

CHAIRMAN	:	MR. ZAVERILAL V. MANDALIA
MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER	:	MR. KISHOR P. MANDALIA
DIRECTORS	:	MR. VIPUL MANDALIA MR. GHANSHYAMBHAI AKBARI MR. HITESH ADESHARA MR. MUKESH ADESHARA
COMPANY SECRETARY & COMPLIANCE OFFICER		MR. ASHISH TRIPATHI (up to 07-07-2011) MR. RAVIKUMAR PASI (from 09-08-2011)
CHIEF FINANCIAL OFFICER (CFO)	:	MR. RUPESH SHAH
AUDITORS	:	M/S. C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD
BANKERS	:	AXIS BANK LIMITED ALLAHABAD BANK HDFC BANK LIMITED INDUSIND BANK LIMITED
REGISTERED OFFICE	:	11-B, NEW AHMEDABAD INDUSTRIAL ESTATE, SARKHEJ-BAVLA ROAD, VILLAGE – MORAIYA-382 213. DIST.:- AHMEDABAD. GUJARAT.
CORPORATE OFFICE	:	606, SWAGAT BUILDING NR. LAL BUNGLOW, C.G. ROAD AHMEDABAD – 380006.

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GROUP WHICH EXERCISES OR IN A POSITION TO EXERCISE CONTROL, DIRECTLY OR INDIRECTLY OVER AUSOM ENTERPRISE LIMITED.

THE FOLLOWING INDIVIDUALS/PERSONS CONSTITUTING GROUP (AS DEFINED IN MRTP ACT, 1969), ARE SHOWN AS GROUP WHICH EXERCISE OR IN A POSITION TO EXERCISE CONTROL, DIRECTLY OR INDIRECTLY, OVER **AUSOM ENTERPRISE LIMITED.**

SR. NO.	NAME OF THE INDIVIDUALS/PERSONS CONSTITUTING GROUP	REMARK
1	KISHOR PRANJIVANDAS MANDALIA	ACQUIRER
2	MANDALIA VIPULKUMAR ZAVERILAL	ACQUIRER
3	ZAVERILAL V. MANDALIA	ACQUIRER
4	BHARATI ANIL PAWANI	ACQUIRER
5	CHANDRESH Z. MANDALIA	ACQUIRER
6	SAVITRI DAYARAM PAWANI	ACQUIRER
7	BHARAT PRANJIVANDAS MANDALIA	ACQUIRER
8	ARUNABEN KISHORBHAI MANDALIA	PAC*
9	FENNYBEN C. MANDALIA	PAC*
10	DAXABEN BHARATBHAI MANDALIA	ACQUIRER
11	PRAFULLABEN Z. MANDALIA	PAC*

*** PAC- PERSONS ACTION IN CONCERT**

NOTICE

NOTICE is hereby given that the Twenty-Eighth Annual General Meeting of the Members of **M/s. AUSOM ENTERPRISE LIMITED** will be held on Friday, the 28th day of September, 2012 at 10.30 a.m. at the Registered Office of the company situated at 11-B, New Ahmedabad Industrial Estate, Village- Moraiya, Sarkhej - Bavla Road, Moraiya-382 213. Dist.-Ahmedabad to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Statement of Profit & Loss for the year ended on that date and the report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Hitesh Adeshara retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ghanshyambhai Akbari retires by rotation and being eligible, offers himself for re-appointment.
4. To Re-appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

5. To Consider and if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution.

“RESOLVED THAT subject to the provision of section 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 and subject to the approval of Central Government, if required, Mr. Kishor Mandalia be and is hereby re-appointed as the Managing Director of the Company for a period of 3(three) years with effect 7th August, 2012 without any remuneration.”

“RESOLVED FURTHER THAT Board of Directors in consultation with Remuneration Committee of the Company be and is hereby authorized to pay remuneration and other perquisites, in future if required and deem appropriate, upto limits prescribed under section 198, 209 read with Schedule XIII of the Companies Act, 1956 or any further statutory revision, modification, clarifications or re-enactments thereof from time to time in force and/or the guideline for managerial remuneration issued by the Central Government and from the date the Statutory provisions and/or guidelines coming into force.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things matters as may be considered necessary, desirable or expedient including alteration, vary, the terms and condition of such re-appointment to give effect to this resolution.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME AT, WHICH THE MEETING IS SCHEDULED TO BE HELD. THE PROXY FORM IS ATTACHED HEREWITH.
2. The Register of Members and Share Transfer Books shall remain closed from Tuesday, the 25th September, 2012 to Friday the 28th September, 2012 (both days inclusive).
3. Members are advised to avail Nomination facility as well as Dematerialisation facility.
4. The company has appointed M/s. Link Intime India Private Limited (Formerly known as Intime Spectrum Registry Limited), 303, 3rd Floor, Shopper's Plaza-5, Near Govt. Soc., Opp. Municipal Market, C.G. Road, Navrangpura, Ahmedabad – 380 009, as Registrar and Transfer (R & T) Agent for carry out work relating to transfer as well as dematerialisation of shares. The members/ investors, having any query in this regards be communicated to this agency at the address mentioned above.
5. The company for the purpose of redressal of investor grievances has created an Email ID “investorcomplaints@gmail.com.” This will facilitate to the investors to communicate any complaint/grievances to the company directly.
6. Shareholders seeking any information or clarification on the accounts are requested to send written queries to the company, atleast 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.

Registered Office:

11-B, NEW AHMEDABAD INDUSTRIAL ESTATE,
SARKHEJ-BAVLA ROAD, VILLAGE – MORAIYA-382 213.
DIST.:- AHMEDABAD.
GUJARAT.

Place: Ahmedabad

Date: - 30th July, 2012

By Order of the Board of Directors

RAVIKUMAR PASI
Company Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**Item No. 5**

At the Board Meeting held on 07/08/2009, Mr. Kishor Mandalia was appointed as Managing Director for a term of 3 years with effect from 07/08/2009. The said appointment was confirmed by the shareholder at the meeting held on 29/09/2009. Considering his experience, dedication and leadership, the Board of Directors at their meeting held on 30/07/2012 with the recommendation of remuneration committee has decided to re-appoint Mr. Kishor Mandalia as Managing Director for further period of 3 year on the terms and condition as mentioned below. His re-appointment as Managing Director will be of immense help to the company considering the exposure he has.

The terms and conditions of his appointment, in brief, are;

Salary :- Nil. However he shall be eligible for out of pocket expenses if any on actual basis.

Term :- 3 Years with effect from 07/08/2012.

Pursuant to section 269 and other applicable provision of the Companies Act, 1956 read with Articles of Association of the Company appointment of Managing Director shall be subject to confirmation of the Shareholders of the Company.

The resolution at item No. 5 in the notice is for your kind consent.

None of the directors except Mr. Kishor Mandalia, Mr. Zaverilal Mandalia and Mr. Vipul Mandalia is interested in the resolution.

Registered Office:

11-B, NEW AHMEDABAD INDUSTRIAL ESTATE,
SARKHEJ-BAVLA ROAD, VILLAGE – MORAIYA-382 213.
DIST.:- AHMEDABAD.
GUJARAT.

By Order of the Board of Directors

Place: Ahmedabad

Date: - 30th July, 2012

RAVIKUMAR PASI

Company Secretary

DIRECTORS' REPORT

To,
The Members of the Company,

Your directors have pleasure in presenting the Twenty-Eighth Annual Report of your Company together with the Audited Accounts for the year ended on 31st March, 2012.

FINANCIAL RESULTS

PARTICULARS	Year ended on 31/03/2012	Year ended on 31/03/2011
Gross Sales	86368.11	103976.60
Expenditure	85358.54	103223.74
Profit/(Loss) before Tax	1009.57	752.86
Profit/(Loss) after Tax	1013.50	752.86
Profit Carry to Reserves	NIL	NIL

DIVIDEND

This being the consucutive third year, in which the company has generated profit, however, considering past accumulated loss, the Board has decided to plough back the current year's profit for the development of the business and hence could not recommend the dividend and regret for the same.

OPERATIONS

The Company, in the year under consideration, has carried out activity in the field of trading of Gold, Silver, Diamonds, Bullions, Shares and Securities & Units of Mutual Funds. The Company has achieved a turnover of Rs. 86,368.11 Lacs as against Rs. 1,03,976.60 Lacs for the previous year. The turnover of the company has been decreased by 83.06%. Similarly, the Company in the third consecutive year has generated profit amounting to Rs. 1013.50 Lacs (PAT). The reduction of turn over is mainly due to imposition of custom duty on gold etc.

As you all know that the manufacturing activity has been discontinued by the company, after demerger of its manufacturing division.

The Company during current year is anticipating to achieve gross turnover of Rs. 1500 Cr. and for that necessary efforts has been initiated. The management of the Company is of the view that the target of gross turnover will be definitely achieved and necessary resources for the same has also been finalised.

DEMATERIALISATION OF SHARES

As on 31-03-2012, 12623598 Equity Shares have been dematerialised, out of which 11971110 Equity Shares dematerialised with National Securities Depository Limited (NSDL) and 652488 Equity Shares with Central Depository Services (India) Limited (CDSL). It means 92.66 % of total capital has been Dematerialised.

International Security Identification Number (ISIN) of the company's equity shares is INE218C01016.

DIRECTORS

During the year under review Mr. Hitesh Adeshara and Mr. Ghyanshambhai Akbari retire by rotation and being eligible, offer themselves for reappointment.

Further, the term of appointment of Mr. Kishor Mandalia as Managing Director was for a period of three years and gets expire on 07/08/2012. The Board therefore considering the contribution made by him during his tenure as Managing Director and also on the basis of recommendation received by the Remuneration Committee has re-appointed him as Managing Director of the company with the same terms and conditions.

The details about the education qualification, experience, nature of work etc. of each such directors mentioned in the Report of Corporate Governance forming part of this report.

You are therefore requested to accord your consent for his re-appointment as Managing Director of the company.

FIXED DEPOSITS

During the year under review, Company has not accepted and/or renewed any Deposits as provided under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rule, 1975. There is no unclaimed or overdue Fixed Deposits.

AUDITORS

The auditors, M/s. C. R. Sharedalal & Company, Chartered Accountants, Ahmedabad retire at the ensuing Annual General Meeting and are eligible for re-appointment. They have also consented to act as Auditors of the Company for the F.Y. 2012-13.

AUDITORS' REPORT

The auditors of the Company have not given any adverse remark / qualification in their Report and hence explanation of the Board is not required.

AUDIT COMMITTEE

During the year, the Audit Committee meetings were conducted as per the requirements of Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The details about the Role, Power etc. of the committee enumerated in the Corporate Governance Report forming part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- I) In the preparation of annual accounts for the year ended March 31, 2012, the applicable accounting standards have been followed and that no material departures have been made from the same;
- II) 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 31st March, 2012 and of the profit or loss of the Company for that year.

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 for preventing and detecting fraud and other irregularities;

IV) The Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

In pursuance to Clause 49, as amended from time to time, of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report and Management Discussion and Analysis Report are given elsewhere and forming part of this Report.

PERSONNEL

None of the employee of the company is in receipt of annual remuneration of Rs. 60.00 lacs p.a. or Rs. 5.00 lacs per month, a limit as prescribed under Companies (Particulars of Employees) Rule, 1975 and hence information as required under section 217(2AA) read with Companies (Particulars of Employees) Rule, 1975 is not applicable.

MATTER REQUIRED TO BE REPORTED AS PER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULE, 1988

The information in respect of Conservation of Energy, Technology absorption etc. is not applicable to this Company mainly due to reason that the Company is only engaged in Trading Activity.

FOREIGN EXCHANGE EARNING AND OUTGO:

During the year under consideration, the company has earned foreign exchange amounting to Rs. 70.56 cr. by way of direct exports (Previous year Rs. 918.62 cr.) and has spent Rs. 70.39 cr. (Previous year Rs. 914.36 cr.) on purchase of commodities and Rs. 13.74 cr. towards interest.

ACKNOWLEDGEMENTS

The Directors would like to thanks bankers namely Axis Bank Ltd., HDFC Bank Ltd., Allahabad Bank., and IndusInd Bank Ltd. for providing support to your company. The Directors also further acknowledged the support received from employees, customers, shareholders and other government agencies.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: - 30th July, 2012

Kishor Mandalia
Managing Director

Vipul Mandalia
Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(A) INDUSTRY STRUCTURE AND DEVELOPMENT:

Since last three years, after demerger, the Company is now only engaged in trading of Bullions, precious metals, commodities etc. The trading industries being very ancient in its nature hence well organized in all respect, even the exchanges for such trading activities has been established during last decade so as to make the trading in more organized and transparent manner.

(B) OPPORTUNITIES AND THREATS**(1) Opportunities**

The company is totally debt-free and now being run by well experienced promoters with having two decades of insightful knowledge of this industry.

- The identification of new segment (trading activities) has performed very well and there is a good scope of future growth and profitability.
- Experienced people in the field of commodities/bullions trading will manage the trading activities.

(2) Threats

- Foreign currency fluctuation more particularly dollar and pound.
- Volatility in Commodities and trading markets.
- Due to impose of excise duty, the cost of bullions and gold has gone up and hence demand for the same may reduce.

(C) SEGMENT WISE PERFORMANCE OR PRODUCT WISE PERFORMANCE

The Company is only engaged in trading activity, hence segment wise performance is not required. The activities, which the company has started from last three years emerging a very potential, growing and profitable. In the current year also, it has shown good turnover and good profit.

(D) OUTLOOK

The trading industry has grown up and very good potential. Under the globalization, the trading activity has more scope internationally and growing manifold. Even after establishing NCDEX and MCX various new platforms for F & O contracts will emerge in near future.

(E) RISK AND CONCERNS

- The trading business is a new line of business for the company.
- There may be volatility and ups & down in the trading market.

(F) INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company has adequate internal control procedures commensurate with the size and nature of business. These procedures ensure efficient use and protection of the resources and compliance with policies, procedures and statutes. There is a periodical review mechanism for ensuring the sustenance and up-gradation of these systems.

(G) DISCUSSION ON FINANCIAL PERFORMANCE

During the current year the company has generated revenue of Rs.86368.11 Lacs from trading activity with a profit of Rs.1013.50 Lacs (PAT).

(H) HUMAN RESOURCES/IR

Recognizing that people are an important part of the organization, a major exercise in training and development of employees has been undertaken at all levels. The Company gives a lot of importance to Human Resources activities. These activities have helped to retain and motivate employees of the company.

(I) CAUTIONARY STATEMENT

Estimates and expectations stated in this Management Discussion and Analysis may be “forward-looking statement” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, other statutes and other incidental factors.

REPORT ON CORPORATE GOVERNANCE
A. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company has accepted the concept of Corporate Governance as challenged and committed to achieve highest level of Corporate Governance. The Corporate Governance is nothing but transparency, high level of disclosure and fairness and unbiased to the members of the company. To achieve the highest level of Corporate Governance, the Company has developed a team of educated, experienced, qualified management team. The Board of Directors of the Company effectively monitors the Management progress and corporate decisions.

B. BOARD OF DIRECTORS

As per the requirements of Corporate Governance, the composition of Board of Directors consisting of Executive Director as well as Non Executive Independent Directors.

Composition and Category of Board of Directors

Presently, the Company has 6 (Six) Directors. Mr. Zaverilal Mandalia is the Chairman of the Board and is also a Non- Executive Promoter Director. The Composition of the Board Comprises of Five (05) Non Executive Directors and one (01) Executive Director. The company has valid composition of Board as required under Clause 49 of the Listing Agreement. The Details of such directors are;

Sr. No.	Name of Directors	Category of Directorship	Directors interse relationship, if any	No. of other Directorship/Firm	No. of Committee positions held in other Public Company		No. of Share/ (%)
					Chairman	Member	
1	Mr. Zaverilal Mandalia	Promoter/Non-Executive Director	Relative of Mr. Kishor Mandalia and Mr. Vipul Mandalia	09	NIL	NIL	804547/(5.9056)
2	Mr. Kishor Mandalia	Promoter/ Executive Director	Relative of Mr. Zaverilal Mandalia and Mr. Vipul Mandalia	16	NIL	NIL	1189102/(8.7282)
3	Mr. Vipul Mandalia	Promoter/Non-Executive Director	Relative of Mr. Zaverilal Mandalia and Mr. Kishor Mandalia	06	NIL	NIL	836420/(6.14)
4	Mr. Hitesh Adeshara	Non Executive / Independent Director	Relative of Mr. Mukesh Adeshara	NIL	NIL	NIL	NIL
5	Mr. Mukesh Adeshara	Non Executive / Independent Director	Relative of Mr. Hitesh Adeshara	NIL	NIL	NIL	NIL
6	Mr. Ghanshyambhai Akbari	Non Executive / Independent Director	Not Applicable	01	NIL	NIL	NIL

No. of Board Meetings held during the Financial Year i.e 01-04-2011 to 31-03-2012

During the financial year, Board of Directors met 07 (Seven) times. The dates of each such Board Meetings are: -

- (1) 30-05-2011
- (2) 07-07-2011
- (3) 08-08-2011
- (4) 02-09-2011
- (5) 24-10-2011
- (6) 30-01-2012
- (7) 19-03-2012

Attendance of Directors:

Directors	Board Meeting Attended	Last Annual General Meeting Attended
Mr. Zaverilal Mandalia	07/07	Yes
Mr. Kishor Mandalia	07/07	Yes
Mr. Vipul Mandalia	07/07	No
Mr. Hitesh Adeshara	07/07	Yes
Mr. Mukesh Adeshara	07/07	No
Mr. Ghanshyam Akbari	07/07	Yes

PARTICULARS OF DIRECTORS RETIRING BY ROTATION AND BEING REAPPOINTED.
MR. HITESH ADESHARA (NAME OF PERSON TO BE RETIRED AND REAPPOINTED)

Qualification	Under graduate
Area of expertise	8 years experience in the field of wholesale and retail jewellery business and marketing
His role in the company	Non executive & independent director
No. of shares in this company	Nil
Other directorship	Nil
Other membership in committee	Member of audit committee and remuneration committee of this company

MR. GHYANSHAMBHAI AKBARI (NAME OF PERSON TO BE RETIRED AND REAPPOINTED)

Qualification	B.com
Area of expertise	30 years experience in the aera of accountancy, taxation and audit
His role in the company	Non executive & independent director
No. of shares in this company	Nil
Other directorship	1. Zaveri Finstock Pvt. Ltd.
Other membership in committee	Member of audit committee and share transfer cum investor grievance committee of this company



C. AUDIT COMMITTEE

Terms of Reference:

The terms of reference of this Committee cover the matters specified for Audit Committee under Clause-49, as amended from time to time of the Listing Agreement as well as in section 292A of the Companies Act, 1956.

Composition:

The audit committee comprises of: -

- 1) Mr. Hitesh Adeshara, Chairman
- 2) Mr. Ghanshyambhai Akbari
- 3) Mr. Mukesh Adeshara

Meetings and attendance:

In the financial year, the audit committee met 4 (Four) times i.e. on 30-05-2011, 08-08-2011, 24-10-2011 and 30-01-2012. All the members were present in all the meetings.

D. REMUNERATION COMMITTEE

Terms of Reference:

The terms of Reference of the committee is to determine and recommend to the Board the Remuneration payable to the Managing Directors of the company and appraisal of performance.

Composition

The Remuneration Committee comprising of

- 1) Mr. Vipul Mandalia, Chairman
- 2) Mr. Hitesh Adeshara and
- 3) Mr. Mukesh Adeshara.

During the year, no meeting was held.

Remuneration Policy:-

At present the Managing Director Mr. Kishor Mandalia is working honorarium basis and no other directors are getting any remuneration and hence at this point of time the company does not have any specific remuneration policy for the directors.

The Company is paying Rs. 1000/- per meeting as sitting fees to all Directors for attending Board Meeting. No commission or other benefits are given to any of the Directors. No sitting fees being paid to any directors for attending committee meeting. The details of sitting fees paid during the Financial Year are: -

Name of Directors	Sitting fees (in Rs.)
Mr. Zaverilal Mandalia	7,000/-
Mr. Kishor Mandalia	7,000/-
Mr. Vipul Mandalia	7,000/-
Mr. Hitesh Adeshara	7,000/-
Mr. Mukesh Adeshara	7,000/-
Mr. Ghanshyam Akbari	7,000/-

None of the directors of the company, during the year, has been paid remuneration and hence information in respect of remuneration to directors is not provided / applicable.

E. SHARE TRANSFER CUM INVESTOR GRIEVANCE COMMITTEE

Composition

As per the requirements of Listing Agreement, the Investor Grievance and Shareholders' Committee comprising of Mr. Vipul Mandalia, Mr. Ghanshyambhai Akbari and Mr. Mukesh Adeshara.

Mr. Vipul Mandalia is the Chairman of this Committee.

Mr. Ravikumar Pasi is Company Secretary & Compliance Officer of the company.

The company has received One (1) Compliant during the financial year, and the same has been resolved satisfactorily well within the time. As on the date of this report no complaint is pending.

The Committee met 10 (Ten) times during the year.

F. FINANCE COMMITTEE

Terms of Reference:

To comply with the amended Clause 41 of the Listing Agreement, the company on 07/08/2009 re-constituted Finance Committee for the specific object of taking note of "Limited Review Report" being issued by Statutory Auditors of the company on quarterly un-audited financial results for the submission with the Stock Exchanges.

Composition

This committee consisting of Mr. Kishor Mandalia, Managing Director and Mr. Mukesh Adeshara, Independent Director.

Mr. Kishor Mandalia is the Chairman of this Committee.

Meetings and attendance:

During the year, the Finance Committee met 2 (two) times i.e 12/08/2011 and 05/11/2011. All the members were present in all the meetings.

The Board at its meeting held on 30/07/2012 has dissolved this committee mainly due to reason that the company is now submitting financial results pursuant to clause 41 of listing agreement to the stock exchange along with limited review report which is being approved by the Board. Hence purpose for which this committee was formed is being served and hence no need to have this committee now.

G. GENERAL BODY MEETING

Location and time of last three Annual General Meetings.

Year	Date and Time	Location
2008-2009	29-09-2009 (10:30 a.m.)	"The Conference Hall", Ahmedabad Textile Mills Association (ATMA), Opp. National Chamber, Ashram Road, Ahmedabad 380 009
2009-2010	29-09-2010 (10:30 a.m.)	11-B, New Ahmedabad Industrial Estate,Village- Moraiya, Sarkhej-Bavla Road, Moraiya-382 213. Dist.-Ahmedabad.
2010-2011	29-09-2011 (10:30 a.m.)	11-B, New Ahmedabad Industrial Estate,Village- Moraiya, Sarkhej-Bavla Road, Moraiya-382 213. Dist.-Ahmedabad.

Details in respect of Special Resolutions passed during last three Annual General Meetings:-

The Company at its Annual General Meeting held on 29th September, 2009 had passed one Special Resolution in respect of Change of Name of the company to AuSom Enterprise Limited pursuant to Section 21 of the Companies Act, 1956.

The Company had not passed any other Special Resolution during previous three Annual General Meetings except as stated above.

Details in respect of Special Resolutions passed through Postal ballot during last three years :

During last three years, the Company had passed 2 (two) Special Resolutions, through Postal ballot, namely resolution pursuant to Section 146 of the Companies Act, 1956 in respect of shifting of Registered Office outside

local limit of City/town but within the same State and Second Special Resolution pursuant to Section 17 of the Companies Act, 1956 in respect of Change in Main object of the Memorandum of the Company.

The detail of voting pattern for each such resolution is as under :-

Particulars	No. of Postal Ballot forms	No. of Votes	% of total Votes
Votes in favour of the			
1. Resolution No. 1	63	9660747	99.93%
2. Resolution No. 2	61	9659697	99.92%
Votes against the			
1. Resolution No.1	9	2752	0.02%
2. Resolution No.2	6	2402	0.02%
Net valid postal ballot forms for :			
1. Resolution No.1	72	9663499	99.96%
2. Resolution No.2	72	9663499	99.96%
Number of invalid postal ballot forms received	7	3650	0.037%
Votes not Cast	5	1400	0.014%
Total Number of postal ballot forms received	79	9667149	

Mr. J.V. Karani, Chartered Accountant was acting as Scrutinizer to conduct the Postal Ballot procedure in fair and transparent manner.

The company is not proposing to pass any special resolution through postal ballot.

H. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTION.

During the financial year 2011-2012, there were no transactions of material nature with the Directors and management or with their relatives that had potential conflict with the interest of the company.

I. DETAILS OF NON COMPLIANCE BY THE COMPANY

During the last three years no penalties, strictures were imposed by the stock exchanges or other authorities on any matter related to Capital Markets.

Whistle Blower Policy being Non Mandatory, the company has not adopted the same. No personnel have been denied access to the audit committee.

The company has complied with all the mandatory requirements as prescribed under revised clause 49 of the Listing Agreement.

None of the non mandatory requirements have been adopted by the company.

CEO / CFO Certificate

In accordance with the requirements of Clause – 49 of the Listing Agreement, Mr. Kishor Mandalia, CEO and Mr. Rupesh Shah, CFO of the Company, have certified to the Board that to the best of their knowledge and belief, the financial statements present true and fair view of the Company's affairs.

J. MEANS OF COMMUNICATION

Quarterly / Yearly results

Quarterly / Yearly financial results were published in The Economic Times (English/Gujarati), Business Standard (English) and Loksatta Jansatta (Gujarati) and also being informed to Stock Exchanges where the shares of the company are listed. The same is also placed on company's website **www.ausom.in**.

No official news released during the Year.

No presentation was made to institutional investors or to the analyst. The Company has hosted its own website **www.ausom.in** where all the information relating to Code of Conduct, Shareholding Pattern, quarterly/yearly financial results (audited/un-audited), details of Registrar and Transfer Agent, Stock Exchange code and ISIN are available.

As required by SEBI and the listing agreements, the company files its financial as well as other information periodically on the Electronic filing **www.corpfiling.co.in** website.

Management Discussion and Analysis report forming part of this Annual Report.

K. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting: Date, Time and Venue:

Friday, the 28th day of September, 2012 at 10:30 a.m. at the Registered Office of the company situated at **11-B, New Ahmedabad Industrial Estate, Village-Moraiya, Sarkhej-Bavla Road, Moraiya-382 213. Dist.-Ahmedabad.**

Financial Calendar: April – March

- ⇒ Financial reporting for the first quarter ending on June, 2012: on or before 15th August 2012
- ⇒ Financial reporting for the second quarter ending on September, 2012: on or before 15th November 2012
- ⇒ Financial reporting for the third quarter ending on December, 2012: on or before 15th February 2013
- ⇒ Financial reporting for the last quarter ending on March, 2013: April-May, 2013
- ⇒ Annual General Meeting for Financial Year 2012-2013: September, 2013

The above dates are tentative, subject to change.

- Dates of Book Closure: Tuesday, the 25th September, 2012 to Friday, the 28th September, 2012 (Both days including).
- No declaration of dividend.

LISTING ON THE STOCK EXCHANGES

Name of Stock Exchanges & Script Code No.:-

The Bombay Stock Exchange Ltd. (BSE)	Stock Code : 509009
National Stock Exchange of India Limited (NSE)	Symbol : AUSOMENT Series : EQ

Listing fees for the financial year 2012-2013 has been paid to both the above Stock Exchanges. Even Annual custody fee and custodial fee for the financial year 2012-2013 has been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has established connectivity for its equity shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). International Security Identification Number (ISIN) of the company's equity shares with NSDL and CDSL is **INE218C01016**.

MARKET PRICE DATA:

The data on price of equity shares of the Company are as under:

High, Low during each month in last financial year at BSE and NSE.

Month	Share Price BSE		Volumes (BSE)	BSE Sensex		Share Price NSE		Volumes (NSE)
	High Value (Rs.)	Low Value (Rs.)	No of Shares	(High)	(Low)	High Value (Rs.)	Low Value (Rs.)	No of Shares
Apr-11	51.50	41.10	92958	19811.14	18976.19	52.40	41.20	50587
May-11	50.00	41.50	21953	19253.87	17786.13	50.25	35.30	12894
Jun-11	47.55	37.05	29798	18873.39	17314.38	49.50	34.00	18433
Jul-11	42.95	36.50	16899	19131.70	18131.86	42.85	37.50	9370
Aug-11	40.00	31.35	9579	18440.07	15765.53	40.00	33.25	2298
Sep-11	37.50	32.00	2916	17211.80	15801.01	36.20	32.15	1956
Oct-11	36.25	31.40	14796	17908.13	15745.43	37.70	31.00	3210
Nov-11	43.45	32.05	1318	17702.26	15478.69	36.25	29.45	4580
Dec-11	43.30	36.95	1765	17003.71	15135.86	36.20	29.95	4494
Jan-12	40.50	26.00	10667	17258.97	15358.02	36.70	31.45	882
Feb-12	28.00	24.40	17332	18523.78	17061.55	31.00	26.25	11690
Mar-12	28.65	23.40	2368	18040.69	16920.61	28.45	25.60	4931

REGISTRAR AND TRANSFER AGENT

M/s. Link Intime India Private Limited (Formerly known as Intime Spectrum Registry Limited), 303, 3rd Floor, Shopper's Plaza-5, Near Govt. Soc., Opp. Municipal Market, C.G. Road, Navrangpura, Ahmedabad – 380 009 Contact No.: - 079- 26465179 is acting as Registrar and Transfer (R&T) Agent for share transfer and dematerialisation work.

SHARE TRANSFER SYSTEM

Share transfer would be registered and returned within a period of 30 (Thirty) days from the date of receipt. The share transfer cum investor Grievance committee meets on 15/20 days gap depending upon number of transfers received.

As required under clause 47 (c) of the Listing Agreements, a certificate is obtained every six months from a Practicing Company Secretary, with regards to, inter alia, effecting transfer, transmission, sub – division, and consolidation, of equity shares within one month of its lodgment. The certificates are forwarded to BSE and NSE where the equity shares are listed and also placed before the Shares Transfer Cum Investor Grievance Committee Meeting for noting.

In terms of SEBI circular No. D&CC/FITT/CIR-16 dated 31st December 2002, a Audit is conducted on a quarterly basis by a practicing Company Secretary, for the purpose of, inter alia, and reconciliation of the total admitted equity share capital with the depositories and in the physical form with the total issued / paid – up equity capital of the Company. Certificates issued in this regard are placed before the Shares Transfer Cum Investor Grievance Committee Meeting for noting and forwarded to BSE and NSE, where the equity shares of the company are listed.

DISTRIBUTION OF SHAREHOLDING (AS ON 31-03-2012)

No. of Equity Shares held	No. of Folios	%	No. of Shares	%
Up to 500	5075	82.56	886154	6.50
501 – 1,000	666	10.83	482190	3.54
1001 – 2000	190	3.09	276254	2.03
2001 – 3000	71	1.16	185716	1.36
3001 – 4000	20	0.33	72978	0.54
4001 – 5000	25	0.41	117730	0.86
5001 – 10000	55	0.89	383537	2.82
10001 & above	45	0.73	11218993	82.35
Grand Total	6147	100.00	13623552	<u>100.00</u>

DEMATERIALISATION OF SHARES AND LIQUIDITY

The company has entered into an agreement with both depositories i.e. NSDL and CDSL so that the shareholders of the company could avail the benefit of multidepository system. Up-to 31/03/2012 1,26,23,598 shares were dematerialized.

Plant Location: - As the company is only engaged in trading activity, it does not have any plant.

Outstanding ADR/GDR etc.: - Not applicable

CORRESPONDENCE MAY BE ADDRESS TO: -

Mr. Ravikumar Pasi, Company Secretary & Compliance Officer
 Secretarial Department,
 606, 'Swagat', Nr. Lal Bunglow,
 C.G. Road, Ahmedabad – 380 006, Gujarat
 Phone No.: - 079 – 26421455-66
 Fax No.: - 079 – 26569898 Email Id: - investorcomplaints@gmail.com
 Website: - www.ausom.in

DECLARATION OF CODE OF CONDUCT

As per the terms of the amended clause 49 of the Listing Agreement, we hereby confirm that all the board members and senior management personnel of the company have affirmed the compliance of the code of business conduct for the year ended on 31/03/2012.

Date: 30th July 2012.

To,
The Board of Directors,
AuSom Enterprise Limited, Ahmedabad

CFO/CEO Certification

We, Kishor Mandalia, Chief Executive Officer and Rupesh Shah, Chief Financial Officer of AuSom Enterprise Limited, to the best of our knowledge and belief, hereby certify that:

- A. We have reviewed the Balance Sheet as at March 31, 2012, Statement of Profit & Loss for the year ended on that date along with all its, notes on accounts and also the cash flow statement for the year ended on that date and based on our knowledge and information, we confirm that:-
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We along with Company's other certifying officers accept responsibility for establishing and maintaining internal controls for financial reporting and that we have:-
 - i. Evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and
 - ii. Disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We along with Company's other certifying officers, have indicated to the auditors and the Audit Committee of the Company that:-
 - i. There are no significant changes in internal control during the year;
 - ii. There are no significant changes in accounting policies during the year and that same have been disclosed in the notes to the financial statements; and
 - iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Kishor Mandalia
Chief Executive Officer

Rupesh Shah
Chief Financial Officer

CORPORATE GOVERNANCE CERTIFICATE

To the Members,
AUSOM ENTERPRISE LIMITED

We have examined the compliance of conditions of Corporate Governance by **AUSOM ENTERPRISE LIMITED** for the year ended 31-03-2012, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

**FOR C.R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS
(Registration No. 109943W)**

**PLACE : AHMEDABAD
DATE : 30-07-2012**

**C.R. SHAREDALAL
PARTNER
MEMBERSHIP NO.002571**

AUDITORS' REPORT

To,
The Members of
AUSOM ENTERPRISE LIMITED

1. We have audited the attached Balance Sheet of **AUSOM ENTERPRISE LIMITED**, as at 31st March, 2012 and also the Statement of Profit and Loss and the 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.
2. 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of the written representations received from the Directors of the Company, as on 31-03-2012, and taken on record by the Board of Directors of the Company, none of the Directors of the Company is disqualified as on 31-03-2012, from being appointed as a Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

(vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**FOR C.R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS
(Registration No. 109943W)**

**PLACE : AHMEDABAD
DATE : 30-07-2012**

**C.R. SHAREDALAL
PARTNER
MEMBERSHIP NO.002571**

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of AUSOM ENTERPRISE LIMITED on the financial statements for the year ended 31st March, 2012]

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.

(b) Fixed assets were physically verified during the year by the management in accordance with a programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of assets. According to the information and explanations given to us, no discrepancies were noticed on such verification.

(c) The Company has not disposed off any Fixed Assets during the year. Accordingly, the question of affecting the going concern assumption does not arise.
2. (a) As explained to us, inventories have been physically verified by the management during the year at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us the Company is maintaining proper records of inventory. According to the information and explanations given to us no discrepancies were noticed on physical verification of inventories as compared to book records.
3. (a) The Company has not granted loans secured or unsecured to parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clauses (b) and (c) of the order are not applicable.

(d) The Company has taken unsecured loans from one party covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount at any time during the year was Rs.20,75,00,000/- and the year-end balance is NIL

(e) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of such loan are not prima facie prejudicial to the interest of the company.

(f) In respect of the aforesaid loans, the company is regular in repaying the principal amount which is repayable on demand.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books of account and records of the Company and according to the information and explanation given to

us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the internal control system.

5. According to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that needs to be entered in the register maintained under that section have been so entered. Transactions done in pursuance of such contracts or arrangements have made at prices which appear reasonable as per information available with the company.
6. As the Company has not accepted any deposits from the public, the directive issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed thereunder are not applicable to the Company. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
7. In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.
8. As informed to us, the Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales Tax/Value Added Tax, Gratuity, Professional Tax, Income-tax, Wealth-tax, Custom Duty, Excise duty, Service Tax, Cess and any other applicable dues, during the year with the appropriate authorities. However, minor delay has been noticed in respect of Tax Deducted at Source (TDS) during the year. According to the information and explanation given to us no undisputed amounts payable in respect of statutory dues outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of Provident Fund, Sales tax/Value Added Tax, Professional tax, Income tax, Wealth-tax, Custom duty, Excise duty, Service tax, Cess and any other dues to the extent applicable, which have not been deposited on account of dispute.
10. The accumulated losses of the Company as at the end of the year are more than fifty percent of its net worth. The Company has not incurred cash losses during the year and cash losses were not incurred in the immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has been generally regular in repayment of dues to Banks and Financial Institutions.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special status applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company. Accordingly, clauses (xiii)(a) to (xiii)(d) of paragraph 4 of the Order are not

applicable to the Company.

14. In respect of dealing in shares, securities and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the Company in its own name.
15. According to the information and explanations given to us, Company has not given any guarantee for loan taken by others from banks and Financial Institutions during the year.
16. During the period under audit, the company has not obtained any term loans; hence the provisions of clause (xvi) are not applicable to the company.
17. On the basis of the information and explanations given to us and on an overall examination of the Financial Statements of the Company, in our opinion, there are no funds raised on a short-term basis which have been used for long-term investments.
18. 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 during the year.
19. The Company has not issued any debentures during the year.
20. During the year, the Company has not raised money by public issue.
21. During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the management.

**FOR C.R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS
(Registration No. 109943W)**

**PLACE : AHMEDABAD
DATE : 30-07-2012**

**C.R. SHAREDALAL
PARTNER
MEMBERSHIP NO.002571**

BALANCE SHEET AS AT 31 MARCH, 2012

Particulars	Note No.	As at 31 March, 2012	As at 31 March, 2011
		Rupees	Rupees
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	33,62,46,270	33,62,46,270
Reserves and surplus	3	(10,90,06,315)	(21,03,56,349)
Money received against share warrants		-	-
		22,72,39,955	12,58,89,921
Share application money pending allotment			
Non-current liabilities			
Long-term borrowings		-	-
Deferred tax liabilities(net)		-	-
Other long-term liabilities		-	-
Long-term provisions	4	39,324	29,053
		39,324	29,053
Current liabilities			
Short-term borrowings	5	2,80,48,824	2,40,00,000
Trade payables	6	3,68,361	9,34,03,13,665
Other current liabilities	7	50,369	6,85,603
Short-term provisions	8	99,22,767	3,55,664
		3,83,90,321	9,36,53,54,932
TOTAL		26,56,69,600	9,49,12,73,906
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	2,69,007	2,91,111
Intangible assets		-	-
Capital work in progress		-	-
Intangible assets under development		-	-
Fixed assets held for sale		-	-
		2,69,007	2,91,111
Non-current investments	10	1,07,50,000	-
Deferred tax assets(net)		-	-
Long-term loans and advances	11	88,58,353	5,00,299
Other non-current assets		-	-
		1,96,08,353	5,00,299
Current assets			
Current investments		-	-
Inventories	12	1,87,54,002	1,78,87,596
Trade receivables	13	1,08,87,193	17,91,38,371
Cash and bank balances	14	19,26,43,527	9,01,05,55,365
Short-term loans and advances	15	1,29,59,165	88,17,740
Other current assets	16	1,05,48,353	27,40,83,424
		24,57,92,240	9,49,04,82,496
TOTAL		26,56,69,600	9,49,12,73,906

Significant Accounting Policies 1
The accompanying notes are integral part of financial statements.
As per our report of even date.

For C.R. Sharedalal & Co.
Chartered Accountants

(C.R. Sharedalal)
Partner
Membership No. 002571

Place : Ahmedabad
Date : 30/07/2012

For and on behalf of the Board of Directors

KISHOR MANDALIA
Managing Director

ZAVERILAL MANDALIA
Director
RAVIKUMAR PASI
Company Secretary

Place : Ahmedabad
Date : 30/07/2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31 MARCH, 2012

	Note No.	For the year ended 31 March, 2012 Rupees	For the year ended 31 March, 2011 Rupees
Revenue from operations (gross)	17	8,62,96,56,767	10,39,65,78,787
Less: Excise duty		-	-
Revenue from operations (net)		8,62,96,56,767	10,39,65,78,787
Other income	18	71,54,517	10,81,562
Total revenue		8,63,68,11,284	10,39,76,60,349
Expenses			
Cost of material consumed		-	-
Purchases of stock-in-trade	19	8,06,46,75,262	10,07,48,53,886
Changes in inventories of stock-in-trade	20	(8,66,406)	18,32,436
Employee benefits expense	21	7,30,847	4,81,254
Finance costs	22	15,21,68,816	9,41,41,079
Depreciation and amortisation expense	9	22,104	19,521
Other expenses	23	31,91,23,126	15,10,45,829
Total expenses		8,53,58,53,749	10,32,23,74,005
Profit / (Loss) before exceptional and extraordinary items and tax		10,09,57,535	7,52,86,344
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		10,09,57,535	7,52,86,344
Extraordinary items		-	-
Profit / (Loss) before tax		10,09,57,535	7,52,86,344
Tax expense:			
Current Income Tax		-	-
(Excess)/Short Provision of Income Tax for earlier years		(3,92,499)	-
Deferred tax		-	-
		(3,92,499)	-
Profit / (Loss) from continuing operations		10,13,50,034	7,52,86,344
DISCONTINUING OPERATIONS			
Profit / (Loss) before tax from discontinuing operations		-	-
Tax expenses of discounting operations		-	-
Profit / (Loss) after tax from discontinuing operations		-	-
Profit / (Loss) for the year		10,13,50,034	7,52,86,344
Earnings per Equity Share (Note 31)			
Basic		5.02	3.1
Diluted		5.02	3.1

Significant Accounting Policies
The accompanying notes are integral part of financial statements.
As per our report of even date.

1

For C.R. Shredalal & Co.
Chartered Accountants

(C.R. Shredalal)
Partner
Membership No. 002571

Place : Ahmedabad
Date : 30/07/2012

For and on behalf of the Board of Directors

KISHOR MANDALIA
Managing Director

ZAVERILAL MANDALIA
Director
RAVIKUMAR PASI
Company Secretary

Place : Ahmedabad
Date : 30/07/2012

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2012

	(Amt in Rs.)	
	For the year ended 31-Mar-12	For the year ended 31-Mar-11
	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before taxation and extraordinary items	10,13,50,034	7,52,86,344
Adjustment for		
Depreciation	22,104	19,521
Interest income	-1,13,04,117	-8,10,648
Interest expense	51,00,000	39,95,082
	-61,82,013	32,03,955
Operating Profit before Working Capital Changes	9,51,68,021	7,84,90,299
Decrease (Increase) in Trade Receivable	16,82,51,178	-17,90,65,927
Decrease (Increase) in Inventories	-8,66,406	18,32,436
Increase (Decrease) in Long term provision	10,271	17,109
Increase (Decrease) in short term provision	95,67,103,	3,55,664
Increase (Decrease) in other current liability	-6,35,234	6,73,113
Decrease (Increase) in other current assets	26,35,35,071	0
Decrease (Increase) in Long term Loans & Advances	-83,58,054	-5,66,498
Decrease (Increase) in Short term Loans & Advances	-41,41,425	-85,60,476
Decrease (Increase) in other Bank Balance	8,84,96,31,000	-9,27,29,82,847
Increase (Decrease) in Trade Payable	-9,33,99,45,304	-6,29,51,800 9,33,98,07,167 -11,84,90,259
Cash Generated from Operations	3,22,16,221	-3,99,99,960
Direct taxes paid	0	0
Net cash from operating activities	3,22,16,221	-3,99,99,960
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Non current investment	-1,07,50,000	0
Purchase of Fixed Assests	0	-93,162
Interest Received	1,13,04,117	8,10,648
Net cash from investing activities	5,54,117	7,17,486
C. CASH FLOW FROM FINACING ACTIVITIES		
Proceeds from short term borrowings	40,48,824	2,40,00,000
Interest Paid	-51,00,000	-39,95,082
Net cash used in financing activities	-10,51,176	2,00,04,918
Net increase in cash & cash equivalents	3,17,19,162	-1,92,77,556
Cash & Cash equivalents at begining of period	1,13,24,365	3,06,01,921
Cash & Cash equivalents at end of period	4,30,43,527	1,13,24,365

Note: Cash and Cash Equivalents included in the Cash Flow Statement comprises the following balances amounts :

	As at 31-03-2012	As at 31-03-2011
Cash On Hand	1,98,917	2,75,948
Bank Balance with Schedule Banks	4,28,44,610	1,10,48,417
In Demand Deposit with Banks	-	-
Total	4,30,43,527	1,13,24,365

As per our attached Report of even date
For C.R. Sharedalal & Co.
Chartered Accountants

For and on behalf of the Board of Directors

KISHOR MANDALIA
Managing Director

C.R.SHAREDALAL
Partner
Membership No.002571

ZAVERILAL MANDALIA
Director

RAVIKUMAR PASI
Company Secretary
Place : Ahmedabad
Date : 30/07/2012

Place : Ahmedabad
Date : 30/07/2012

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. Significant accounting policies**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, on accrual basis in accordance with Generally Accepted Accounting Principle (GAAP), and comply with the Companies (Accounting Standard) Rules 2006 and relevant provisions of the Companies Act 1956 to the extent applicable.

1.2 Presentation and disclosure of financial statements

During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosure made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

1.3 Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.4 Tangible fixed assets

Fixed Assets are stated at cost less accumulated depreciation. The cost comprises of purchase price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

1.5 Depreciation

Depreciation on tangible fixed assets is provided on Straight Line Method in accordance with the rates and in manner specified in Schedule XIV of the Companies Act, 1956.

1.6 Inventories

- (i) Trading Goods are valued at Cost or Net Realizable value whichever is lower. Cost is arrived at by using FIFO method.
- (ii) Shares and Securities are valued at Cost or Net Realizable value whichever is lower. Cost is arrived at by using FIFO method.

1.7 Cash Flow

The cash flow statement is prepared by the indirect method set out in Accounting Standard-3 on Cash Flow Statement and presents cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and balances in current and demand deposit with banks.

1.8 Revenue Recognition

- A. Revenue from sales is recognised at the point of dispatch to the customers when risk and reward stand transferred to the customers. Sales are inclusive of freight wherever it is charged.
- B. Dividend income is recognised when the right to receive the dividend is established.
- C. Operating and other Interest income on FDR is recognised on the time proportion basis taking into account of the amount outstanding and rate applicable.
- D. Shares Transactions
 - (i) Where share trading purchase and share trading sales is settled within the same settlement, only net gain or loss is booked.
 - (ii) Where share trading purchase and share trading sales is not settled within the same settlement, each transaction is accounted as purchase and sales.
- E. Derivative Transactions in Future and Option
 - (i) Future or Option transactions in Equity/Index/Currency/Commodity are accounted expiry date wise separately.
 - (ii) Gain or Loss is accounted on expiry date.
 - (iii) Contracts for future or option in Equity/Index/Currency/Commodity remaining unsettled at balance sheet date are provided for in case of loss only.
 - (iv) When future or option contract settled with actual delivery, the same is accounted for respective contract wise as purchase/sales.

F. Other Income

Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exist.

1.9 Purchase

Purchase cost of shares, securities and Units of Mutual Funds does not include other incidental charges except brokerage charges.

1.10 Employee Benefits

Short-term employee benefits are recognized as expenses in the Statement of Profit and Loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues.

Long term employee benefits and post-employment benefits both funded and non-funded are recognized as expenses in the Statement of Profit and Loss of the year in which the related service is rendered based on actuarial valuation.

- i. Company's Contribution towards provident fund are accounted for at pre-determined rates and deposited in to an EPFO.
- ii. Gratuity is accounted for on the basis of actuarial valuation.

1.11 Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from “timing difference” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

1.12 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. Disclosure for Contingent Liabilities is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. No provision is recognized or disclosure for Contingent Liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.

1.13 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior period is reversed if there has been a change in the estimate of recoverable amount.

1.14 Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of transaction.
- (b) Monetary items denominated in foreign currencies at the year-end are restated at year-end rates.
- (c) Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.
- (d) Profit/Loss on Forward Rate Agreement taken for hedging interest rate related risk is accounted



at the time of starting date of each agreement.

- (e) Foreign currency transactions hedged through forward contracts, the premium on such forward contracts is amortised over the life of the contract.

1.15 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as non-current investments. Current Investments are carried at lower of cost and quoted/fair value determined on category/item wise. Non-current investments are stated at cost. However, Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.16 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

2 Share capital

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares	Rupees	Number of shares	Rupees
Authorised				
Equity shares of Rs.10 each	6,00,00,000	6,00,00,000	6,00,00,000	6,00,00,000
Redeemable preference shares of Rs.10 each	4,00,00,000	4,00,00,000	4,00,00,000	4,00,00,000
Issued, Subscribed and Fully Paid up				
Equity shares of Rs.10 each	1,36,23,552	1,36,23,520	1,36,23,552	1,36,23,520
16.5% Cumulative Redeemable Participating preference shares of Rs. 10 each	2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000
Forfeited equity shares(Amount originally paid up)		10,750		10,750
Total		33,62,46,270		33,62,46,270

2.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Issue	Buy back	Closing Balance
Equity shares				
Year ended 31 March, 2012				
- Number of shares	1,36,23,552	-	-	1,36,23,552
- Amount (Rs)	13,62,35,520	-	-	13,62,35,520
Year ended 31 March, 2011				
-Number of shares	1,36,23,552	-	-	1,36,23,552
- Amount (Rs)	13,62,35,520	-	-	13,62,35,520
Particulars	Opening Balance	Issue	Redemption	Closing Balance
16.5 % Cumulative Redeemable Participating preference shares				
Year ended 31 March, 2012				
- Number of shares	2,00,00,000	-	-	2,00,00,000
- Amount (Rs)	20,00,00,000	-	-	20,00,00,000
Year ended 31 March, 2011				
- Number of shares	2,00,00,000	-	-	2,00,00,000
- Amount (Rs)	20,00,00,000	-	-	20,00,00,000

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

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs. 10 each fully paid				
Savitri D. Pawani	47,73,087	35.04	46,84,936	34.39
Kishor P. Mandalia	11,89,102	8.73	11,89,102	8.73
Daxaben B. Mandalia	8,90,572	6.54	8,90,572	6.54
Vipul Z. Mandalia	8,36,420	6.14	8,36,420	6.14
Zaveri V. Mandalia	8,04,547	5.91	8,04,547	5.91
Chandresh Z. Mandalia	7,97,647	5.85	7,97,647	5.85
16.5 % Cumulative Redeemable Participating preference shares of Rs. 10 each fully paid				
Zaveri V. Mandalia	18,00,000	9.00	18,00,000	9.00
Bharat P. Mandalia	25,00,000	12.50	25,00,000	12.50
Kishor P. Mandalia	25,00,000	12.50	25,00,000	12.50
Chandresh Z. Mandalia	16,00,000	8.00	16,00,000	8.00
Vipul Z. Mandalia	16,00,000	8.00	16,00,000	8.00
Savitri D. Pawani	90,00,000	45.00	90,00,000	45.00
Bharti. A. Pawani	10,00,000	5.00	10,00,000	5.00

(a) Terms/Rights attached to equity shares

- (i) The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (ii) In the event of liquidation of the company, the holder of equity shares will be entitled to receive 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.

(b) Terms of Redemption, conversion & rights of preference shares

- (i) Preference shares carry cumulative dividend at 16.5% p.a. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The preference shares shall, in addition have a right to participating dividend over and above the base dividend mentioned above.
- (ii) The liability for payment of Dividend on Cumulative Redeemable Participating Preference Shares of Rs. 20,00,00,000 is not provided in view of the accumulated loss. The amount of such accumulated dividend comes to Rs. 34,04,00,000 up to 31/03/2012. (Rs. 30,74,00,000 up to 31/03/2011).
- (iii) The Preference Shares were issued on 09/12/1999 and are redeemable at par in three equal annual installments. The installments of such redemption were due on 9th Dec, 2006, 9th Dec 2007 and 9th Dec 2008. However, the Company has received consent letter from the preference shareholders postponing their right to receive payment of the installments of redemption of preference shares amounting to Rs. 20,00,00,000 by six years.
- (iv) At the time of redemption of the Preference Shares or in the event of winding-up of the Company, the arrears of dividend on the Preference Shares whether earned, declared or not shall also be paid to the Subscribers.
- (v) The Subscribers shall have the same voting rights in respect of the Preference Shares as are available and applicable to preference shares under the Companies Act, 1956.
- (vi) In the event of default in payment of base and / or participating dividend inspite of adequate profits and / or redemption of Preference Shares as per the terms of issue, the subscriber shall have the right to convert at its option 100% of the Preference Shares into fully paid-up Equity Shares of the Company, at par, in the manner specified in writing to be given by the Subscribers.

3 Reserves and surplus

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Capital reserve (Profit on reissue of forfeited shares)		
Balance as per last Financial Statement	86,000	86,000
Add :	-	-
Less :	-	-
Closing Balance	86,000	86,000
Securities Premium Reserve		
Balance as per last Financial Statement	36,41,18,400	36,41,18,400
Add :	-	-
Less :	-	-
Closing Balance	36,41,18,400	36,41,18,400
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as per last financial statement	(57,45,60,749)	(64,98,47,093)
Add: Profit for the year	10,13,50,034	7,52,86,344
Net Surplus/(Deficit) in the statement of Profit and Loss	(47,32,10,715)	(57,45,60,749)
Total	(10,90,06,315)	(21,03,56,315)

4 Long term Provisions

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Provision for employee benefits		
Provision for gratuity	39,324	29,053
Total	39,324	29,053

5 Short-term borrowings

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Loans Repayable on demand		
From Banks		
Secured : overdraft facilities (Note 5.1)	2,80,48,824	-
Loans and advances from related parties payable on demand (Note 29)		
Unsecured (Note 5.2)	-	2,40,00,000
Total	2,80,48,824	2,40,00,000

5.1

The overdraft facilities from banks are secured against Fixed Deposits of the Company. They are repayable on demand and carry interest @ Interest rate on Fixed Deposits plus 1% to 3% p.a.

5.2

Loans and advances from related parties are repayable on demand and carry interest @ 12% p.a.

6 Trade payables

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Trade payables (Note 35 : due to micro and small enterprises)	3,68,361	9,34,03,13,665
Total	3,68,361	9,34,03,13,665

6.1

Trade payables include the amount of Rs. NIL (31/03/2011 Rs. 9,33,94,97,073) towards the Foreign Currency Buyers' Credit facilities obtained by the company towards import of goods. These facilities are short term in nature and repayable within one year from the date of their availment.

7 Other current liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Other payables		
VAT Payable	-	90,666
Wealth Tax Payable	-	12,490
TDS Payable	50,369	5,82,447
Total	50,369	6,85,603

8 Short-term provisions

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Provision for employee benefits		
Provision for Bonus	14,073	-
Provision for Leave Enchashment	15,429	11,122
Others Provisions		
Provision for open position in Derivative contracts	98,87,168	68,062
Provision for Expenses	6,097	2,76,480
Total	99,22,767	3,55,664

9 Tangible Assets

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK As at 31-03-2012
	As at 01-04-2011	Additions	Deletions/ Adjustments	As at 31-03-2012	Up to 01-04-2011	For the Year	Up to 31-03-2012
Tangible Assets:							
Plant & Equipment	84,468	-	-	84,468	1,647	4,012	5,659
(Previous Year)	-	(84,468)	-	(84,468)	-	(1,647)	(82,821)
Furniture and Fixtures	1,27,134	-	-	1,27,134	11,844	8,048	19,892
(Previous Year)	(1,27,134)	-	-	(1,27,134)	(3,796)	(8,048)	(1,15,290)
Office Equipment	61,930	-	-	61,930	3,123	2,940	6,063
(Previous Year)	(53,236)	(8,694)	-	(61,930)	(402)	(2,721)	(58,807)
Computer	43,834	-	-	43,834	9,641	7,104	16,745
(Previous Year)	(43,834)	-	-	(43,834)	(2,536)	(7,105)	(34,193)
Total	3,17,366	-	-	3,17,366	26,255	22,104	48,359
(Previous Year)	(2,24,204)	(93,162)	-	(3,17,366)	(6,734)	(19,521)	(2,91,111)

Note : Figures in bracket relates to the previous year.

10 Non-current investment

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Non-Traded Investments (unquoted & valued at Cost)		
Investment in equity instruments	1,07,50,000	-
85430 (31/03/2011 NIL) Equity Shares of Rs. 10 each fully paid up in Grower Vineyards Ltd		
Total	1,07,50,000	-

11 Long-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Security deposits		
Unsecured, considered good	4,33,411	4,33,411
Other loan and advances		
TDS receivable	84,24,942	66,888
Total	88,58,353	5,00,299

12 Inventories

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Stock-in-trade		
Shares & securities (valued at Cost or net realisable value whichever is lower)	1,87,54,002	1,78,87,596
Total	1,87,54,002	1,78,87,596

13 Trade receivables

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Outstanding for a period exceeding six months from the date they are due for payment.		
Unsecured, considered good	26,904	84,772
Other receivables		
Unsecured, considered good	1,08,60,289	17,90,53,599
Total	1,08,87,193	17,91,38,371

14 Cash and bank balances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Cash and Cash Equivalents		
Balance with Banks		
in current accounts	4,28,44,610	1,10,48,417
Cash on hand	1,98,917	2,75,948
Other Banks Balances		
Fixed Deposits (Note 14.1)	-	8,99,92,31,000
Margin money deposits (Note 14.2)	14,96,00,000	-
Total	19,26,43,527	9,01,05,55,365

14.1

The Fixed deposits are pledged with bankers for the guarantees provided by them for foreign currency buyers' credit facilities availed by the company.

14.2

With carrying amount of Rs. 11,96,00,000 are given as margin money against overdraft facilities availed from banks.

With carrying amount of Rs. 3,00,00,000 are given as margin money to exchanges.

15 Short-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Balances with statutory authorities		
Unsecured, considered good		
VAT Receivable	9,82,572	-
Other Loans & Advances		
Unsecured, considered good		
Margin money with exchanges	1,19,66,262	2,25,380
Others	10,331	25,472
Prepaid Expenses	-	85,66,888
Total	1,29,59,165	88,17,740

16 Other current assets

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rupees	Rupees
Interest accrued on fixed Deposits	1,04,86,670	27,37,51,847
Interest accrued on loans and advances	-	3,31,577
Other Receivables	61,683	-
Total	1,05,48,353	27,40,83,424

17 Revenue from operations

	Particulars	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
		Rupees	Rupees
(a)	Sale of Traded goods (Note 17.1)	7,96,56,00,695	10,13,45,47,967
(b)	Other operating revenues(Note 17.1)	66,40,56,072	26,20,30,820
	Total	8,62,96,56,767	10,39,65,78,787

17.1 Gross Revenue from sales of Traded goods and other operating revenues under broad heads

	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
		Rupees	Rupees
(i)	<u>Sale of Traded goods</u>		
	Shares, Securities & Units of Mutual Funds	2,12,60,35,801	28,70,02,527
	Bullion	5,81,90,27,681	66,13,54,983
	Diamonds	-	9,18,61,90,457
	Other Commodities	2,05,37,213	-
	Total - Sale of traded goods	7,96,56,00,695	10,13,45,47,967
(ii)	<u>Other operating revenues</u>		
	Interest on FDRs	53,67,72,706	27,43,00,870
	Profit on Share Speculation (Net)	20,424	50,946
	Freight & Insurance	2,06,884	10,64,020
	Profit/(loss) on Derivatives Transactions (Net)		
	Shares & Securities	27,56,625	96,945
	Commodities	19,50,14,211	(95,45,241)
	Currency	(7,07,14,778)	(39,36,720)
	Total - Other operating revenues	66,40,56,072	26,20,30,820

18 Other income

	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
		Rupees	Rupees
	Interest Income		
	From Bank	1,10,64,940	4,42,232
	From Others	2,39,177	3,68,416
	Dividend Income	2,53,000	1,02,050
	Profit/(loss) on Cancellation of FRA/Forward contracts	(45,14,993)	1,64,649
	Misc Income	85,489	4,215
	Previous year income	26,904	-
	Total	71,54,517	10,81,562

19 Purchase of stock-in-trade

	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
		Rupees	Rupees
	Shares, Securities & Units of Mutual Funds	2,12,67,58,217	28,33,61,004
	Bullion	5,91,78,35,795	64,78,57,520
	Diamonds	-	9,14,36,35,362
	Other commodities	2,00,81,250	-
	Total	8,06,46,75,262	10,07,48,53,886

20 Changes in inventories of stock-in-trade

	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
		Rupees	Rupees
	<u>Inventories at the end of the year:</u>		
	Stock-in-trade- Shares	1,87,54,002	1,78,87,596
		1,87,54,002	1,78,87,596
	<u>Inventories at the beginning of the year:</u>		
	Stock-in-trade - Shares	1,78,87,596	1,97,20,032
		1,78,87,596	1,97,20,032
	Net (Increase) / decrease	(8,66,406)	18,32,436

21 Employee benefits expense

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rupees	Rupees
Salaries and bonus	6,37,215	3,97,597
Leave Enchashment	65,790	42,172
Provided for gratuity	10,271	17,109
Contribution towards providend fund	17,571	21,240
Others	-	3,136
Total	7,30,847	4,81,254

22 Finance costs

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rupees	Rupees
Interest expense		
Interest of Buyers' credit availed	13,73,95,300	8,49,45,778
Other interest	51,00,000	39,95,082
Bank gaurantee,LC and other charges	96,73,516	52,00,219
Total	15,21,68,816	9,41,41,079

23 Other expenses

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rupees	Rupees
Electricity Power	45,411	66,930
Rent	1,78,800	2,43,072
Rates and taxes	23,208	65,478
Insurance	-	6,412
Repairs & Maintenance- building	-	1,35,878
Stationary, Printing, Postage and Telephone	2,12,713	2,85,005
Legal and professional fees	1,79,741	35,40,715
Payments to auditors (Note 23.1)	4,04,287	3,86,050
Transportation expenses	2,70,218	11,57,290
Shares, Securities and Derivatives transaction charges	21,62,298	17,09,839
Sundry balances W/off	73,701	-
Donation	1,50,000	-
Directors' sitting fees	42,000	46,000
Foreign Exchange Rate Difference - (net)	31,25,48,326	14,22,92,263
Prior period expenses	21,88,700	36,834
General Charges (Note 23.2)	6,43,723	10,74,063
Total	31,91,23,126	15,10,45,829

23.1 Payments to the auditors

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rupees	Rupees
As auditors :-		
Audit fees	2,24,720	2,20,600
Tax audit fees	56,179	55,150
VAT audit fees	56,179	55,150
In other capacity- taxation	67,209	55,150
	4,04,287	3,86,050

23.2

General Charges includes Travelling expenses, loading and unloading expenses, custodian charges, advertisements, membership fees, listing fees, service charges, licence fees etc.

24 Value of import on CIF basis

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rupees	Rupees
Purchase of Trade Goods	70,39,00,939	9,14,36,35,362
Total	70,39,00,939	9,14,36,35,362

25 Expenditure in Foreign Currency on account of

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rupees	Rupees
Interest on Buyers' Credit	13,73,70,269	8,49,45,778
Total	13,73,70,269	8,49,45,778

26 Earning in Foreign Currency on account of

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rupees	Rupees
FOB value of Exports	70,56,30,477	9,18,61,90,457
Total	70,56,30,477	9,18,61,90,457

27 Dividend remittance in Foreign Currency during the period

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rupees	Rupees
1. No. of foreign share holders	18	20
2. No. of shares held	15,057	15,301
3. Amount Remitted	NIL	NIL

28 Disclosure in respect of retirement bennefits as per Accounting Standard 15 prescribed under Companies (AS) Rules, 2006
Defined Benefit Plan :.

Expenses recognized during the year ended 31st March, 2012.

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Gratuity	Gratuity
Current service cost	10,271	14,527
Interest cost	-	996
Actuarial losses/(gains)	-	1,586
Total expense recognised in the Statement of Profit and Loss	10,271	17,109

Net Assets(liability) recognized in the Balance Sheet as at 31st March, 2012.

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Gratuity	Gratuity
Present value of defined benefit obligation	39,324	29,053
Net asset / (liability) recognised in the Balance Sheet	(39,324)	(29,053)

Reconciliation of Net Assets(liability) recognized in the Balance Sheet during the year ended 31st March, 2012

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Gratuity	Gratuity
Net liability at the beginning of the year	29,053	11,944
Expenses as above	10,271	17,109
Benefit paid	NIL	NIL
Transfer of liabilities	NIL	NIL
Net liability at the end of the year	39,324	29,053

Actuarial assumptions

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Gratuity	Gratuity
Rate of interest	8.50%	8.34%
Salary growth	6.00%	6%
Mortality	LIC(1994-96) Ultimate Table	LIC(1994-96) Published Table
Retirement Age	58 years	58 years

29 Disclosure as required under Accounting Standard 18 in relation to 'Related Party Transaction' prescribed under Companies (AS) Rules, 2006.

29.1

Details of related parties

Description of relationship	Names of related parties
Enterprises in which KMP / Relatives of KMP can exercise significant influence	Zaveri & Co. Pvt. Ltd. Zaveri Enterprise Pvt. Ltd. Amazo Arcade Pvt. Ltd. Vrundavan Garden Pvt. Ltd. Zaveri & Co Exports. Zaveri Finstock Pvt. Ltd. Zaveri & Co Jewellers Pvt. Ltd. Sarabai Enterprises Pvt. Ltd. Panchratna Infrastructure Pvt. Ltd. Zaveri Realty Pvt. Ltd. Atit Infrastructure Pvt. Ltd. Zaveri Energy Pvt. Ltd. Chokshi Estate Pvt. Ltd. Zaveri International Pvt. Ltd. Priyal Projects Pvt. Ltd. Classy Infraspace Pvt. Ltd.
Key Management Personnel	Shri Kishor Mandalia, Managing Director & CEO Shri Zaverilal Mandalia Shri Vipul Mandalia

29.2

Transactions during the year with related parties

Sr. No.	Nature of Transactions	Key Management Personnel	Entities in which Key Management Personnel & their relatives have significant influence	Total
1	Purchase of goods	NIL (NIL)	1,18,62,09,962 (8,60,652)	1,18,62,09,962 (8,60,652)
2	Sale of goods	NIL (NIL)	21,66,169 (NIL)	21,66,169 (NIL)
3	Loans & Advances given to	NIL (NIL)	NIL (16,84,063)	NIL (16,84,063)
4	Loans & Advances received back	NIL (NIL)	(NIL) (16,84,063)	(NIL) (16,84,063)
5	Loans & Advances taken from	NIL (NIL)	1,01,32,57,100 (3,15,64,50,937)	1,01,32,57,100 (3,15,64,50,937)
6	Loans & Advances repaid to	NIL (NIL)	1,01,32,57,100 (3,13,24,50,937)	1,01,32,57,100 (3,13,24,50,937)
7	Brokerage paid	NIL (NIL)	25,46,348 (6,17,742)	25,46,348 (6,17,742)
8	Rent paid	NIL (NIL)	1,18,800 (1,18,800)	1,18,800 (1,18,800)
9	Interest paid	NIL (NIL)	11,13,197 (38,41,414)	11,13,197 (38,41,414)
10	Sitting fees	21,000 (23,000)	NIL (NIL)	21,000 (23,000)
11	<u>Balances outstanding at the end of the year</u>			
	Loans & Advances payable	NIL (NIL)	NIL (2,40,00,000)	NIL (2,40,00,000)

Note: Figures in bracket relates to the previous year

30 Segment Information for the year ended 31st March 2012 as per Accounting Standard-17 perscribed under Companies (AS) Rules, 2006.

The company is engaged in the trading in Bullion, Shares & Securities and Units of Mutual Funds and Diamonds, which is considered as one segment AS-17.

On the basis of source and nature of risk and returns of the enterprise, the company has identified the geographical segments as secondary business segments. The disclosure of segment information is as below :

Particulars	Within India	Outside India	Total
	Rupees	Rupees	Rupees
(A) Segment Revenue :			
External Sales	7,25,99,70,218	70,56,30,477	7,96,56,00,695
Intersegment Sales	NIL	NIL	NIL
Other operating Revenues	12,70,76,482	53,69,79,590	66,40,56,072
(B) Segment Results :			
Segment Profit/(loss)	3,17,37,529	6,96,12,505	10,13,50,034
(C) Segment Assets	24,60,80,477	1,95,89,123	26,56,69,600
(D) Segment Liabilities	3,84,23,274	6,371	3,84,29,645

31 Disclosure in respect of earnings per share as per Accounting Standard-20 perscribed under Companies (AS) Rules, 2006.

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rupees	Rupees
Earnings per share		
Net Profit from continuing operations	10,13,50,034	7,52,86,344
Less: Preference Share dividend	3,30,00,000	3,30,00,000
Net profit / (loss) attributable to the equity shareholders	6,83,50,034	4,22,86,344
Weighted average number of equity shares	1,36,23,552	1,36,23,552
Face value per Equity share	10	10
Basic & Diluted Earnings Per Share from continuing operations	5.02	3.10

32 The Company has hedged its foreign exchange exposure on imports, exports and borrowings through appropriate derivative contracts

The information about outstanding Derivative Contracts for hedging is as under :

Particulars	As at 31-03-2012	As at 31-03-2011
(i) Forward contracts(in Rs.)	Nil	*9,25,81,63,256
(ii) Forward Rate Agreements(Nos)	NIL	22 contracts

* the amount is converted at the exchange rate prevailing on 31-03-2011

33

The figures are rounded off to nearest rupee.

34

As per the requirements of Accounting Standard 22, there is no deferred tax liability for the company. On account of unabsorbed depreciation and carry forward of losses under tax laws, deferred tax assets are not recognized in view of uncertainty that such deferred tax assets can be realized against future taxable profits.

35

The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any, relating to amount unpaid as at the year and together with interest paid, payable as required under that act have not been given.

36

Contingent liability not provided in accounts/not acknowledged as debt by the company :

The Company's assessments under Income Tax Act, 1956, have been completed upto ITAY 2009-10. In respect of additions to Total Income made vide the respective assessment orders, the company is in appeal before the appellate authorities. However due to the setoff of brought forward losses and unabsorbed depreciation as per the provisions of Income Tax Act, 1961, there is no tax payable in any of the assessment years. As and when the appeals will be decided the brought forward losses and unabsorbed depreciation, so set off will be restored depending upon appellate orders.

37

Details of future contracts outstanding (open interest)

Name of script	Position	Number of contracts	
		As at 31-03-2012	As at 31-03-2011
F USD INR 27/04/11	Short	-	225
F USD INR 26/04/12	Short	835	-
F GOLD 05/06/12	Short	100	-
F SILVER 05/05/12	Short	77	-
ADANIENT 26/04/2012	Long	3000	-
AMBUJACEM 26/04/2012	Long	8000	-
AXISBANK 26/04/2012	Long	1500	-
BANKBARODA 26/04/2012	Long	1000	-
BGRENERGY 26/04/2012	Long	5000	-
BHEL 26/04/2012	Long	4000	-
BOMBAYDYING 26/04/2012	Long	5000	-
CENTURY TEX 26/04/2012	Long	7000	-
DISHTV 26/04/2012	Long	24000	-
HDIL 26/04/2012	Long	10000	-
IVRCLINFRA 26/04/2012	Long	32000	-
JETAIRWAYS 26/04/2012	Long	2000	-
JPASSOCIATES 26/04/2012	Long	20000	-
JSWSTEEL 26/04/2012	Long	3000	-
LITL 26/04/2012	Long	24000	-
RNBAXY 26/04/2012	Long	1500	-
RELCAPITAL 26/04/2012	Long	5500	-
RELINFRA 26/04/2012	Long	2500	-
SBIN 26/04/2012	Long	1375	-
SEASGOA 26/04/2012	Long	4000	-
TATAMOTORS 26/04/2012	Long	8000	-

38

Details of option contracts outstanding as at the year ended 31/03/2012

Name of option contract	Total premium carry forward as at the year end net of provision made if any (Rs.)
NIFTY OPT 26/04/2012 CE	56,87,727
NIFTY OPT 26/04/2012 PE	40,83,412



AUSOM ENTERPRISE LIMITED

Registered Office: 11-B, New Ahmedabad Industrial Estate, Village-Moraiya,
Sarkhej-Bavla Road, Moraiya-382 213. Dist:- Ahmedabad.

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERANCE OF THE MEETING HALL. Joint Shareholders may obtain additional Attendance Slip on request. (Ledger Folio No. & Name of the Shareholders /Joint holders/Proxy & address as given on the envelope in BLOCK LETTERS to be furnished below):

Name of Shareholders/ Proxy	Ledger Folio No.	No. of Shares held	DP ID*	Client ID*

I hereby record my presence at the Twenty Eighth Annual General Meeting of the company to be held on Friday, the 28th September, 2012, at 10:30 a.m. at 11-B, New Ahmedabad Industrial Estate, Village-Moraiya, Sarkhej-Bavla Road, Moraiya-382 213. Dist:- Ahmedabad.

SIGNATURE OF THE
SHAREHOLDER OR PROXY : _____

NOTE:

- A. Shareholders/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 signing it.

AUSOM ENTERPRISE LIMITED

Registered Office: 11-B, New Ahmedabad Industrial Estate, Village-Moraiya,
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FORM OF PROXY

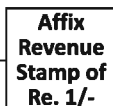
(Ledger Folio No. & Name of the shareholder/ Joint holders & Addresses as given on the envelope in BLOCK LETTERS to be furnished below)

Ledger Folio No.	No. of Shares held	DP ID*	Client ID*

I/We _____ of _____
District _____ being a member(s) of AUSOM ENTERPRISE LIMITED 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 Twenty Eighth Annual General Meeting of the company to be held on Friday the
28th September, 2012 at 10:30 a.m. and at any adjournment thereof.

Signed this _____ day of _____ 2012.

Signed by the said _____



* Applicable for investors holding shares in electronic form.

NOTE: A Proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.