

SHREE GANESH ELASTOPLAST LIMITED

ANNUAL REPORT

2010 - 2011

NOTICE TO THE MEMBERS.

Notice is hereby given that 16th Annual General Meeting of the Members of SHREE GANESH ELASTOPLAST LIMITED will be held on 29th September 2010 at 11:00 AM at the Registered Office of the Company situated at Plot No. 138/A, Sarkhej-Bavla Road, Village: Vasma-Chacharwadi, Tal. Sanand, Dist. Ahmedabad to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 2010, Balance Sheet as on that date, Directors' Report and the Auditors' Report thereon,
- To appoint Director in place of Mr. Harshadrai T. Mehta who retires by rotation and being eligible, offers himself for the re-appointment,
- To appoint Auditors of the Company for the Company for the year 2010-11 since the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

For & behalf of the Board of Directors
Shree Ganesh Elastoplast Limited

Nitin H. Mehta
Chairman

Date: 31.05.2010

Place: Ahmedabad

NOTES:

- A member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a Member. The instrument appointing a proxy shall be deposited at the Registered Office of the Company not later than 48 hrs before the time fixed for holding the meeting.
- Members are requested to advise immediately any change in their address to the company.
- As a measure of economy, copies of the Annual Report will not be disturbed at the Annual general Meeting, therefore, members are requested to bring their copies of Annual Report to the meeting.
- The Register of Members and the Share Transfer Books of the Company will remain closed from 20.09.2010 to 29.09.2010.

Members are requested to send their queries, if any, to the Company at least 10 days before the date of the Meeting so as to enable the management to keep relevant information ready.

DIRECTORS' REPORT.

The Members,

Your Directors are presenting herewith 16th Annual Report along with the Audited Accounts for the period ended 31st March, 2010.

Financial Results:

The company has suspended manufacturing operations since last couple of years and hence after incurring administrative expenses of Rs. 55,000, the company has incurred loss of 6,75,617/- (P.Y. Rs. 675,617) comprising of depreciation of Rs. 620,617 (P.Y. Rs. 620,617)

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

Operations:

During the year, under review, the company could not carry-out any manufacturing activity.

Finance:

The company has not accepted any finance from the public.

Directors:

Mr. Harshadhai T Mehta retires by rotation and being eligible, offers himself for reappointment. There is no other change in the present Board of Directors.

Particulars as required under Section 271(1)(e):

- Conservation of Energy: -NIL-
- Technology Absorption : In the view of no business activity, the question of technology absorption does not arise.
- There are no foreign exchange earnings and outgo during the year.

Particulars of Employees:

There are no employees, the statement as required under Section – 215(2)(a) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 has not been furnished.

Directors' Responsibility Statement:

Pursuant to the provisions of Section – 217(AA) of the Companies Act, 1956, your Directors declares that:

- In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are responsible 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 after the profit or loss of the company for that period;
- The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a going concern basis.

Auditors:

M/s Sunil Dad & Co., Chartered Accountants, Ahmedabad retires at the ensuing Annual General Meeting and the Company has received their consent under provisions of Section – 224(1B) of the Companies Act, 1956. You are requested to appoint them as auditors for the year 2008-09.

Auditors Report:

The various observations made by the auditors in their report dated 31.05.2010 are self-explanatory.

Audit Committee:

As the company could not appoint additional directors, no audit committee could be formed.

Corporate Governance:

Report on Corporate Governance and management discussion and analysis as required vide Clause-49 of the Listing Agreement along with Auditors Certificate are annexed to this report.

Place: Ahmedabad

Date: 31.05.2010

On behalf of the Board of Directors

Nitin H. Mehta

Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

In the view of insignificant activities carried out by the details under various clauses have not been furnished.

Cautionary Statement:

The statements made in the report are based upon assumptions and expectations of future events. Actual results could however differ in future. The company assumes no responsibility in respect of forward looking statements that may be amended or modified later on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT:

• COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is an integral part of values ethics and the best business practices followed by the company. The core values of the company are:-

- Caring for people
- Integrity including intellectual honesty, openness, fairness and trust
- Commitment to excellence and customer satisfaction

• BOARD OF DIRECTORS:

- The composition of Board of Directors, their attendance at the Board Meetings during the Year, at the last Annual General Meeting and the numbers of other Directorship are as follows:

Sr No.	Director & Category	No. of Board Meetings Held	No. of Board Meetings Attended	Last AGM Date	Other Directorships
1.	Nitin H. Mehta Director	6	6	Yes	- Miraj Polymer Ltd. - Metz Inv. P. Ltd. Magnus Rubber Ind. Ltd.
2.	Manorama R. Sheth Director	6	-	No	- Miraj Polymer Ltd. Metz Inv. P. Ltd. - Magnus Rubber Ind. Ltd.
3.	Mr. Harshadrai F. Mehta	6	6	Yes	-Nil-

- **DATE & NUMBERS OF BOARD MEETINGS HELD:-**

During the year ended 31/03/2009, six Board Meetings were held on 30/04/09, 31/05/09, 31/07/09, 31/08/09, 30/10/09, and 31/01/2010.

- **AUDIT COMMITTEE:**

The provisions relating to Audit Committee applies to the company and the company is in process of constituting the committee.

- **REMUNERATION COMMITTEE:**

No Remuneration Committee is constituted as the last appointment of managerial personnel was made before the applicability of clause. Except as mentioned below, no remuneration is paid to any directors in any capacity.

- **SHAREHOLDER'S / INVESTORS'S GRIEVANCE COMMITTEE:**

The Company has been having a structured system of reviewing Shareholder's/Investor's Complaints. A Board Of Directors reviews the status of investor's grievance and the Share Transfer Department is headed by qualified staff under supervision of the Board of Directors. All the complaints have been redressed to the satisfaction of the shareholders and no pending complaint relating to transfer of shares.

- **GENERAL BODY MEETING:**

Location and time for the last Annual General Meetings (AGM):

Year	Location	Date	Time
2006-07	Plot No. 138/A, Sarkhej-Bavla Road, Vasna- Chacharwadi. Tal- Sanand	29/09/2007	10.00 AM
2007-08	Same as above	30/09/2008	11.00 AM
2008-09	Same as above	29/09/2009	11.00 AM

No Special resolution was put through postal ballot last year nor proposed in the ensuing Annual General Meeting.

- **DISCLOSURES:**

There was no transaction with related parties which were in conflict with the interests of the Company.

MEANS OF COMMUNICATION

The quarterly, half-yearly and annual audited financial results of the company are sent to the Stock Exchanges immediately after the Board approves them.

- **GENERAL SHAREHOLDERS INFORMATION:**

- Annual General Meeting:

- Date and Time : 29th September, 2010, 11.00 AM.
- Venue : Registered Office at Plot No. 138/A, Sarkhej-Bavla Road, Vasna- Chacharwadi. Tal- Sanand.

- Book Closure : 20/09/2010 to 29/09/2010

- Dividend Payment Date : Not Applicable

- Listing of Share/Debentures : i. The Stock Exchange, Mumbai.
ii. The Ahmedabad Stock Exchange, Ahmedabad.

- Security Codes for the Company's Equity Shares on Stock Exchanges are as follows:

- The Stock Exchange, Mumbai 30797
- The Stock Exchange, Ahmedabad 34000

Though the shares of the company are listed, the trading transactions of the company's equity shares has not taken place during the year. The company has not paid the listing fees for the year.

- **Address for Correspondence for share/debenture are related matters:**

- Company's Secretarial Department is in house.

- **Procedure for the Transfer of Shares in Physical Mode**

Transfer of Equity Shares in physical form is register in-house at the company's office. If the documents are found to be in order, the transfer work is completed within a period of 30 days from the date of receipt. The Company has not opted for Demat Facility.

• Distribution of shareholding as on March 31,2010:

No. of Equity Shares held	No. of share Holders	% of share Holders	No. of Shares	% of shares Holdings.
Upto 500	353	48.96	126700	2.30
501-1000	146	20.25	132200	2.40
1001-2000	65	9.02	107200	1.95
2001-3000	31	4.30	80800	1.47
3001-4000	16	2.22	61000	1.11
4001-5000	20	2.77	98100	1.78
5001-10000	36	4.94	304300	5.53
10001 & above	54	7.49	4591700	83.46
Total	721	100.00	5502000	100.00

• Categories of Shareholders as on 31st March, 2010:

Categories	No. of shares held	% of share holding
Promoters, Directors & their relatives	672300	12.23
Private Bodies Corporate	2498600	45.41
NRIs/OCB's	920000	16.72
Indian Public and Others	1411100	25.64
	5502000	100.00

- Outstanding GDRs/ADRs/Warrants of any other convertible instrument, conversion date and likely impact on equity.
Not Applicable.

- Plant Location: Plot No. 138/A, Sarkhej-Bavla Road, Vasna- Chacharwadi. Tal- Sanand, Dist: Ahmedabad.

On behalf of the Board of Directors

Place: Ahmedabad

Date: 31.05.2010

Nitin H. Mehta

Chairman

Code of Conduct

The Company has adopted a Code of Conduct for Directors and Senior Management. It is the responsibility of all employees and Directors to familiarise themselves with the Code and comply with the same.

The Code includes provisions where the employees of the Company can voice their concerns on violation and potential violation of the Code in a responsible and effective manner.

CEO/CFO Certification

I, Mr. Nitin H Mehta , Managing Director, certify to the Board that :

- a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March 2011 and that to the best of their knowledge and belief :
 - i. These statement 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 affairs and comply 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 that are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
 - i. Significant changes in internal control during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - iii. Instances of significant fraud of which they 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.

For Shree Ganesh Elastoplast Limited

Sd/-

Nitin H. Mehta

Chairman

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To

The Members,

SHREE GANESH ELASTOPLAST LIMITED

We have examined the compliance of conditions of Corporate Governance by Shree Ganesh Elastoplast Limited, for the period ended on 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the condition of the Corporate Governance as stipulated in the 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 representations made by the Directors and Management, we certify that the Company has not complied following conditions of Corporate Governance as stipulated in Clause of the above mentioned Listing Agreement:

- No Audit Committee has been formed by the Company.
- Appointment of Professional Directors has not been made by the Company.
- Shareholders/Investors' Grievance Committee has not been formed by the Company.
- The Company has not published quarterly financial results.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Company.

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

**For, Sunil Dad & Co.,
Chartered Accountants**

**Sunil R. Dad.
Partner
M. No. 120702**

Date: 31.05.2010

Place: Ahmedabad

AUDITORS' REPORT

To,
The Members,
Shree Ganesh Elastoplast Limited,
Ahmedabad.

1. We have audited the attached Balance Sheet of **Shree Ganesh Elastoplast Limited** as at **31st March, 2011** and the Profit and Loss Account for the period 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 the 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 misstatements. 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 the Companies (Auditor's Report) Amended order 2004, issued by the Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks 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 paragraphs 4 and 5 of the said Order.
4. 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 purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors of the Company as on 31st March, 2011 and taken on record by the Board of Directors, none of the Directors of the Company is disqualified from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes to the accounts, *subject to the following:*
 - a) ***Information regarding outstanding liability of Small Scale Industries, required to be disclosed as per Notification No. GSR 129(E) dated 22nd February, 1999 issued by the department of Company Affairs, Ministry of Law, Justice and Company Affairs, has not been disclosed for want of details.***

- b) *No provision has been made for doubtful debts / loans & advances aggregating to Rs. 1,89,60,309/-.*
- c) *Acquisition of shares in earlier year of a company being sick company under the same management for Rs. 28,30,459/-.*
- d) *Non provision of obsolete stock of Rs. 12,30,000/- as well as diminution in value of shares Rs. 42,46,459/-.*

give the information required by the Companies Act, 1956 in the manner so required and gives 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 2011;
and
- (ii) in the case of the Profit and Loss Account, **of the losses** of the Company for the period ended on that date.
- (iii) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

FOR SUNIL DAD & Co.
Chartered Accountants

SUNIL R. DAD
Partner
Mem. No. 120702

Place : Ahmedabad
Date : 01.08.2011

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our Report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company are physically verified by the management according to phased program designed to cover all the items once in period of three years which in our opinion is reasonable having regard to the size of the company and nature of its assets. Pursuant to program, a physical verification of Data processing equipments and vehicles was carried out during the period by the management and no material discrepancies between the book records and physical inventory have been noticed.
- (c) The Company has not disposed of any substantial part of its fixed assets during the period as would affect its going concern status.
- (ii) (a) As explained to us, the inventories (also which are in dematerialized form) have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its business.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, no material discrepancies noticed on physical verification of stocks, as compared to books records.
- (iii) (a) As per the information and explanations given to us, the Company has granted loans, secured or unsecured, amounting to Rs. 1,03,99,969/- (including interest receivable on loans as per books) to one company in which, Directors are interested granted to a company under same management and declared sick company being the parties covered in the Register maintained under Section 301 of the Companies Act, 1956. No interest has been charged on above said loan since 01/04/2008 as per the accounting practice followed by the company. As the said loan has become doubtful of recovery, the principal as well as interest charged in books upto 01/04/1998 has become prejudicial to the interest of the company.
- (b) During the year, Company has not taken loans, secured or unsecured, from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, the question of comment on internal control does not arise in view of suspension of activities by company.
- (v) In our opinion and according to the information and explanations given to us, no transactions the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 need to be entered in the Register maintained under that Section;
- (vi) In our opinion and according to the information and explanations given to us, during the period under review the Company has not accepted any deposits from the public under the meaning of Section 58A and 58AA of The Companies Act, 1956 and rules framed there under.
- (vii) The company has yet not set up internal audit system. Further, there was no activity conducted during the year under review.

(viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the class of companies to which the Company belongs.

(ix) (a) According to the records of the Company, statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' Insurance, Income Tax, Sales-tax, Customs Duty, Cess, and other statutory dues are not applicable to the company.

(b) According to the information and explanations given to us, the undisputed statutory dues payable which are outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.

Name of the statute	Nature of the dues	Amount (Rs.)	Other particulars
Central Sales Tax	Sales Tax	192882	Period: Earlier Years Due date: Not ascertainable Date of payment: Not paid
Central Sales Tax	Sales Tax	123594	Period: Earlier Years Due date: Not ascertainable Date of payment: Not paid

(c) The particulars of dues as at the year end, with regard to said items, which have not been paid on account of disputes, are Nil.

(x) The company has accumulated losses at the end of the Financial Year and it has incurred cash losses in the current and immediately preceding financial years. However, the accumulated losses of the company does not exceed its share capital as at the end of the financial year.

(xi) As per the information and explanations given to us, the Company has not obtained any financial assistance from financial institutions or banks and hence, the clause is not applicable.

(xii) As per the information and explanations given to us, the Company has not granted any loan or advance on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.

(xiv) The company is not dealing in or trading in shares, securities, debentures and other other investments. Accordingly, this clause is not applicable.

(xv) As per the information given to us, the Company has not taken any term loan or given any guarantee for loans taken by others from banks or financial institutions.

(xvi) In our opinion and according to the information and explanations given to us, and on the basis of overall fund flow position, we report that company has not taken any loans during the year under review. Therefore, the comment on its application has not been made.

(xvii) In our opinion and on and overall examination, the balance sheet of the company, we report that long term funds aggregating have been used for short term purposes as well as financing losses.

(xviii) The Company has made during the financial year under review, no preferential allotment to parties covered in the register maintained under Section 301 of the Companies Act, 1956.

(xix) The Company has not issued any debentures during the period under review.

- (xx) The Company has not raised any money by public issue during the period under review.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period under review.

FOR SUNIL DAD & CO.
Chartered Accountants

SUNIL R. DAD
Partner
Mem. No. 120702

Place: Ahmedabad
Date: 01.08.2011

SHREE GANESH ELASTOPLAST LIMITED

Balance Sheet as at 31st March, 2011

Particulars	Ann- xure	As at 31st March, 2011		Previous Year Amount (Rs.)
		Amount (Rs.)	Amount (Rs.)	
Sources of Funds :				
<i>Shareholders' Funds :</i>				
Share Capital	1	5 50 20 000		5 50 20 000
Total :		<u>5 50 20 000</u>		<u>5 50 20 000</u>
Application of Funds :				
<u>Fixed Assets:</u>				
Gross Block	2	1 96 33 554		1 96 33 554
Less: Depreciation		<u>1 08 52 686</u>		<u>1 02 32 069</u>
Net block		87 80 868		<u>94 01 485</u>
Investments	3		42 48 964	42 48 964
<u>Current Assets Loans and Advances :</u>				
Inventories	4	12 30 000		12 30 000
Sundry Debtors		70 12 800		70 12 800
Cash and Bank Balances		13 224		13 224
Loans / Advances and Receivables		<u>1 20 38 011</u>		<u>1 20 38 011</u>
		<u>2 02 94 035</u>		<u>2 02 94 035</u>
Less : <u>Current Liabilities & Provisions</u>				
Current Liabilities	5	<u>5 22 336</u>		<u>5 12 336</u>
Net Current Assets :			1 97 71 699	<u>1 97 81 699</u>
Reserve & Surplus :	6		2 22 18 469	2 15 87 852
Total :			<u>5 50 20 000</u>	<u>5 50 20 000</u>
			0	0

Significant Accounting policies and Notes forming part of accounts

As per our attached report of even date

FOR SUNIL DAD & CO.
Chartered Accountants

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SUNIL R. DAD
Partner

Director

Director

Place : Ahmedabad
Date : 01.08.2011

Place : Ahmedabad
Date : 01.08.2011

SHREE GANESH ELASTOPLAST LIMITED

Profit and Loss Account for year ended 31st March 2011

Particulars	Ann- xure	For the year ended 31/03/2011 Amount (Rs.)	Previous Year Amount (Rs.)
Income :			
Income from Operations		0	0
Expenditure :			
Operating and Other Expenses	7	10 000	55 000
Depreciation		6 20 617	6 20 617
		<u>6 30 617</u>	<u>6 75 617</u>
Profit/(Loss) before Tax		(6 30 617)	(6 75 617)
Less : Provision for Income tax		0	0
Provision for Fringe benefit tax		0	0
Deferred Tax Provision		0	0
Profit/(Loss) after Tax		<u>(6 30 617)</u>	<u>(6 75 617)</u>
Add : Balance as per last Balance Sheet		(2 15 87 852)	(2 09 12 235)
Balance Carried to Balance Sheet		<u>(2 22 18 469)</u>	<u>(2 15 87 852)</u>

Basic as well as Diluted Earnings Per Share

Significant Accounting policies and Notes forming part of accounts 8

As per our attached report of even date

FOR SUNIL DAD & CO.
Chartered Accountants

FOR AND ON BEHALF OF BOARD OF DIRECTORS

SUNIL R. DAD
Partner

Director

Director

Place : Ahmedabad
Date : 01.08.2011

Place : Ahmedabad
Date : 01.08.2011

SHREE GANESH ELASTOPLAST LIMITED

Particulars	As at 31st March, 2011		Previous Year
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)

Annexure - '1' : Share Capital

<u>Authorised Share Capital</u>			
6000000 Equity Shares of Rs. 10/- each	6 00 00 000		6 00 00 000
6000000 Preference Shares of Rs. 10/- each	0		0
	<u>6 00 00 000</u>		<u>6 00 00 000</u>
 <u>Issued, Subscribed and Paid up :</u>			
5502000 Equity Shares of Rs. 10/- each fully paid up	5 50 20 000		5 50 20 000
3000000 Preference Shares of Rs. 10/- each fully paid up	0		0
Total :	<u>5 50 20 000</u>		<u>5 50 20 000</u>

Annexure - '3' : Investments

<u>Quoted Investments</u>		
Magnus Rubber Industries Limited (433100 Equity shares of Rs. 10 each) (Market Value: NIL)	38 44 859	38 44 859
 <u>Unquoted Investments</u>		
Miraj Polymers Limited (40160 Equity Shares of Rs. 10 each) (Market Value: NIL)	4 01 600	4 01 600
Charotar Nagrik allotment of shares	2 505	2 505
	<u>42 48 964</u>	<u>42 48 964</u>

SHREE GANESH ELASTOPLAST LIMITED

Particulars	As at 31st March. 2011		Previous Year
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)

Annexure - '4' : Current Assets, Loans and Advances

Inventories:

Trading Goods (Certified as to quantity and value by the Director at lower of cost or net realisable value)	12 30 000	12 30 000
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Sundry Debtors (Outstanding over six month considered doubtful)	70 12 800	70 12 800
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Cash and Bank Balances :

Cash on hand	258	258
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Balance with banks:

with scheduled banks	12 966	12 966
	13 224	13 224

Loans and Advances :

Loans	66 21 017	66 21 017
Interest Receivable on Loans	37 78 952	37 78 952
Advance for Capital Goods	86 167	86 167
Advance receiveable in cash or kind or for value to be received	14 61 373	14 61 373
Deposits	20 000	20 000
Tax Deducted at source	70 502	70 502

Total :	1 20 38 011	1 20 38 011
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Annexure - '5' : Current Liabilities and Provisions

Sundry Creditors	92 000	82 000
Expenses Payable	4 30 336	4 30 336

Total :	5 22 336	5 12 336
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SHREE GANESH ELASTOPLAST LIMITED

Particulars	For the year ended 31/03/2011		Previous Year
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)

Annexure - '6' : Reserve & Surplus

Profit and Loss Account :

Balance as per Last Balance Sheet	(2 15 87 852)	(2 09 12 235)
Add : Net profit of the year	(6 30 617)	(6 75 617)
Balance carried forward to balance sheet	<u>(2 22 18 469)</u>	<u>(2 15 87 852)</u>

Annexure - '7' : Operating and Other Expenses

Remuneration to Auditors	10 000	15 000
Power and Fuel	0	0
Other Expenses	0	40 000
	<u>10 000</u>	<u>55 000</u>

SHREE GANESH ELASTOPLAST LIMITED

Annexure '2' : Fixed Assets

Particulars	Rate %	Gross Block At Cost				Depreciation				Net Block		
		Opening Block	Addition	Addition	Deduction	Closing Block	Opening Reserve	for the period	Deduction	Closing Reserve	Closing	Previous Year
Free hold land (including land & site development)		19 52 638	0	0	0	19 52 638	0	0	0	0	19 52 638	19 52 638
Factory Building		72 52 865	0	0	0	72 52 865	34 07 006	2 42 245	0	36 49 251	36 03 614	38 45 859
Plant and Machinery		41 47 221	0	0	0	41 47 221	23 61 774	1 96 993	0	25 58 767	15 88 454	17 85 447
Dies and Mculo		20 71 126	0	0	0	20 71 126	20 71 126	0	0	20 71 126	0	0
Electric Installation		10 74 298	0	0	0	10 74 298	6 21 103	50 130	0	6 71 233	4 03 065	4 53 195
Factory Equipments		3 74 367	0	0	0	3 74 367	3 04 812	12 499	0	3 17 311	57 056	69 555
Furniture and Fixtures		38 977	0	0	0	38 977	38 977	0	0	38 977	0	0
Technical Know How fees		25 00 000	0	0	0	25 00 000	14 27 271	1 18 750	0	15 46 021	9 53 979	10 72 729
Factory buiding under construction		2 22 062	0	0	0	2 22 062	0	0	0	0	2 22 062	2 22 062
Gross Total		1 96 33 554	0	0	0	1 96 33 554	1 02 32 069	6 20 617	0	1 08 52 686	87 80 868	94 01 485
Previous Year : 2010-2011		1 96 33 554	0	0	0	1 96 33 554	96 11 452	6 20 617	0	1 02 32 069	94 01 485	

SHREE GANESH ELASTOPLAST LIMITED

**Balance Sheet Abstracts and Company's General Business Profile:
Information Pursuant to part IV of Schedule Vo of the Companies Act, 1956**

I	Registration No.	21666/1993-94	State code :	4
	Balance Sheet Date	31.03.2011		
II	Public Issue	NIL	Right Issue	NIL
	Bonus Issue	NIL	Private Placement:	NIL
III	Total liabilities	32,802	Total Assets	32,802
	Sources of Funds		Application of Funds	
	Paid-up Capital	55,020	Net Fixed Assels	8,781
	Reserves & Surplus	(22,218)	Net Current Assets	19,772
	Secured Loans	0	(Including Deposits)	
	Unsecured Loans	0	Investments	4,249
	Deferred Tax Liab.	0	Misc. expenditure	0
IV	Total Income(incl. Other income)	0	Total expenditure	631
	Profit/(loss) before tax	(631)	Profit/(loss) after tax	(631)
	Earning per shares	NIL		
V	Generic Names of Three Principal products/services of Company (as per monetary terms)			
	Product Description	Rubber Stoppers		
	Item Code No. (ITC Code)	25		

FOR SUNIL DAD & CO.

Chartered Accountants

SUNIL R. DAD

Partner

Place : Ahmedabad

Date : 01.08.2011

FOR AND ON BEHALF OF THE BOARD

Director

Director

Place : Ahmedabad

Date : 01.08.2011

Forming part of the Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the period from April 01, 2010 to 31st March, 2011.

SCHEDULE - 8: SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the accounting standards prescribed under Section 211(3C) of the Companies Act, 1956 and the practices prevailing within the broking industry in India. The accounts have been prepared on a going concern concept, although the going concern concept is not more feasible to suspension of manufacturing activity as well as no availability of power from Gujarat Electricity Board.

2. Use of Estimates

These financial statements have been prepared on the basis of estimates, wherever necessary, which have an effect on the reported amounts of assets and liabilities as on the date of the statements and the reported amounts of income and expenditure for the reporting period. The difference between actuals and estimates is recognized in the subsequent period when the actuals are known.

3. Revenue Recognition

Revenue is recognized and expenditure is accounted for on their accrual. The income is said to be accrued when the risk and rewards relating to the goods or services has been transferred to the buyer.

Following are accounted on cash basis:

- a) Gratuity and leave encashment benefits to the employees
- b) Insurance claims
- c) Interest on loans taken/granted

4. Fixed Assets, Depreciation and Impairment

(a) Fixed assets are stated at the cost of acquisition less accumulated depreciation. Depreciation on fixed assets is provided on straight line method on a prorata basis at the rates prescribed under Schedule XIV to the Companies Act, 1956.

(b) Intangible assets are recognized as per the criteria specified in Accounting Standard 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India and are amortized as follows:

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

5. Investments

Investments include all securities which are intended to be held to maturity or for a period not less than one year.

Long Term Investments are carried at cost less provision for permanent diminution in the value of such investments, if any. Current Investments are carried at the lower of cost and market value.

6. Stock-in-Trade

Securities held as stock-in-trade are stated at cost (calculated on a first in first out method)

7. Retirement Benefits

The company has not provided provision in the books of account with respect to the retirement benefits of the employees as per the guidelines provided by The payment of Gratuity Act, 1972.

8. Deferred Tax

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets including asset arising from unabsorbed depreciation and losses carried forward, are not recognised unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax can be realised.

9. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

10. Earning Per Share

Earning per shares has been arrived by taking into consideration the profit after tax divided by the weighted average number of shares for the relevant financial year. The same is arrived as per Accounting Standards – 20 to determine the comparison of performance among different enterprises for the same period and among different periods for the same enterprises. Separate disclosure have been made for the earnings per share excluding extraordinary items.

SCHEDULE - 8: NOTES FORMING PART OF ACCOUNTS

1. As informed and self certification made by the management, Contingent Liabilities for the year ended 31st March, 2011 is Nil (P. Y: NIL)

2. Auditors Remuneration is made up of :

Particulars	31 st March, 2011	31 st March, 2010
Audit Fees	10,000	15,000
	10,000	15,000

3. Short Provisions made in the books of accounts:

Sr.	Particulars	Amount
1	Doubtful loans and advances	1,19,47,509
2	Obsolete stock in trade	12,30,000
3	Dimunition in the value of investments	42,46,459
4	Doubtful debts	70,12,800

4. As per the past practice, the company is accounting for interest on loans granted / received on payment basis. The effect of such non provisions for the year as well as cumulative effect since 01/04/1998, being the date of effecting change in method of accounting, has not been quantified as the principal / advances have been doubtful of recovery.

5. List of Related Parties and transactions made:

Sr.	Name of the Party	Nature of transaction	of	Amount
1	Magnus Rubber Industries Limited	Outstanding debtors	as	189750
2	Miraj Polymers Limited	Outstanding debtors	as	6602997
3	Miraj Polymers Limited	Outstanding loans	as	6621016
4	Magnus Rubber Industries Limited	Investments		3844859
5	Miraj Polymers Limited	Investments		401600
6	Miraj Polymers Limited	Outstanding Interest		3778952

*All transactions carry forward from previous years. No new transactions undertaken during the year

6. The company has not carried out any manufacturing activity during the year and hence the information on segment reporting has not been given for the year under report.
7. The accounts have been prepared on the basis of going concern in spite of suspension of activity as well as non-provision of heavy doubtful outstanding in debtors and loans & advances, obsolete stock of trading goods, non-availability of power from Gujarat Electricity Board..
8. Information pursuant to the part B of schedule VI of the Companies Act, 1956. (Certified by Director and unaudited data accepted by Auditors in absence of records)

Product	Licensed Capacity	Installed capacity	Production	Production P.Y
Plastic Compound (M.T)	N.A	432	NIL	NIL
Rubber Stoppers (nos)	NIL	500 lacs	NIL	NIL

9. In view of suspension of manufacturing activity and no production, details of trading stock is not applicable
10. No expenditure is made by the company in convertible foreign currency.
11. Balance of trade receivable, trade payable, sundry creditors, loans and advances, Banks and deposits are subject to confirmations by the parties concerned.
12. Previous year's figures have been regrouped, reclassified and rearranged wherever necessary.
13. The company has not appointed a qualified secretary as defined under section 383A of the Companies Act, 1956.

Signatures to Annexures 1 to 7 forming part of the financial statements and to the above notes forming parts of accounts

FOR SUNIL DAD & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

SUNIL R. DAD
Partner

Director *Director*

Place : Ahmedabad
Date : 01.08.2011

Place : Ahmedabad
Date : 01.08.2011