and according to the explanations given to us, the accounts read with others notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - i. In the case of the Balance Sheet of the State of affairs of the Company as at 31st March, 2011 and
 - ii. In the case of the Profit and Loss Account, the 'Loss' for the year ended on that date.
 - iii. In so far it relates to the Cash Flow Statement of the Cash Flow of The Company for the year ended on that date.

PLACE: MUMBAI

DATE: 31ST MAY, 2011

**FOR KOSHAL & ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REDG NO. : 121233W)**

**SD/-
(KOSHAL MAHESHWARI)
PROPRIETOR
M. NO: - 43746**

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 1 of our report of even date)

- (i) In respect of fixed assets:

The Company does not have any fixed assets during the period.

- (ii) In respect of inventories:

The company does not have any stock in trade during the year.

- (iii)

(a) According to the information and explanations given to us, the Company has taken unsecured loans from two parties covered in the register maintained under section 301 of the Companies Act, 1956. Maximum amount involved during the year was Rs. 6,15,000/- and the year-end balance was taken from such parties was Rs. 6,15,000/-. The Company has not taken any loans, secured or unsecured, from companies or firms covered in the register maintained under section 301 of the Companies Act, 1956. No terms and conditions as regards to interest, repayment of principal are stipulated.

(b) The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

- (iv) In our opinion and according to the information and explanations given to us, there exist adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of audit, we have not observed any major weaknesses, in internal controls.

- (v) According to the information and explanation given to us, the company has not entered into any transactions that were required to be entered in the registers maintained under Section 301 of the Companies Act, 1956.

- (vi) The company has not accepted any public deposits during the period; therefore the question of compliance with Section 58 of the Companies Act, 1956 does not arise.

- (vii) The Company does not have formal internal audit system.**

- (viii) The Central Government has not prescribed maintenance of cost records u/s 209 (1) (d) of the Companies Act, 1956 in respect of the products of the company.

- (ix) In Respect of Statutory Dues:

(a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues wherever applicable. There were no undisputed statutory dues outstanding for a period of more than six months from the date they became payable except Rs. 7,515/- towards TDS on professional fee and Rs. 25,200/- towards professional tax.

- (b) According to the information and explanations given to us, there are no dues of Provident Fund Act, Employees State Insurance Act, Sales Tax / Wealth Tax / Service tax/ Customs & Central Act/ Income Tax, outstanding on account of any dispute.
- (x) The accumulated losses of the company are less than fifty percent of the net worth of the company and the company has made cash losses during the current financial year and in the immediately preceding financial period.
- (xi) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of its dues to a financial institutions or banks or to debenture holders as the fund has not received from the above parties.
- (xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund/ nidhi/ mutual benefit fund/ society, therefore the provision of clause 4(xiii) of the Companies (Auditor's report) Order 2003 are not applicable to the company.
- (xiv) As per the information and explanation given to us the company had not issued any guarantees for loans taken by others.
- (xv) The Company has not raised any term loans during the year.
- (xvi) Based on overall examination of the balance sheet, we report that the company has not used short term Funds for long term purpose.
- (xvii) According to the information and explanations given to us, the Company has not made preferential allotment of equity shares to persons covered in the register maintained under section 301 of the Companies Act, 1956.
- (xviii) No Debentures have been issued by the company during the period.
- (xix) The Company has not raised any money by public issue during the period.
- (xx) As per the information and explanation given to us and on the basis of examination of records, no material fraud on or by the company was noticed or reported during the period.

**FOR KOSHAL & ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REGD NO.: 121233W)**

SD/-

**(KOSHAL MAHESHWARI)
PROPRIETOR**

M. NO: - 43746

**PLACE: MUMBAI
DATE: 31ST MAY, 2011**

KRISHNA - DEEP TRADE AND INVESTMENT LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULE	31.03.2011 Amount(RS)	31.03.2010 Amount(RS)
<u>SOURCES OF FUNDS :</u>			
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	A	32,000,000.00	4,000,000.00
Reserves & Surplus	B	5,600,000.00	-
		37,600,000.00	4,000,000.00
<u>LOAN FUNDS :</u>			
Unsecured Loan	C	615,000.00	-
		615,000.00	-
	TOTAL	38,215,000.00	4,000,000.00
<u>APPLICATION OF FUNDS :</u>			
FIXED ASSETS		-	-
INVESTMENTS		-	-
<u>CURRENT ASSETS, LOANS AND ADVANCE:</u>			
Sundry Debtors	D	373,843.00	373,843.00
Cash and Bank Balances	E	150,630.19	70,021.69
Loans and Advances	F	35,374,368.60	1,844,368.60
		35,898,841.79	2,288,233.29
<u>LESS : CURRENT LIABILITIES AND PROVISIONS:</u>			
Current Liabilities	G	212,479.00	183,350.00
		212,479.00	183,350.00
NET CURRENT ASSETS		35,686,362.79	2,104,883.29
MISCELLANEOUS EXPENDITURE			
(To the extent not written off)			
Preliminary Expenses	H	56,000.00	-
PROFIT & LOSS ACCOUNT (DEBIT BALANCE)		2,472,637.21	1,895,116.71
	TOTAL	38,215,000.00	4,000,000.00
NOTES TO ACCOUNTS	J		

As per our report of even date attached

-

-

FOR KOSHAL & ASSOCIATES

(Chartered Accountants)

Sd/-

KOSHAL MAHESHWARI

Proprietor

M.No.43746

Place : Mumbai

Date : 31st May, 2011

FOR & ON BEHALF OF BOARD

Sd/-

Prakash Shah

Whole Time Director

Sd/-

Baiju Shah

Whole Time Director

KRISHNA - DEEP TRADE AND INVESTMENT LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	SCHEDULE	31.03.2011 Amount(RS)	31.03.2010 Amount(RS)
<u>INCOME :</u>			
Interest Received on Income Tax Refund		-	42,649.00
Other Income	I	-	23,103.00
		-	65,752.00
<u>EXPENDITURE :</u>			
Advertisement Expenses		19,376.00	-
Legal & Professional Fees		107,474.50	86,393.00
Directors' Sitting Fees		-	3,000.00
Bank Charges		2,196.00	1,800.41
Commission paid		20,000.00	-
Membership & Subscription		56,805.00	-
Electricity expenses		2,349.00	-
General Expenses		-	52,512.05
Listing Fees		121,730.00	67,264.00
Printing & Stationary		5,760.00	-
Rates and Taxes		32,480.00	-
Rent Paid		142,580.00	-
Postage and Couriers		3,595.00	-
ROC Filing Fees		21,600.00	-
Audit Fees		27,575.00	55,150.00
Preliminary Expenses Written Off		14,000.00	-
Total Expenditure		577,520.50	266,119.46
<u>PROFIT/(LOSS) BEFORE TAXATION</u>		(577,520.50)	(200,367.46)
Less : Provision for Taxation			
- Current Tax		-	-
- Deferred Tax		-	-
<u>PROFIT/(LOSS) AFTER TAXATION</u>		(577,520.50)	(200,367.46)
Add/(Less) : Balance brought forward from earlier year		(1,895,116.71)	(1,694,749.25)
Balance Carried to Balance Sheet		(2,472,637.21)	(1,895,116.71)
Basic & Diluted Earnings per Share (Refer Note No 8 of Schedule 'J')		(0.18)	(0.50)

NOTES TO ACCOUNTS

J

As per our report of even date attached
FOR KOSHAL & ASSOCIATES

**FOR & ON BEHALF OF
BOARD**

(Chartered Accountants)

Sd/-

KOSHAL MAHESHWARI

Proprietor

M.No.43746

Place : Mumbai

Date : 31st May, 2011

Sd/-

Prakash Shah

Whole Time Director

Sd/-

Baiju Shah

Whole Time Director

KRISHNA - DEEP TRADE AND INVESTMENT LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH' 2011

Particulars		Rupees 31.03.2011	Rupees 31.03.2010
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit (Loss) Before Tax & Prior Period Items	(577,521)	(200,367)
	Adjustments for		
	Interest	-	-
	Depreciation	-	-
	Miscellaneous Expenditure Written off	14,000	-
	Deffered Revenue Expenditure Written off	-	-
	Operating Profit Before Working Capital Change	(563,521)	(200,367)
	(Increase) / Decrease in Trade & Other Receivables	-	-
	(Increase) / Decrease in Inventories	-	-
	Increase / (Decrease) in Trade & Other Payables	29,129	114,651
	Cash Generated From Operations	(534,392)	(85,716)
	Profit on Sale of Fixed Assets	-	-
	Differed Revenue Expenditure	-	-
	Prior Period Income / (Expenditure)	-	-
	NET CASH FLOW FROM OPERATING ACTIVITIES	(534,392)	(85,716)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	-	-
	Sale of Investments	-	-
	Sale of Fixed Assets	-	-
	NET CASH USED IN INVESTING ACTIVITIES	-	-
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds From Issue of Shares	33,600,000	-
	Proceeds From Long Term Borrowings	615,000	-
	Preliminary Expenses Incurred	(70,000)	-
	Short Provision of Tax of earlier years	-	(541,000)
	Direct Taxes	-	-
	Loans and Advances	(33,530,000)	671,153
	Interest Paid	-	-
	NET CASH FLOW FROM FINANCING ACTIVITIES	615,000	130,153
	NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	80,608	44,437
	CASH AND CASH EQUIVALENTS AS ON 01/04/10	70,022	25,585
	CASH AND CASH EQUIVALENTS AS ON 31/03/11	150,630	70,022

**Note : Cash & Cash Equivalents represents Cash & Bank Balances Only
For and On Behalf of the Board**

Sd/- Sd/-
Prakash Shah Baiju Shah
Whole Time Director Whole Time Director
PLACE : Mumbai
DATE : 31st May, 2011

AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of M/s Krishna - Deep Trade and Investment Limited for the year ended on 31st March, 2011. The Statement has been Prepared by the Company in accordance with the Listing Agreement with Stock Exchange and is based on and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report dated 31st May, 2011 to the Members of the Company.

As per our report of even date attached

FOR KOSHAL & ASSOCIATES

(Chartered Accountants)

Sd/-

KOSHAL MAHESHWARI

M.No.43746

(Firm Redg. No. : 121233W)

Place : Mumbai

Date : 31st May, 2011

KRISHNA - DEEP TRADE AND INVESTMENT LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011
AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

PARTICULARS	31.03.2011 Amount(RS)	31.03.2010 Amount(RS)
<u>SCHEDULE 'A'</u>		
<u>SHARE CAPITAL</u>		
<u>Authorised :</u>		
40,00,000 (40,00,000) Equity Shares of Rs.10/- each.	40,000,000.00	40,000,000.00
<u>Issued, Subscribed and paid up :</u>		
32,00,000 (4,00,000) Equity Shares of Rs.10/-each fully paid up	32,000,000.00	4,000,000.00
<u>SCHEDULE 'B'</u>		
<u>RESERVES AND SURPLUS :</u>		
<u>Share Premium</u>		
Opening Balance	-	-
Add : Received during the year	5,600,000.00	-
	5,600,000.00	-
<u>SCHEDULE 'C'</u>		
<u>UNSECURED LOANS</u>		
Unsecured Loans from Directors	615,000.00	-
	615,000.00	-
<u>SCHEDULE 'D'</u>		
<u>SUNDRY DEBTORS</u>		
(Unsecured unless otherwise stated)		
Considered Good		
Debts outstanding for a period exceeding six months	373,843.00	373,843.00
	373,843.00	373,843.00
<u>SCHEDULE 'E'</u>		
<u>CASH AND BANK BALANCES:</u>		
Cash on hand	5,111.76	4,601.76
<u>Balances with Scheduled Bank:</u>		
a) In Current Accounts	145,518.43	65,419.93
	150,630.19	70,021.69
<u>SCHEDULE 'F'</u>		
<u>LOANS AND ADVANCES:</u>		
(Unsecured ,considered good)		
Advances recoverable in cash or kind or value to be received	34,433,651.60	903,651.60
Advance Tax & TDS	940,717.00	940,717.00
	35,374,368.60	1,844,368.60
<u>SCHEDULE 'G'</u>		
<u>CURRENT LIABILITIES:</u>		
<u>Sundry Creditors</u>		
- For Expenses & Others	212,479.00	183,350.00
	212,479.00	183,350.00
<u>SCHEDULE "H"</u>		
<u>MISCELLANEOUS EXPENDITURE:</u>		
(to the extent not written off or adjusted)		
Preliminary Expenses		
Opening Balance	-	-
Add: Incurred during the year	70,000.00	-
Less: Written off during the year	14,000.00	-
Closing Balance	56,000.00	-
<u>SCHEDULE "I"</u>		
<u>OTHER INCOME</u>		
Sundry Credit Balance W/off	-	23,103.00
	-	23,103.00

KRISHNA-DEEP TRADE AND INVESTMENT LIMITED

SCHEDULE 'I'

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting :

The financial statements are prepared under the historical cost convention in accordance with applicable mandatory accounting standards and relevant provisions of the Companies Act, 1956

B. Revenue Recognition :

The Company follows Mercantile system of Accounting and Income and expenditure are recognised on accrual basis.

C. Taxes on Income :

Current Tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been announced upto the balance sheet date. Deferred Tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the Profit & Loss account of the respective year of change.

D. Earning Per Share :

Basic earning per share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

E. Provisions, Contingent Liabilities And Contingent Assets

Provisions are recognized in the accounts in respect of present probable obligations arising as a result of past events and it is probable that there will be an outflow of resources, the amount of which can be reliably estimated

Contingent liabilities are disclosed in respect of possible obligation that arises from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company.

Contingent Assets are neither recognized nor disclosed in the financial statements.

2. CONTINGENT LIABILITY : Nil

3. PAYMENTS TO AUDITORS:

	As on 31.03.2011	As on 31.03.2010
Audit Fees	27,575	55,150
Other Matters	8,273	--
Total	35,848	55,150

4. In the opinion of the Board, Current Assets, Loans & Advances are approximately to the value stated, if realised in the ordinary course of business. The provision for all known liabilities are adequate and neither in excess nor in short of the amount reasonably necessary.

5. The balances of Unsecured Loans, Creditors, Debtors and Loans and Advances are subject to confirmation and reconciliation, if any.
6. Based on the information available with the company, there is no due or delay in the payment of dues to the Micro, Small and Medium Enterprises as defined under "The Micro, Small and Medium Enterprises Development Act, 2006."

7. Related Party Transactions

a.) List of Related Parties & Relationship where control exists:

NAMES OF THE RELATED PARTY	NATURE OF RELATIONSHIP
Key Management Personnel	
Mr. Baiju M Shah	Whole time Director & Member
Mr. Prakash M Shah	Whole time Director & Member

b.) Transactions with Related Parties:

Sr. No.	Nature of Transactions	Amount
1.	Unsecured Loans Taken	6,15,000

8. Earning per share has been calculated as under:

Particulars	As on 31.03.2011	As on 31.03.2010
Net Profit (Loss) After Tax as per Profit & Loss Account	(5,77,521)	(2,00,367)
Weighted Average number of equity shares used as denominator for calculating EPS	31,46,301	4,00,000
Basic & Diluted Earning per share	(0.18)	(0.50)
Nominal Value per equity share	10	10

9. Additional information required under Para 3 & 4C of Part II of Schedule VI of Companies Act, 1956. (As taken, valued, verified and certified by the management). Nil
10. The company has not accounted deferred tax assets as there is no virtual certainty of future profits.
11. Previous year figures have been regrouped and recast to correspond with the figures of current year. Previous year figures are provided in brackets.

Signature to Schedule "A" to "J" forming part of the Accounts.

As per our report of even date attached

For KOSHAL & ASSOCIATES FOR & ON BEHALF OF BOARD
Chartered Accountants

SD/-
KOSHAL MAHESHWARI
Proprietor
Member No.: 43746
Place: Mumbai
Date: 31st May, 2011

SD/-
Whole Time Director
Prakash Shah

SD/-
Whole Time Director
Baiju Shah

INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF COMPANIES ACT, 1956.

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

1 Registration Details

Registration No. : L67120MH1982PLC027925

Balance Sheet Date : 31st March, 2011

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

Public Issue	NIL
Bonus Issue	NIL
Right Issue	NIL
Private Placement	28,000.00

3 Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	38,215.00
Total Assets	38,215.00

Source of Funds

Paid-up Capital	32,000.00
Reserves & Surplus	5,600.00
Secured Loans	-
Unsecured Loans	615.00
Deferred Tax Liability	-

Application of Funds

Net Fixed Assets	-
Investments	-
Net Current Assets	35,686.36
Misc. Expenditure	-
Profit & Loss Account	-
Deferred Tax Assets	-

4 Performance of Company (Amount in Rs. Thousand)

Turnover & Other Income	-
Total Expenditure	577.52
Profit Before Tax	(577.52)
Profit after Tax	(577.52)
Earning per Share in Rs.	(0.18)
Dividend Rate (%)	-

5 Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Product Description	Item Code No.(ITC Code)
---------------------	-------------------------

As per our report of even date attached

FOR KOSHAL & ASSOCIATES

FOR & ON BEHALF OF BOARD

(Chartered Accountants)

Sd/-

KOSHAL MAHESHWARI

Proprietor

M.No.43746

Place : Mumbai

Date : 31st May, 2011

Sd/-

Prakash Shah

Whole time

Director

Sd/-

Baiju Shah

Whole time

Director

NOTES

[illegible]

KRISHNA-DEEP TRADE AND INVESTMENT LTD
REGD OFFICE: 107, BLDG NO. 9, JOGANI INDUSTRIAL COMPLEX, CHUNABHATTI, MUMBAI - 400 022

ATTENDANCE SLIP

I hereby record my presence at the 29th **Annual General Meeting** of the Company at **Registered Office** of the Company on Thursday, 29th September, 2011.

DP ID: _____ Folio No. /Client ID: _____

Name of the Shareholder

Signature

(Full name of Proxy)

Proxy Signature

Note: No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

Shareholders attending the meeting in person or by proxy are requested to fill and sign the attendance slip and hand it over at the entrance of the meeting hall.

KRISHNA-DEEP TRADE AND INVESTMENT LTD
REGD OFFICE: 107, BLDG NO. 9, JOGANI INDUSTRIAL COMPLEX, CHUNABHATTI, MUMBAI - 400 022

PROXY FORM

I/We of in the district of being a member/members of the above named Company hereby appoint of in the district of or failing him of in the district of as my/our proxy to vote for me/us on my/our behalf at the 29th Annual General Meeting of the Company to be held on Thursday, 29th September, 2011 at 10.30 a.m. and at any adjournment thereof.

Signed this..... day of, 2011.

DP ID:Folio No. /Client ID:

No. of Shares

Signature

AFFIX
REVENUE
STAMP

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.
