

BOARD OF DIRECTORS

- | | | |
|-----------------------------------|---|-------------------|
| 1. Sri. V Thapovardhan | - | Managing Director |
| 2. Sri. T Raghava Prasad | - | Director |
| 3. Sri. Shaji Baby John | - | Director |
| 4. Sri. Korapati Venkateswara Rao | - | Director |
| 5. Sri. Krishna Reddy Chintam | - | Director |

REGISTERED OFFICE

Plot No.118, Journalist Colony
Jubilee Hills, Hyderabad-500 033
Tel. No. 040-23541900
Email: seagoldacqa@gmail.com

CORPORATE OFFICE

D.No. 10-50-18/1(15)
II Floor, Siripuram Towers
Siripuram Junction
Visakhapatnam – 530 003
Andhra Pradesh
Email: seagoldacqa@gmail.com

STATUTORY AUDITORS

M/s Venkat Srinivas & Co.
Chartered Accountants
Door No.9-29-19/a, Flat No.101
Level-I, Waltair Heights
Balaji Nagar, Siripuram
Visakhapatnam - 530 003

Sea Gold Aqua Farms Limited

Notice is hereby give that the Sixteenth Annual General Meeting of the Members of the Company will be held on Thursday, the 30th September 2010 at 11 A.M. at the registered office of the Company at Plot No.118, Journalist Colony, Jubilee Hills, Hyderabad-500 033.

ORDINARY BUSINESS :

1. To consider, receive and adopt Audited Balance Sheet as on 31st March 2010 and Profit and Loss Account for the year ended 31st March 2010 and the Report of Directors' and Auditors' thereon.
2. To appoint Sri. Korapati Venkateswara Rao as Director who retires by rotation and being eligible offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modifications the following resolution as on Ordinary resolution.

“**RESOLVED THAT** pursuant to section 224 and other applicable provisions of the Companies Act, 1956, M/s. Venkat Srinivas & Co., Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold office till the conclusion of the next Annual General Meeting, at such remuneration as may be determined by the Board of Directors of the Company”.

4 SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to provisions of section 257 and other applicable provisions, if any, of the Companies Act, 1956, Sri. Krishna Reddy Chintam, be and is hereby appointed as Director of the company, whose period of office shall be liable to retire by rotation.

By The Order Of The Board
for **Sea Gold Aqua Farms Limited**

Sd/-
V. Thapovardhan
Managing Director

Date : 03.09.2010
Place : Hyderabad

Sea Gold Aqua Farms Limited

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.
2. The Register of members and share transfer books of the Company will remain closed from 25.09.2010 to 30.09.2010 (both days inclusive) in connection with the Annual General Meeting.
3. Explanatory statement pursuant to section 173(2) is annexed herewith.
4. Members are requested to intimate any changes in their addresses registered with the Company.
5. Members intending to seek clarifications at the Annual General Meeting concerning the accounts and any aspect of operations of the Company are requested to send their questions in writing to the Secretarial Department so as to reach the Company at least 7 days in advance before the date of the Annual General Meeting, specifying the points.
6. Members are requested to bring Annual Report with them for the Annual General Meeting. No copies of Annual Report will be distributed at the meeting.

Explanatory Statement Pursuant to Section 173(2)

Item No. 4

The Board of Directors have appointed Sri Krishna Reddy Chintam as Additional Director pursuant to Section 260 of the Companies Act, 1956, he holds office only up to the date of the this Annual General Meeting. Due notice under section 257 of the Companies Act, 1956 has been received along with Rs. 500 from member proposing the appointment of Sri Krishna Reddy Chintam as Director of the Company whose period of office shall be liable to determination by retirement by rotation. The Board recommends the resolution for your approval.

None of the other Directors of the Company, except Sri Krishna Reddy Chintam, is concerned or interested in the resolution.

Profile of Directors retiring at this meeting is provided under Corporate Governance Report.

By The Order Of The Board
for **Sea Gold Aqua Farms Limited**

Sd/-
V. Thapovardhan
Managing Director

Date: 03-09-2010
Place: Hyderabad

Sea Gold Aqua Farms Limited

DIRECTORS' REPORT

To
The Members
Sea Gold Aqua Farms Limited

Your Directors submit you this report for the Financial Year ended 31st March 2010.

Financial Performance of the Company

	(Amount in Rupees)	
	Current Year Ended 31.03.2010	Previous Year Ended 31.03.2009
Income	3,52,41,369	1,34,533
- Profit on sale of assets	1,20,91,532	-
- Credit Balances Written Off	2,30,71,149	-
- Interest from Bank	78,688	1,34,533
Expenditure	2,57,77,181	36,510
Depreciation	1,52,239	17,28,424
Net Profit / (Loss) for the year	93,11,949	(16,30,401)

Operations

In spite of the best efforts put in by the Management the operations of your Company could not be revived during the year under review. Hence, the various options are being explored to make operations of your company satisfactory, in coming years. It may be noted that during the year under review, the Company has sought approval for the Scheme of Arrangement under section 391 read with section 100 of the Companies Act, 1956, between the Company and its members from Hon'ble High Court of Andhra Pradesh and also from Bombay Stock Exchange.

Statutory Auditors

M/s. Venkat Srinivas & Co., Chartered Accountants, Statutory Auditors, of the Company who retire at this Annual General Meeting, are eligible for reappointment. They have signified their willingness for re-appointment and have confirmed their eligibility under Section 224(1B) of the Companies Act, 1956.

Listing

Details of Listing are annexed to the Corporate Governance Report

Dematerialization of Shares

Since the Company has erosion of net worth, the NSDL and CDSL have not accepted for dematerialization of shares and hence all the shares of company are held in physical mode.

Sea Gold Aqua Farms Limited

Requirements under Clause 49 of Listing Agreement.

In accordance with the Listing agreement, a report on (a) Corporate governance and (b) Management Discussion & Analysis Report is annexed herewith.

Fixed Deposits

The Company has not raised any fixed Deposits as on 31st March, 2010 so as to attract the provisions of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975 as amended from time to time. There is no amount outstanding or due to any deposit holder.

Internal Control Systems

Your Company has adequate Internal Control Systems, commensurate with its size and operations.

Particulars of Energy conservation, Technology and absorption, Foreign Exchange out go

Particulars with respect to Conservation of Energy as required under section 217(1)(e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is not applicable to the Company since your company is not Manufacturing Company.

Foreign Exchange inflow : Nil
Foreign Exchange outflow: Nil

Particulars of Employees

In pursuance of section 217(2A) of the Companies Act, 1956 none of the employees of the Company was drawing a remuneration exceeding Rs 24,00,000 per annum or Rs 2,00,000 per month or part thereof

Personnel

Your Directors place on record their appreciation for the services rendered by the employees. The relation between the management and the workers has been cordial through out the year.

Directors

Sri. Korapati Venkateswara Rao, retires by rotation in the ensuing Annual General Meeting and being eligible offers himself for reappointment. Board recommends his appointment as per the resolution placed before you for approval

Sri. Krishna Reddy Chintam, was appointed as Director of the Company. Board recommends his appointment as per the resolution placed before you for approval.

Sea Gold Aqua Farms Limited

Directors' Responsibility Statement

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, Your Directors wish to confirm that:

- (a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- (b) such Accounting policies have been selected and applied consistently and judgments and estimates are made 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 and loss of the Company for that period;
- (c) proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting any fraud or other irregularities has been taken; and
- (d) accounts for the financial year ended on 31st March, 2010 are prepared on a going-concern basis.

Audit Committee

The company has constituted the Audit Committee under section 292A of the Companies Act, 1956 and consists of three Directors of the Company.

Acknowledgements

Your Directors take this opportunity to place on record their sincere appreciation and wish to express their thanks for the guidance and assistance received from State & Central government agencies, Company's clients, bankers, Financial Institutions, Share holders for their continued support and faith in the Company. Your Directors also wish to appreciate the hard work and commitment exhibited by the employees of the Company.

By Order of the Board
for **Sea Gold Aqua Farms Limited**

Date: 03-09-2010
Place: Hyderabad

Sd/-
V Thapovardhan
Managing Director

Sd/-
T.Raghava Prasad
Director

Sea Gold Aqua Farms Limited

ANNEXURE TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE

1. Company's philosophy

Your Company has been practicing the principles of good corporate governance and lays a strong emphasis on transparency, accountability and integrity. All the matter to strategy, significant development etc, are routinely placed before the board. The audit, share transfer and investor's grievance committee meet regularly to consider the aspects relevant to each committee.

2. Board of Directors

Name	Category	Designation	No.of Meetings held during the last financial year	No. of meetings attended	Directorship in other companies
V Thapovardhan	Promoter / Executive	Chairman	5	5	1
T Raghava Prasad	Non-Executive	Director	5	5	1
Shaji Baby John	Non-Executive	Director	5	3	0
K Venkateswara Rao	Non-Executive	Director	5	2	0
Sri.Krishna Reddy Chintam*	Non-Executive	Additional Director	0	0	7

*appointed effective April 12, 2010

There is three independent Director on the Board of the Company. No Director is a member in more than 10 committee and chairman in more than 5 committees.

Meetings of the Board of Directors

During the financial year 2009-10, the Board of Directors met 5 times, on the following dates

(i) 15.04.2009, (ii) 15.07.2009, (iii) 03.09.2009, (iv) 15.10.2009 and (v) 15.01.2010

3. Pecuniary relationship or transactions of Non-Executive Directors :

Non-executive directors do not have any other material pecuniary relationship or transactions with the company, its promoters or its management which in the judgment of the board may affect independence of judgment of the director.

4. Code of Conduct

The Board of Directors of the Company has laid a code of conduct for Directors. All Directors have affirmed compliance with the code for the year under review. A declaration to this effect duly signed by the Managing Director of the Company is annexed to this report.

5. Audit Committee

The company has constituted the Audit Committee under section 292A of the Companies Act, 1956 and consists of following three Directors of the Company:

- (a) Sri. Korapati Venkateswara Rao – Chairman
- (b) Sri. Shaji Baby John and
- (c) Sri. V Thapovardhan

The composition, role, functions and powers of the Audit Committee are in line with the requirement of applicable laws and regulations.

The Audit Committee shall oversee financial reporting process and disclosures, review annual financial statements, review adequacy of internal audit function, related party

Sea Gold Aqua Farms Limited

transactions, review financial and risk management policies, oversee compliance with Stock Exchange and legal requirements concerning financial statements, compliance with Accounting Standards, recommending the appointment and renewal of statutory auditors, fixation of Aduiti Fee and also approval for payment for any other services, etc.

During the year under review, three meetings were held. Attendance of each member at the committee meeting were as follows:

S.No.	Name of the Member	No. of Meetings Attended
1	Sri. Korapati Venkateswra Rao	3
2	Sri. Shaji Baby John	3
3	Sri. V Thapovardhan	3

6. Details of remuneration to Directors

Particulars	Sri. V Thapovardhan -Managing Director
Salary (Including perks)	Nil

7. Investor' Grievance Committee

As a measure of Good Corporate Governance and to focus on the Shareholder's grievance and towards strengthening investor relations, as Investor's Grievance Committee has been constituted as a sub committee of the Board.

The Committee comprises of Sri. V Thapovardhan, Sri. T Raghava Prasad and Sri. Korapati Venkateswara Rao. The functions of the Committee include to specifically looking into redressing Investors' grievances pertaining to transfer, dividends, dematerialization of shares, replacement of lost/stolen/mutilated share certificates any other related issues

The Company has appointed M/s Venture Capital and Corporate Investements Private Limited 12-10-167, Bharat Nagar, Hyderabad-18 as Registrar & Share Transfer Agents and they will also attend to Investors Grievances.

8. Date, Venue and Time of the last three Annual General Meetings

Date	Venue	Time	No. of Special Resolutions
39.09.2009	Flat No.202, Pavani Annexe, Road No.2, Banjara Hills, Hyderabad-34	11.00 AM	Nil
29.09.2008	Plot No. 243 Rd No.6Nandi Nagar, Banjara Hills, Hyderabad-34	11.00 AM	Nil
29.09.2007	Plot No. 243 Rd No.6Nandi Nagar, Banjara Hills, Hyderabad-34	11.00 AM	Nil

Resolution Section 293(1)(a) was passed through Postal Ballot on 02-01-2010.

9. Disclosures

There are no materially significant related party transactions, ie., transactions material in nature, with its promoters, Directors or the Management their relatives etc., that may potentially conflict with the interests of the company.

The Company has not adopted the non-mandatory requirements. And no penalties of strictures as imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

10. Means of Communication

The Quarterly Unaudited results are regularly send to the Stock Exchange where shares are listed.

Sea Gold Aqua Farms Limited

11. Profile of Director

Brief profile of Directors seeking re-appointment/appointment at this Annual General (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Sri. Korapati Venkateswara Rao
Date of Appointment	31-08-2008
Date of Birth	01-01-1956
Qualification	M.B.A.
Expertise in specific functional areas	Having long experience in IT and Financial Markets
List of Companies in which Directorship is held as on 31.03.2010	<ol style="list-style-type: none"> 1. Kellton Financial Services Private Limited 2. Kellton Welth Management Private Limited 3. Kellton Insurance Service Private Limited 4. Kellton Capital Advisors Private Limited 5. Kellton Securities Private Limited 6. Kellton Commodity & Derivatives Private Limited 7. VMF Soft Tech Ltd - Managing Director

Chairman / Member of the *Committees of other Companies on which he is a Director as on 31.03.2010

Nil

*The Committee include the Audit Committee, the Remuneration Committee and the Shareholders / Investor Grievance Committee.

Brief details of Directors appointed since last AGM and seeking confirmation / approval of the shareholders at this AGM (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Sri. Krishna Reddy Chintam
Date of Appointment	12-04-2010
Date of Birth	01-02-1969
Qualification	MBA
Expertise in specific functional areas	Having long experience and expert in aqua culture business
List of Companies in which Directorship is held as on 31.03.2010	Nil
Chairman / Member of the *Committees of other Companies on which he is a Director as on 31.03.2010	Nil

*The Committee include the Audit Committee, the Remuneration Committee and the Shareholders / Investor Grievance Committee

12. Nomination Facility

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the company. as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Company the prescribed Form 2B for this purpose.

13. Company's Policy on prevention of Insider Trading

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company had framed a Code of Conduct for prevention of insider trading. Sri. V Thapovardhan had been appointed as the Compliance Officer for the purpose. The code is applicable to all such employees of the Company who are expected to have

Sea Gold Aqua Farms Limited

access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

14. General Information for shareholders

- a. Annual General Meeting Day, date, time and venue Plot No.118, Journalist Colony Jubilee Hills, Hyderabad - 500 033.
- b. Book closure dates from 25.09.2010 to 30.09.2010 (both days inclusive)
- c. Tentative Calender of events for the financial year April, 2010 – March, 2011 is as under:
Un-audited Financial Results for
First Quarter July 2010
Second Quarter October, 2010
Third Quarter January, 2011
Fourth Quarter April, 2011
- d. Listing of equity shares is at
(i) The Bombay Stock Exchange Limited Floor 25, P J Towers, Dalal StreetFort, Mumbai - 400 001
(ii)The Hyderabad Stock Exchange (Regional Stock Exchange)
SEBI has derecognized Hyderabad Stock Exchange and hence shares are not listed on Hyderabad Stock Exchange.
- e. Stock Code 530361
- f. Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs L05005AP1993PLC016389
- g. Share Transfer System Share transfer requests, which are received in physical form are processed and the share certificates returned within a period of 15 days in most cases, and in any case within 30 days, from the date of receipt, subject to the documents being in order and complete in all respects.
- h. Secretarial Audit Secretarial Audit is being carried out every quarter by a practicing Company Secretary and his audit report is placed before the Board for its perusal and filed with the Stock Exchange.
- i. Location Registered Office:Plot No.118, Journalist Colony, Jubilee Hills, Hyderabad-500 033.
Email Id – seagoldacqa@gmail.com
- j. Registrar & Share Transfer Agents Venture Capital and Corporate Investements Private Limited,
#12-10-167, Bharat Nagar, Hyderabad-18.
Registration No. with SEBI: INR00001203,
Tel: +91-40-23818475/476
Fax: +91-40-23868024
Email : info@vccilindia.com

Sea Gold Aqua Farms Limited

- k. Query on the Annual Report V Thapovardhan Managing Director,
Sea Gold Aqua Farms Limited, Plot No.118,
Journalist Colony, Jubilee Hills, Hyderabad-33.
Email Id - seagoldacqa@gmail.com

I. Distribution of shareholding as on 31st March, 2010

Category	No. of shareholders	Total Shares	% of holding
Promoter & Promoter Groups	254	1474100	32.89
Foreign Institutional Investors	2	500000	11.15
Bodies Corporate	12	546700	12.20
Resident Individuals	917	1499300	33.45
Non Resident Indians	50	462300	10.31
Total	1235	4482400	100.00

m) Categories of share holders as on 31st March, 2010

Category	No. of Shared Held	Percentage
Promoters and Promoter Group	14,74,100	32.89
Financial Institutional Investor	5,00,000	11.15
- RCTC		
- APIDC		
Others	25,08,300	55.96
- Indian Public		
- NRI's/OCB's (Firm)		
- NRI's/CCB's (Comp)		
Total	44,82,400	100.00

15. Management's Discussions and Analysis

ABOUT THE COMPANY

Sea Gold Aqua Farms Limited (the Company) is a company into the business of Aqua Culture activities.

SWOT ANALYSIS

In view of the Hon'ble Supreme Court directions, *inter-alia* not to undertake Aqua Culture activities, the Aqua Culture Industry as a whole was affected including the Company, which has not undertaken any activity and there are no operations for the year ended March 31, 2010. However, the promoters of the Company are trying to diversify the main business of the Company.

16. Declaration Under Code Of Conduct

As required under Clause 49(ID) of the Listing Agreement, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year 2009-10.

By Order of the Board
for **Sea Gold Aqua Farms Limited**

Sd/-
Date: 03-09-2010
Place: Hyderabad

Sd/-
V Thapovardhan
Managing Director

Sd/-
T.Raghava Prasad
Director

Sea Gold Aqua Farms Limited

Chief Executive Officer Certification Under Clause 49 Of The Listing Agreement With The Stock Exchange

To
The Board of Directors
Sea Gold Aqua Farms Limited

In relation to the Audited Financial Accounts of the Company as at March 31, 2010, I hereby certify that

- I have reviewed the balance sheet and profit and loss account and all its schedules and notes on accounts, as well as the cash flow statements and the Directors' Report;
- These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
- These statements together present a true and fair view of the company, and are in compliance with the existing accounting standards and / or applicable laws / regulations;
- I am responsible for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the company; and they have also disclosed to the auditors, deficiencies in the design or operation of internal controls, if any, and what they have done or propose to do to rectify these;
- 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.
- I have indicated to the auditors, and in the notes on accounts, whether or not there were significant changes in internal control and / or of accounting policies during the year.

Place: Hyderabad
Date: 03-09-2010

Sd/-
V. Thapovardhan
Managing Director

Sea Gold Aqua Farms Limited

Auditors Certificate on Compliance With The Conditions Of Corporate Governance Under Clause 49 Of The Listing Agreement(S)

To
The Member of Sea Gold Aqua Farms Limited

1. We have reviewed the implementation of Corporate Governance by Sea Gold Aqua Farms Limited (The Company) during the year ended 31st March, 2010, 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.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We further state that such compliance is neither an assurance as to the future viability of the Company as per the records maintained by the Shareholder's/Investors Grievance Committee.
3. We state that no investor grievance are pending for a period exceeding one month against the Company as per the records maintained by the Shareholder's/Investors Grievance Committee.
4. On the basis of our review and according to the information and explanations provided to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchange have been complied with in all material respect of the Company.

For M/s. Venkat Srinivas & Co.,
Chartered Accountants

Sd/-
(CA. A.Srinivas)
Partner
M.No.029619

Place : 03-09-2010
Date : Hyderabad

Sea Gold Aqua Farms Limited

AUDITORS' REPORT

To
The Members of
SEA GOLD AQUA FARMS LIMITED

We have audited the attached Balance Sheet of SEA GOLD AQUA FARMS LIMITED as at 31.03.2010 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and 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.

As required by the Companies' (Audi-tor's Report) Order, 2003, issued by the Central Government of India, in terms of Section 227(4A) of the Companies Act'1956, we enclose in the Annexure a statement on the matters specified in para-graph 4 and 5 of the said order.

Further to our comments in the annexure referred to above, we report 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 accounts as required by law have been kept by the company so far as it appears from our examination of those books.
- c) The Balance Sheet and Profit & Loss account dealt with by this report are in agree-ment with the books of account.
- d) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the mandatory Accounting Standards referred to in Sub-Section 3(C) of Section 211 of the Compa-nies Act'1956.
- e) On the basis of the written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and ac-cording to the explanations given to us, the said accounts 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,
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;

Sea Gold Aqua Farms Limited

- ii) In the case of the Profit and Loss Account, of the **PROFIT** of the Company for the year ended on that date; and
- iii) In the case of Cash Flow statement, of the cash flows for the year ended on that date

for **M/s. Venkat Srinivas & Co.,**
Chartered Accountants

Sd/-
(CA. A.Srinivas)
Partner
M.No.029619

Camp : Hyderabad
Date : 03-09-2010

ANNEXURE TO AUDITORS' REPORT

SEA GOLD AQUA FARMS LIMITED

Referred to in paragraph 3 of our report of even date,

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such physical verification.
2. (a) The inventories have been physically verified by the management during the year at reasonable intervals.
 - (b) The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The company has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to book records were not material.
3. (a) In our opinion, the Company has neither granted nor taken any loans to/from companies, firms or other parties covered in the Register, maintained under Section 301 of the Companies Act, 1956;
 - (b) In our opinion, the rate of interest and other terms and conditions in respect of unsecured loans given by the company to its employees and others, are in our opinion, *prima facie* not prejudicial to the interest of the Company;
 - (c) In respect of such loans given by the Company, where stipulations have been made, they have generally repaid the principal amounts as stipulated and have been regular in payment of interest, where applicable;
 - (d) In respect of such loans given by the Company, there are no overdue amounts more than Rs.1,00,000/-.

Sea Gold Aqua Farms Limited

4. In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods.
5. (a) In our opinion, there are no transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under section 301 of the Companies Act, 1956.

(b) In our opinion, there are no transactions of purchase and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs.5,00,000/- or more in respect of each party.
6. In our opinion and according to the information and explanation given to us, the Company has not accepted any Deposits as defined under Section 58A of the Companies Act, 1956 .
7. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the Books of Account maintained by the Company as prescribed by the Central Government for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the accounts and records.
9. (a) According to the books and records of the company, the company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Customs Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2010 for a period exceeding six months from the date they became payable.

(b) According to information and explanation given to us, there are no dues of sales Tax, Income Tax, Customs Duty, Excise Duty, Cess and other statutory dues, which have not been deposited on account of any dispute.
10. The Company has accumulated losses and has incurred cash losses in the current financial year and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of its dues to banks and financial institutions.
12. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
13. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) order, 2003 are not applicable to the company.
14. In our opinion, the Company is not dealing or trading in shares, securities, debentures or other investments and hence, the requirements of clause 4(xiv) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.

Sea Gold Aqua Farms Limited

15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks, and financial institutions.
16. In our opinion, the term loans have been applied for the purpose for which they were raised.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments. No long-term funds have been used to finance short-term assets except permanent working capital.
18. The company has not made any preferential allotment of share to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
19. No debentures have been issued by the company and hence, the question of creating securities in respect thereof does not arise.
20. The company has not raised any money by way of public issues during the year.
21. On the basis of our examination and according to the information and explanations given to us, no fraud, on or by the Company, has been noticed or reported during the year.

for **M/s. Venkat Srinivas & Co.,**
Chartered Accountants

Sd/-
(CA. A.Srinivas)
Partner
M.No: 029619

Camp : Hyderabad
Date : 03-09-2010

Sea Gold Aqua Farms Limited

BALANCE SHEET AS AT 31.03.2010

PARTICULARS	Sch.No.	As at	As at	As at	As at
		31.01.2010	31.01.2010	31.03.2009	31.03.2009
		Amount	Amount	Amount	Amount
SOURCE OF FUNDS					
1. Share Holders Funds	1				
Share Capital			44,824,000		44,824,000
2. Current Liabilities & Provisions	2		-		48,405,656
			<u>44,824,000</u>		<u>93,229,656</u>
APPLICATION OF FUNDS					
1. Fixed Assets:	3				
Gross Block		57,869,398		57,869,398	
Less: Depreciation		<u>57,869,398</u>	-	<u>22,325,492</u>	35,543,906
2. Current Assets, Loans and Advances:					
a) Cash and Bank Balances	4	767,701		554,914	
b) Loans and Advances & Deposits	5	-	767,701	3,762,588	4,317,502
3. Miscellaneous Expenditure (To the extent not written off or adjusted)	6		44,056,299		53,368,248
			<u>44,824,000</u>		<u>93,229,656</u>
4. Notes on Accounts	10				

The Schedules referred to above and Statement on Significant Accounting Policies form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For VENKAT SRINIVAS & CO
CHARTERED ACCOUNTANTS

By the Order of the Board

Sd/-
(CA. A. SRINIVAS)
PARTNER
M.NO.: 029619

Sd/-
(V.THAPOVARDHAN)
MANAGING DIRECTOR

Sd/-
(T.RAGHAVA PRASAD)
DIRECTOR

Camp : Hyderabad
Date : 03-09-2010

Sea Gold Aqua Farms Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

PARTICULARS	Sch.No.	As at	As at
		31.01.2010	31.03.2009
		Amount	Amount
		Rs.	Rs.
INCOME			
Other Income	9	35162681	-
Interest From Bank		78688.38	134,533
Total		<u>35,241,369</u>	<u>134,533</u>
EXPENDITURE			
Administrative Expenses	7	185,000	36,510
Other Expenses	8	25,592,181	-
Depreciation	3	152,239	1,728,424
		<u>25,929,420</u>	<u>1,764,934</u>
Profit/ Loss for the Year		9,311,949	1,630,401
Add: Loss brought forward from previous years		53,368,248	51,737,847
Total Loss carried forward to Balance Sheet		<u>44,056,299</u>	<u>53,368,248</u>

The Schedules referred to above and Statement on Significant Accounting Policies form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For VENKAT SRINIVAS & CO
CHARTERED ACCOUNTANTS

By the Order of the Board

Sd/-
(CA. A. SRINIVAS)
PARTNER
M.NO.: 029619

Sd/-
(V.THAPOVARDHAN)
MANAGING DIRECTOR

Sd/-
(T.RAGHAVA PRASAD)
DIRECTOR

Camp : Hyderabad
Date : 03-09-2010

Sea Gold Aqua Farms Limited

SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31.03.2010								
	31.01.2010			31.03.2009				
	AMOUNT			AMOUNT				
	Rs.			Rs.				
SCHEDULE - 1								
SHARE CAPITAL								
Authorised Capital								
55,00,000 Equity Shares of Rs.10/- each		55,000,000				55,000,000		
Issued,Subscribed and Paid up								
44,82,400 equity shares of Rs.10/- each		44,824,000				44,824,000		
		<u>44,824,000</u>				<u>44,824,000</u>		
SCHEDULE -2								
CURRENT LIABILITIES & PROVISIONS								
Creditors for Expenses		-				230,344		
Other Liabilities		-				1,349,120		
Advances		-				46,826,192		
		<u>-</u>				<u>48,405,656</u>		
SCHEDULE - 3								
FIXED ASSETS AS ON 31.03.2010								
PARTICULARS	GROSS BLOCK			DEPRECIATIONS BLOCK				
	As on 01.04.2009	Addi tions	Deductions 31.03.2010	As on 01.04.2009	Upto 01.04.2009	For the Year	Upto 31.03.2010	As on 31.03.2009
Land	9,384,776	-	9,384,776	-	9,384,776	-	-	9,384,776
Tanks	18,797,967	-	11,263,743	7,534,224	7,534,224	-	7,534,224	12,519,447
Buildings & Sheds	4,558,049	-	2,524,192	2,033,857	1,881,618	152,239	2,033,857	2,980,909
Electrical Installations	5,237,873	-	2,158,830	3,079,043	3,079,043	-	3,079,043	2,619,596
Furniture & Fixures	162,923	-	12,071	150,852	150,852	-	150,852	32,697
Vehicles	860,993	-	1	860,992	860,992	-	860,992	1
Plant & Machinery	6,399,694	-	2,605,677	3,794,017	3,794,017	-	3,794,017	3,183,297
Sea Water								
Intake System	12,295,129	-	7,367,245	4,927,884	4,927,884	-	4,927,884	8,188,559
Lab Equipment	97,803	-	41,795	56,008	56,008	-	56,008	51,087
Other Assets	74,191	-	33,336	40,855	40,855	-	40,855	40,384
TOTAL	57,869,398	-	35,391,666	22,477,732	31,710,269	152,239	22,477,732	39,000,753
Previous Year Total	57,869,398	-	-	57,869,398	20,597,069	1,728,424	22,325,492	39,000,753
SCHEDULE -4								
CASH & BANK BALANCE								
Cash on hand					767,701			425,069
Cash at Bank					-			129,845
					<u>767,701</u>			<u>554,914</u>

Sea Gold Aqua Farms Limited

SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31.03.2010		
	31.01.2010	31.03.2009
	AMOUNT	AMOUNT
	Rs.	Rs.
SCHEDULE -5		
LOANS & ADVANCES & DEPOSITS		
(Unsecured considered good, recoverable either in cash or in cash or in kind for value to be receivable)		
Advance for capital goods	-	1,875,000
Other Advances	-	60,107
Deposits	-	1,827,481
	<u>-</u>	<u>3,762,588</u>
SCHEDULE -6		
MISCELLANEOUS EXPENSES		
Profit & Loss Account	44,056,299	53,368,248
	<u>44,056,299</u>	<u>53,368,248</u>
SCHEDULE -7		
ADMINISTRATIVE & SELLING EXPENSES		
Professional Charges	-	6,000
Audit Fee	-	5,610
Bank Charges	-	300
Legal & Other Expenses	-	-
Printing & Other expenses	-	5,600
Site Maintenance	185,000	15,000
Other Expenses	-	4,000
	<u>185,000</u>	<u>36,510</u>
SCHEDULE -8		
OTHER EXPENSES		
Assets Written off	23,482,699	-
Bad Debts Written off	2,109,482	-
	<u>25,592,181</u>	<u>-</u>
SCHEDULE -9		
OTHER INCOME		
Profit on Sale of Assets	12,091,532	-
Credit Balances Written off	23,071,149	-
	<u>35,162,681</u>	<u>-</u>

Sea Gold Aqua Farms Limited

Schedule - 10

Notes forming part of Accounts as on 31st March, 2010

- 1) Significant Accounting Policies.
 - a) These accounts are prepared on historical cost basis and on accounting principles on going concern. Accounting policies not specially referred to otherwise are consistent and in consonance with generally accepted accounting principles.
 - b) Revenue Recognition: The company follows mercantile system of accounting and recognises income and expenditure on accrual basis.
 - c) Fixed assets: Fixed Assets are accounted at cost of acquisition inclusive of inward freight duties and taxes and incidentals relating to acquisitions.
 - d) Depreciation: Depreciation on Fixed Assets is provided on straight Line Method at the rates specified under Schedule XIV of the Companies Act. 1956 in force.
 - e) Inventories: Inventories are valued at cost or market value whichever is lower.
- 2) Foreign exchange outflow during the year on account of Import of Raw material are US \$ Nil previous year are US \$ NIL (equivalent to Rs. NIL)
- 3) Foreign Exchange earned during the year on account of export sales US \$ NIL (equivalent to Rs. NIL) previous year NIL (equivalent to Rs. NIL)
- 4) Contingent liabilities not provided for Rs. NIL (Previous Year NIL)
- 5) Director's Remuneration: NIL
- 6) Particulars of employees in accordance to sub-section (2A) of Section 217 of the Companies Act. 1956 read with companies (particulars of employees) Rule 1975. NIL
- 7) Additional information pursuant to provision of part II of Schedule VI of the Companies Act. 1956.

Particulars	Year ended 31.03.2010		Year ended 31.03.2009	
	QTY in MT's	Amount Rs. In Lakhs	QTY in MT's	Amount Rs. In Lakhs
A. Turnover Shrimp:				
head on	NIL	NIL	NIL	NIL
head less	NIL	NIL	NIL	NIL
B. Details of Raw Materials				
Consumed feed	NIL	NIL	NIL	NIL
C. Capacity & Production(i)				
Installed Capacity				
Farm Shrimp (head on)	NIL	NIL	NIL	NIL
ii) Actual Production				
Farm Shrimp:				
head on				
head less	NIL	NIL	NIL	NIL
D. Opening & Closing Stock				
Opening Stock Shrimp (in culture)	NIL	NIL	NIL	NIL
Closing Stock Shrimp				

Sea Gold Aqua Farms Limited

- 8) Accounting Standard – 22 “ Accounting for Taxes on Income” issued by the ICAI, is mandatory with effect from accounting period commencing from 1st April 2002. However since there is uncertainty in earning of profits in future years, the company is not considering the Deferred Tax Asset.
- 9) During the Year the Company has sold its assets comprising of land , Building and Sheds and earned a profit of Rs. 1,20,91,532/- and the same is included in Other Income.
- 10) During the Year the Company has written off its assets excepting the above which have become non operational have been written off and the resultant balances in these accounts amounting to Rs. 2,34,82,699/- has been included in Other expenses.
- 11) During the Year the Company has written off credit balances worth Rs. 2,30,71,149/- in accounts which and the same is included in Other Income. Similarly the , the Company has written as bad debts an amount of Rs. 21,09,482/- representing Advances and deposits which are un recoverable.
- 12) Previous Year's figure have been regrouped and rearranged wherever necessary to conform with the current year's classification.
- 13) Debit and Credit balances which are written off as above are subject to confirmation.

As per our report of even date for and on behalf of the Board

for **M/s. Venkat Srinivas & Co.,**
Chartered Accountants

Sd/-
(CA. A. SRINIVAS)
PARTNER
M.NO.: 029619

Sd/-
(V.THAPOVARDHAN)
MANAGING DIRECTOR

Sd/-
(T.RAGHAVA PRASAD)
DIRECTOR

Camp : Hyderabad
Date : 03.09.2010

Sea Gold Aqua Farms Limited

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE

I. REGISTRATION DETAILS :

Registration Number : 16389
 State Code : 01
 Balance Sheet Date : 31.03.2010

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RUPEES THOUSANDS) :

Public issue	Right issue
Nil	Nil
Bonus issue	Private placement
Nil	Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RUPEES THOUSANDS) :

Total liabilities	Total assets
44824	44824

Sources of Funds:

Paid up Capital	Reserves & Surplus
44824	Nil
Secured Loans	Diferred Income Tax Liability
Nil	6417

Application of Funds:

Net Fixed Assets	Investments
Nil	Nil
Net Current Assets	Misc.Expenditure
768	44056
Accumulated Losses	
Nil	

IV. PERFORMANCE OF COMPANY (AMOUNT IN THOUSANDS):

Turnover	Total Expenditure
35241	25929
Profit before tax	Profit after tax
9312	9312
Earning per Share in Rs.	Dividend Rate %
2.07	Nil

V. Generic Names of Three Principal Services of Company (as per monetary terms):

Item Code No. ITC Code : Nil
 Product Description : Sea Products

AS PER OUR REPORT OF EVEN DATE

for **M/s. Venkat Srinivas & Co.,**

Chartered Accountants

Sd/-

(CA. A. SRINIVAS)

PARTNER

M.NO.: 029619

Camp : Hyderabad

Date : 03.09.2010

FOR AND ON BEHALF OF THE BOARD

Sea Gold Aqua Farms Limited

Sd/-

(V.THAPOVARDHAN)

MANAGING DIRECTOR

Sd/-

(T.RAGHAVA PRASAD)

DIRECTOR

Sea Gold Aqua Farms Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2010

Particulars	Amount	
	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit as per Profit & Loss account		9311949
Before Taxation and Extraordinary items		
Add/Less : Adjustments for :		
a) Depreciation		152239
b) Preliminary Expenses written off	0	152239
		9464188
c) Increase/Decrease in Loans and Advances	3762588	
d) Increase/Decrease in Current Liabilities	-48405656	
e) Increase/Decrease in Inventory	0	-44643068
Net Cash from Operating Activities - A		-35178880
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets		35391666
Net Cash used in Investing Activities - B		35391666
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Secured Loans	0	
Increase in Unsecured Loans	0	0
Net Cash used in Investing Activities - C		0
Net increase in cash and cash equivalents (A+B+C)		212786
Opening Cash and Bank Balances		554914
Add : Net increase in Cash or Cash Equivalent		212786
Closing Cash and Bank Balances		767701

For and on behalf of the Board of Directors

Sd/-
T.RAGHAVA PRASAD
 DIRECTOR

Sd/-
V.THAPOVARDHAN
 MANAGING DIRECTOR

AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of M/s. SEA GOLD AQUA FARMS LTD., derived from Audited Financial Statements for the year ended 31st March 2010 and found the same in accordance there with, and also with the requirement of clause 32 of the listing agreement with Stock Exchanges.

For **VENKAT SRINIVAS & CO**
CHARTERED ACCOUNTANTS

Sd/-
(CA. A. SRINIVAS)

PARTNER

M.NO.: 029619

F R N : 012206S

Camp : Hyderabad

Date : 01.07.2010

Sea Gold Aqua Farms Limited

[Empty box for stamp or signature]

Sea Gold Aqua Farms Limited

SEA GOLD AQUA FARMS LIMITED

Plot No.118, Journalist Colony, Jubilee Hills, Hyderabad - 500 033.

PROXY

Corp. Folio _____ No.of Shares held _____

I/We _____ of _____ being Member/members
of the above named company hereby appoint _____ of _____

as my / our proxy to attend and vote for me / our behalf of the 16th Annual General Meeting
of the Company to be held on Thursday, September 30, 2010 at 11.00 AM at Plot No.118,
Journalist Colony, Jubilee Hills, Hyderabad - 500 033 and at any adjournment thereof.

Signature :

Date :

Affix
0.15
paise of
stamp

Note: The form of proxy should reach the Company, not less than 48 hours before the time
fixed for the meeting.

SEA GOLD AQUA FARMS LIMITED

Plot No.118, Journalist Colony, Jubilee Hills, Hyderabad - 500 033.

ATTENDANCE SLIP

Regd. Folio No. _____ No. of shares held _____

Name of the attending member (in block letters) _____

Name OF THE PROXY (in block letters) _____ if
the Proxy attending instead of the member

I hereby record my presence at the 16th Annual General meeting to be held on Thursday,
September 30, 2010 at 11.00 AM at Plot No.118, Journalist Colony, Jubilee Hills, Hyderabad
- 500 033 and at any adjournment thereof.

Members / Proxy's Signature

BOOK POST
PRINTED MATTER

If undelivered please return to:-

SEA GOLD AQUA FARMS LIMITED
Plot No.118, Journalist Colony,
Jubilee Hills, Hyderabad - 500 033.

SEA GOLD AQUA FARMS LIMITED



16th ANNUAL REPORT
2009-2010