



CONTIL INDIA LTD.

*17TH ANNUAL REPORT
(2010-2011)*



REGISTERED OFFICE	:	811, Siddharth Complex, R. C. Dutt Road, Alkapuri, Baroda - 390 007.
BOARD OF DIRECTORS	:	Mr. Krishna H. Contractor (Chairman & Managing Director) Mr. Hiralal A. Contractor Mrs. Niranjana H. Contractor Mr. Amit H. Nagarsheth Mr. Rajiv H. Chokhawala
BANKERS	:	HDFC Bank Ltd. ICICI Bank Ltd.
LEGAL ADVISORS	:	Contractor & Contractor Advocate Baroda
AUDITORS	:	P. Indrajit & Associates Chartered Accountants Vadodara-390 001
REGISTAR & TRANSFER AGENT	:	M. C. S. Ltd. Neelam Appt. 88, Sampatrao Colony, above Chhapan Bhog. Alkapuri, Vadodara - 390 007.

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**NOTICE :**

NOTICE is hereby given that the 17th ANNUAL GENERAL MEETING of the Members of the Company will be held on 20th August, 2011 at 11-00 a.m. at 811, Siddharth Complex, R. C. Dutt Road, Alkapuri, Vadodara-390 007 at the Registered office of the company to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, Profit and Loss Account for the year ended on that date and Reports of the Board of Directors' and Auditors thereon and Secretarial Compliance Certificate for the year ended 31st March, 2011.
2. To appoint Directors in place of Mr. Hiralal Contractor who retires by rotation and being eligible offers themselves for re-appointment.
3. To appoint Directors in place of Mrs. Nirajana Contractor who retires by rotation and being eligible offers themselves for re-appointment.
4. To appoint Auditors of the company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT, pursuant to the provision of section 198, 269, 309,314 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956 and in furtherance the resolution of Board of Directors passed at its meeting held on 1/4/2011, the consent of the company be and is hereby Accorded to appoint (without in any way altering the terms and conditions of appointment) Mr. Krishna Contractor as a whole time Director designated as a Chairman & Managing Director of the Company with effect from 1/4/2011 for the period of 5 years.

"FURTHER RESOLVED THAT if in any financial year during the tenure, the profits of the company are inadequate, the incumbent should be entitled to the remuneration. As provided in PART II of Schedule XIII of The Companies Act, 1956.

"FURTHER RESOLVED THAT, the Board of Directors be and is hereby authorised to do all the things and deed to give effect to the resolution including to offer terms and conditions as permitted by law, from time to time in terms of schedule XIII of the Companies Act, 1956.

1. Salary: ₹ 35000.00 per month.
2. Medical Reimbursement:
Subject to a ceiling of one month salary in a year or three months salary over a period of 3 years.
3. Leave Travel Concession:
For his family once in a year subject to a ceiling of one month salary in year.
4. Provision of Car:
He shall be entitled to Company's car with chauffeur for use on Company's business which shall not be regarded as perquisite. Use of car for private purpose shall be billed by the Company to the Chairman concerned.

Regd. Office :
811, Siddharth Complex, R.C.Dutt Road,
Alkapuri, Baroda-390 007.

Place : Baroda
Date : 15/07/2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

K. H. Contractor
(M.D.)

H. A. Contractor
(Director)



EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SEC 173(2) OF THE COMPANIES ACT 1956..

The Extra Ordinary General Meeting of members of your company approved the appointment and terms and conditions thereof in relation to Mr. Krishna Contractor as a Managing Director of the company

Mr Krishna Contractor as a professional has been playing pivotal role in acquiring and augmenting the business of commodity trading through the international borders. And is accredited for the sustained operations of the company.

The board of directors keeping in view the changed scenario and the role of the whole time directors in meeting with the challenges of legal framework and business, has decided to recapitulate the terms and condition to meet with the amended law regulating the appointment of and payment of remuneration to the Whole time directors.

The board of directors therefore has resolved the terms and conditions of and payment to the incumbent w.e.f. 01ST April 2011 for five years and is now placed for your consideration. The remuneration committee consisting of Mr. Rajiv Chokhawala, Amit Nagarsheth the independent directors have approved the terms of appointment and payment of remuneration. To the incumbent.

Mr. Hiralal Contractor, Mrs. Niranjana Contractor are deemed to be directly or indirectly interested in passing the resolution as .

The relevant terms and conditions and related enabling provisions are contained in Memorandum of Association and Articles of Association is open for inspection.

This may be taken as a notice of disclosure of interest as envisaged by sec 302 of the companies act 1956.

All the relevant documents are open for inspection by the members.

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself and the proxy need not be a member. An instrument appointing the proxy should be deposited at the Registered Office of the company not less than 48 hours before the time of holding the aforesaid meeting.
2. The Register of Members and share transfer books of the company will remain closed form 17-8-2011 to 20-8-2011 (both days inclusive.)
3. Member desiring any information as regards to accounts are requested to write to the company at least seven days in advance of Annual General Meeting so as to enable the management to keep the information ready.
4. Shareholders are requested to bring their copies of the Annual Report at the meeting.
5. Shareholders are requested to notify change in address, if any, to Registrar of the company, quoting their Folio Number client ID/DPID at an early date.

Regd. Office :
811, Siddharth Complex, R.C.Dutt Road,
Alkapuri, Baroda-390 007.
Place : Baroda
Date : 15/07/2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

K. H. Contractor
(M.D.)

H. A. Contractor
(Director)



Director's Report

The Directors have pleasure in presenting the Company's 17th Annual Report on the business operations of the company together with the Audited Accounts for the Year ended on 31st March, 2011.

01. FINANCIAL RESULTS

The Summarized Financial Results are given below :

(₹ in '000)

PARTICULARS`	2010-11	2009-10
Profit / (Loss) before Depreciation, Financial Charges & Taxex	1619	1975
Less :- Depreciation	263	263
Financial Charges	167	294
Current Income Tax (Provision)	213	378
Deferred Income Tax	(44)	(159)
NET PROFIT / (LOSS)	1020	1199
Add : Balance of Profit & Loss B/F	8175	7187
PROFIT AVAILABLE FOR APPROPRIATION	9195	8386
APPROPRIATIONS :-		
Transfer to Statutory Reserve	204	240
Tax adjustment to earlier years	5	(29)
BALANCE CARRIED OVER TO B/S	8986	8175
BOOK VALUE (₹ per share)	13.71	13.38

02. DIVIDEND

Your directors do not recommend any dividend for the financial year under review. Idea is to conserve the financial resources for the future.

03. OPERATIONS

Income from Operations for the period under consideration was ₹ 4893 thousands (previous year ₹ 6313 thousands) and total Expenditure was ₹ 3704 thousands. (previous year ₹ 4894 thousands). Your Company earned a Profit before Tax (PAT) of ₹ 1020 thousands (previous year ₹ 1199 thousands). The PAT fell by 14.93% however, your Directors consider the above results satisfactory under the prevailing circumstances.

04. BUSINESS PROSPECTS

During the year, WPI based inflation remained high in India. High food inflation has been one of the major contributions to overall high inflation in the economy. on account of that the Company witnessed a downfall in the business in trading segment. Your company is committed to built-up branded reference to increase the dominance in commodity trading in the coming year. The business during the year under investment segment fetch reasonable returns. The achievement of future results will depend on the diligent and prudent plans and assumptions of the company. The company is taking number of initiative to consolidate and improve margins & return on capital which will enhance the shareholder value.

05. CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement with Stock Exchange. Your Company has complied in all material respects with the features of Code of corporate governance. Management's Discussion and Analysis Report and Corporate Governance Report forming part of Director's Report are enclosed as Annexure.

06. DIRECTORS

During the year under view Mr. Hiralal Contractor and Mrs. Niranjana Contractor will be retiring by rotation at the ensuing Annual General Meeting of members of the company, however being eligible offers themselves for reappointment.

07. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating Management confirm that :

- In the preparation of the annual accounts for the financial year ended 31.03.2011, the applicable accounting standards have been followed and that there are no material departures.
- They have in the selection of the accounting policies, consulted the statutory Auditors and have applied them consistently and made judgement 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.



- c) They have taken proper and sufficient care to the best of their knowledge and ability to 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 fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis.

08. INTERNAL CONTROL SYSTEM

Your company observes adequate internal control procedures commensurate with the size of the company and the nature of its business regard to its assets and liabilities and there is no continuing failure to correct major weakness in internal controls.

09. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the company has no activities relating to conservation of energy or technology absorption, the information required under section 217 1 (e) of the Companies Act, 1956, read with the Companies (disclosure of particulars in the report of Board of Directors) Rules, 1988 with respect to those matters are not furnished.

During the year under review, the total foreign exchange earning and outgo has remained NIL .

10. FIXED DEPOSITS

The Company has not accepted any deposits within the meaning of section 58-A of the Companies Act, 1956 and the Companies (Acceptance & Deposits) Rules, 1975.

11. RBI DIRECTIONS

Your Company continues to carry on its business of Non Banking Finance Company as a Non Deposit accepting Company and comply with all the applicable requirements prescribed by Reserve Bank of India.

12. PARTICULARS OF EMPLOYEES

The Company is having qualified and trained employee who are responsive to Customers needs and changing economic scenario. Employee relation was cordial and work atmosphere was healthy during the year.

There are no employees covered by section 217 (2A) of the Companies Act, 1956 read with Companies. (Particulars of Employees) Rules, 1975 as amended.

13. TO CONSIDER THE APPOINTMENT OF AUDITORS

The members are requested to appoint auditors for the current year and to fix their remuneration. M/s. P. INDRAJIT & ASSOCIATES, Chartered Accountants, Vadodara the existing auditors have u/s 224 (1B) of the Companies Act, 1956 furnished certificate of their eligibility for appointment.

14. SECRETARIAL COMPLIANCE CERTIFICATE

Pursuant to provision of sub section (1) of section 383A of the Companies Act, 1956 it is obligatory to attach Compliance Certificate with the Board's report referred to in section 217 of the Companies Act, 1956. A copy of the Compliance Certificate is attached for the perusal of the members.

15. ACKNOWLEDGEMENT

Your Directors warmly acknowledge the unstinting support extended by the Government authorities, Financial Institutions, Banks, Broaking Houses, Customers, Vendors and shareholders in contributing to the results. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the employees of the Company for its success.

Regd. Office :
811, Siddharth Complex, R.C.Dutt Road,
Alkapuri, Baroda-390 007.

Place : Baroda
Date : 30/05/2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

K. H. Contractor
(M.D.)

H. A. Contractor
(Director)



MANAGEMENT DISCUSSION AND ANALYSIS

Our Company is in the business of Non Banking Finance Company registered with Reserve Bank of India. The company has been issued the certificate of registration to carry on business as a Non Banking Finance Company by Reserve Bank of India.

Company has been involved in several areas of financing including ICD, loans, loans against shares and capital market activities like trading in equity, mutual fund, commodities etc.

The Indian economy registered a healthy growth of 8.60% in 2010-11 vis-a-vis 8.00% in 2009-10. Higher growth was achieved despite a slight slow-down witnessed during the second half of the year, particularly in the industrial sector. Credit growth not supported by commensurate deposit growth created considerable liquidity pressures in the Banking system in the second half of the year, with one year Bank FD rates crossing 10.00% in March 2011.

In spite of a fragile global economic recovery and rupee appreciation (of about 4% against the dollar), exports grew by 37.50%, exceeding USD 245 Billion - especially in value-added exports-which aided the performance of the economy. Conversely, imports grew by 21.60% thus easing the pressure on Current Account Deficit.

The Reserve Bank of India (RBI) has now pegged the base-line GDP growth for this fiscal at 8.00% considerably lower than that suggested during the budget announcements which were close to 9.00%.

Doing away with its calibrated baby steps approach, RBI increased the repo rate by 50 basis points to rein in inflation, which at 9.00% is far higher than the RBI's comfort zone of 6.00%. Though the central bank expects inflation to remain at the elevated level of 9.00% during the first half of the current fiscal, its objective is to bring it down to 6.00% by March 2012.

It is not clear how the inflation rate will come down since the factors igniting inflation are supply side factors which can only be corrected with investments enhancing productivity, both in agriculture and infrastructure. Nevertheless, a key outcome of liquidity tightening measures by the RBI has been a firming up of interest rates. The RBI in its policy statement on 3rd May 2011 has clearly indicated that inflation control in the current environment takes precedence over growth.

Higher international crude prices, rising interest rates, unabated domestic inflation and possible slippages in the fiscal deficit forecasts pose substantial down-side risks for equity investors. The markets were surprisingly resilient, till the end of April 2011, given the negative news both on the economic and political platform. Post the RBI policy announcement the market has begun the process of discounting the impact of the factors which will have a negative impact on earnings growth in FY 2011-12. Analyst forecasts of earnings growth for FY 2011-12 have yet to start bearing downward revisions.

The Company functions as an investment company with a primary objective of long term appreciation in the value of its portfolio.

The profits of the Company are derived from a mix of dividend and interest income, supplemented to a large extent by profit on sale of investments. It is envisaged that the investment strategy of the Company is likely to alter the attributes of the investment portfolio by elongating its investment horizon and enabling the Management to take a much longer term investment view, with the objective to further enhance the NAV.

Statements in the Management Discussion and analysis, describing the Company's objectives, projections and estimates, are forward-looking statements security laws and Regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

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FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

K. H. Contractor
(M.D.)

H. A. Contractor
(Director)

**CORPORATE GOVERNANCE REPORT****(1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company has adhered to the principles of corporate governance over the years. The Company believes that the essence of good corporate governance is to conduct the company's business and deal with its stockholders in ethical and transparent manner. It has been the company's continuous endeavor to build on its values Quality, Integrity, Leadership and Collaboration to effectively meet its financial, social, environmental and statutory obligations.

(2) BOARD OF DIRECTORS

The management of your company is entrusted to Chairman and M.D. Your Board of Director closely monitor the performance of company and its management, approve and review strategy and determines remuneration of the management based on its performance. Your Board ensures legal ethical conduct and high quality financial reporting. It holds itself accountable to the shareholders as well as other stakeholders for the long term health of the Company.

The company at present, has five Directors of these, Mr. K. H. Contractor, CMD is whole time Director, Details of the Directors and their attendance at the Board meeting and last AGM.

Name of Directors	Category of Directors	Attendance At		No. of Director ships
		Board Meeting	Last AGM	
Mr. K. H. Contractor	Promoter / Executive	5	Yes	1
Mrs. N. H. Contractor	Promoter / Executive	5	Yes	1
Mr. H. A. Contractor	Non - Executive	5	Yes	1
Mr. A. H. Nagarsheth	Independent Director	5	Yes	1
Mr. R. H. Chokhawala	Independent Director	5	Yes	1

During the period ended March 31, 2011 Five Board Meeting held on 31-5-2010, 30-07-2010, 30-10-2010, 29-01-2011, 26-3-2011.

(3) AUDIT COMMITTEE

The terms of reference of the Audit Committee include the following.

- (a) Review of Financial Reporting Process
- (b) Recommendation to the Board on appointment and remuneration of Statutory Auditor.
- (c) Review of internal control systems
- (d) Review of other matters
- (e) Reporting to the Board

The Audit committee comprises of two directors viz. Amit Nagarsheth & Rajiv H. Chokhawala. The meeting of the Audit Committee was held on 25th June, 2010, 28th October 2010 and 26th March, 2011 which was attended by Audit Committee Members, Statutory Auditors and other management personnel.

(4) REMUNERATION COMMITTEE

The company's policy on remuneration payable to Executive Directors. The sum of ₹ 360000.00 paid to Mr. K. H. Contractor & Niranjana Contractor each including benefits and perquisites during the year 2010-2011. Sitting fees ₹ 8000/- each paid to H. A. Contractor, K. H. Contractor, N. H. Contractor.

(5) INVESTORS GRIEVANCE & SHARE TRANSFER COMMITTEE

The scope of redressal of investor's complaints like share transfers, non-receipt of annual reports, issue of duplicate certificates and other allied transaction. Its scope also includes to delegate powers to the Executives of the company to process share transfer etc. The company's investors Grievance and Share Transfer committee functions under the chairmanship of Mr. K. H. Contractor and other Management personnel. Mr. Ashraf Bhide is the Compliance officer of the company. During the year 2 complaints were received from the shareholders which where resolved satisfactorily within 7 days. There were no shares that are pending for transfer during the year for more than 21 days.

(6) GENERAL BODY MEETINGS

Details of the last three Annual General Meeting held

Year	2010	2009	2008
Date	28-8-2010	19-09-2009	25-09-2008
Time	11.00 a.m.	11.00 a.m.	11.00 a.m.

All the meetings were held at 811, Siddharth Complex, R. C. Dutt Road, Alkapuri, Baroda-390 007. No postal ballots were used for voting at these meetings.

**(7) DISCLOSURES**

There were no transactions of the company of material nature with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflict with interests of the company at large. The Company has complied with various rules and regulations prescribed by the Stock Exchange, SEBI or any other statutory authority relating to the Capital Markets.

(8) MEANS OF COMMUNICATIONS

The quarterly, half yearly and annual results are published in the newspapers. The Company has not any website for display news, results etc. but company do inform to Stock Exchanges within the 24 hours. The quarterly financial result of the company is published in Economic Times Gujarati & English edition. The Management discussion and analysis reports is apart of this Annual Report.

(9) GENERAL SHAREHOLDER INFORMATION

a) The 17th Annual General Meeting of the Company will be held on 20th August, 2011 at 11.00 a.m. at 811, Siddharth Complex, R.C.Dutt Road, Alkapuri, Baroda - 390 007.

b) Financial Calendar : Financial Reporting for the quarter ending June 2011 - by July 2011.

Financial Reporting for the quarter ending September 2011 - by October 2011.

Financial Reporting for the quarter ending December 2011 - by January 2012.

Financial Reporting for the quarter ending March 2012 - by May 2012.

c) Book Closure : 17-8-2011 to 20-8-2011 (both days inclusive)

d) Dividend Payment Date : N. A.

e) Listing on Stock Exchange : The Company's share are listed on the Stock Exchange, Mumbai, Annual listing fees for the year 2011-12 has been paid to Bombay Stock Exchange. Stock Code : 531067

f) ISIN No. : INE080G01011

g) Market Price Data Performance :

Market price of equity shares at Bombay Stock Exchange from April 2010 to March 2011

Month	High	Low
April	7.20	5.30
May	7.84	6.12
June	6.17	3.81
July	6.00	4.60
August	6.55	4.40
September	5.63	4.23
October	6.20	5.01
November	5.98	4.68
December	5.12	4.32
January	5.26	4.38
February	5.52	5.01
March	5.79	5.00

h) Share Transfer System

The Board has also delegated the power of share transfer to Officers of the company. The delegated authorities attend to share transfer formalities, transfer of shares are processed and registered within the stipulated time, provided all the documents are valid and complete in all respect. The Board of Directors has appointed Company Secretary and Compliance Officer of the Company to monitor the share transfer process. Share transfers approved by the delegates are placed at the board meeting from time to time.

M/s. MCS Limited, Baroda act as Share Transfer Agent for the equity shares of the Company.



CONTIL INDIA LTD.

l) Distribution Schedule :

Share holding of Nominal Value of		Share Holders		Share Amount	
₹	₹	Number	% of Total	In ₹	% of Total
Upto	- 5000	3345	91.443	4529500	14.638
5001	- 10,000	159	4.347	1220000	3.943
10,001	- 20,000	75	2.050	1094000	3.535
20,001	- 30,000	16	0.437	398000	1.286
30,001	- 40,000	33	0.902	1193000	3.855
40,001	- 50,000	7	0.191	330000	1.066
50,001	- 1,00,000	12	0.328	913000	2.950
1,00,001	- Above	11	0.301	21266500	68.726
TOTAL		3658	100.000	30944000	100.000

Share holding Pattern as on 31st March, 2011

Category	No. of Shares	Percentage
Promoters	866821	28.01
Mutual Fund/FI/UTI & Bank	Nil	Nil
Private Corporate Bodies	155088	5.01
Indian Public	2052377	66.33
NRIs / OCBs	20114	0.65
TOTAL	3094400	100.00

j) Distribution of Shares and liquidity :

63.83% of total equity shares have been dematerialized as on 31-03-2011.

k) Address for correspondence :

811, Siddharth Complex, R. C. Dutt Road, Alkapuri, Baroda - 390 007.

AUDITOR'S CERTIFICATE

To,
The Members,
Contil India Ltd.

We have examined the compliance of condition of Corporate Governance by Contil India Ltd. for the year ended on 31st March, 2011 as stipulated in clause 49 of the Listing Agreement entered with the stock exchanges.

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 corporate Governance; it is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and the best of our information and according to the explanation given to us and the representation made by the Directors and management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investors grievances are pending for a period exceeding one month against the company as per the records maintained by the shareholders/investors Grievance committee.

We further 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 P. INDRAJIT & ASSOCIATES
CHARTERED ACCOUNTANTS
ICAI Firm Regn. No. 117488W

DATED : 30.05.2011
PLACE : VADODARA

(PIYUSH I. SHAH)
PROPRIETOR
M.No. 103665

**SECRETARIAL COMPLIANCE REPORT**

(SEE RULE 3 OF THE COMPANIES (COMPLIANCE CERTIFICATES) RULES 2001)

The Members,
CONTIL INDIA LIMITED
811, SIDDHARTH COMPLEX, R.C.DUTT ROAD
VADODARA-390007.

CIN NO :- L65990GJ1994PLC023444
FINANCIAL YEAR :- 01-04-2010 TO 31-03-2011

I/WE have examined the registers, records, books and papers of M/S CONTIL INDIA LIMITED as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authority within the time prescribed under the Act and the rules made there under.
3. The Company being a public limited Company has Minimum prescribed capital. The comments are not required.
4. The Board of Director duly met 5 times on 31/05/2010, 30/07/2010, 30/10/2010 and 29/01/2011 and 26/03/2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members from 24/08/2010 to 28/08/2010 and necessary compliance of Section 154 has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2010 was held on 28th August, 2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting held during the financial year.
8. The company has not advanced any loans to its directors or persons or firms or companies referred in the section 295 of the Act, after complying with the provisions of the Act.
9. The company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act However detailed updation could not be verified.
11. As there are instances falling within the purview of SEC 314 of the ACT except the appointment of Managing/Whole Time Director U/S 198, 269, 310, 314, SCHEDULE XIII of the ACT. The company has passed necessary resolutions and obtained approval from the Board of Directors, Members.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The company has -
 - i. Delivered all the certificates on allotment of securities and on lodgment thereof for Transfer/Transmission or any other purpose in accordance with the provisions of the Act. Details were however could not be verified.
 - ii. The company has not deposited amount in a separate bank account as no dividend was declared during the financial Year.
 - iii. The Company has duly complied with the requirements of Section 217 of the Act.
 - iv. Not posted warrants to any member of the company as no dividend was declared during the financial year.
 - v. Not transferred the amounts in Unpaid Dividend Account, Application money due for refund, matured deposit, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to INVESTOR EDUCATION AND PROTECTION FUND.
14. The Board of Directors of the company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancies has been duly made.
15. The company has/has not appointed Managing Director during the financial year as the provisions of the sec. 269 read with Schedule XIII of the Act duly complied with
16. The company has not appointed any sole-selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various



- provisions of the Act.
18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. The company has not issued any Shares/debentures during the financial year ending 31st March, 2011.
 20. The company has not bought back any shares during the financial year ending 31st March, 2011.
 21. The company has not redeemed any preference shares/debentures during the year.
 22. There were no transactions necessitating the company to keep in abeyance the rights of dividend, rights shares pending registrations of transfer of shares.
 23. The company has not invited/ accepted any deposits including any unsecured loans within purview of Sec.58 read with COMPANIES (ACCEPTANCE OF DEPOSITES) RULES 1975 during the financial year. except the temporary advances, Security Deposits in the ordinary business course.
 24. The amount borrowed by the company from Directors, members, public, financial institutions, banks and others during the financial year are within the borrowing limits of the company and that necessary resolutions as per Section 293(1)(d) of the Act have been passed in duly convened annual/extraordinary general meeting.
 25. The company has not made loans or advances or given guarantees or provided securities to other bodies corporate during the year in compliance with the provisions of the Act and has made necessary entries in the Register kept for the purpose.
 26. The company has not altered provisions of memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny after complying with the provisions of the Act.
 27. The company has not altered provisions of memorandum with respect to the objects of the company during the year under scrutiny and complied with the provisions of the Act.
 28. The company has not altered provisions of memorandum with respect to name of the company during the year under scrutiny and complied with the provisions of the Act.
 29. The company has not altered provisions of memorandum with respect to share capital of the company during the year under scrutiny and complied with the provisions of the Act.
 30. The company has not altered its Articles of Association and the amendments to the Articles of Association have been duly registered with the Registrar of Companies.
 31. As explanation given by the company, a notice for alleged default has not been received from the Registrar of Companies, Gujarat,
 32. The company has not received money as security from its employees during the financial year.
 33. The company has deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act. The provisions are not applicable.

Place : Vadodara
Date : 15/07/2011

Ashok Shelat
Company Secretary
CP.No. : 2782



Annexure - A
Statutory Registers maintained by the Company

1. Register of Members U/s 150 (1) of the companies Act, 1956
2. Index of Members U/s 151.
3. Copies of Annual Return U/s 159
4. Register of Directors, Managing Director, Manager Secretary U/s 303.
5. Minutes Books of Board Meeting U/s 193
6. Minutes Books of General Meeting U/s 193
7. Books of Accounts U/s 209- FY 31-03-2011
8. Register of Contracts U/s 301 (1)
9. Register of Directors' Shareholding U/s 307

Annexure - B

Forms and Returns as filed by the company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March, 2011.

Sr. No.	Form No./Document Particulars	Filed U/s	DATE OF FILING OF DOCUMENT	SRN NO OF FILING IF AVAILABLE.
1	Annual Return as on 28-8-2010 Form 20B	159	23/09/2010	SRN NO : P52742228
2	Annual Accounts F.Y 31-03-2010 Form 23AC-23ACA	220	17/09/2010	SRN NO : P52450053
3	Compliance Certificate-FY 31-03-2010- Form NO 66	383A	23/09/2010	SRN NO : P52742186

Place : Vadodara
Date : 15-7-2011

Ashok Shelat
Company Secretary
CP. No. : 2782



AUDITOR'S REPORT

To,
The Members,
Contil India Ltd.
Vadodara

1. We have audited the attached balance sheet of CONTIL INDIA LTD., as at 31st March, 2011 and the profit and loss account for the year ended on the date annexed thereof. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on the 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 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 Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose herewith in the annexure a statement of matter specified therein.
4. Further to our comments in the Annexure referred to 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 purpose of our audit;
 - (ii) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The balance sheet, profit and loss account dealt with by this report are in agreement with the books of account
 - (iv) In our opinion, the balance sheet, profit and loss account dealt with the 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 written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board or Directors. We report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of section 274 of the companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according the explanations give to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give 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, 2011 and
 - (b) In the case of the profit and loss account of the profit for the year ended on that date.
 - (c) In the case of the Cash flow statement if the cash flows of the company for the year ended on that date.

FOR P. INDRAJIT & ASSOCIATES
CHARTERED ACCOUNTANTS
ICAI Firm Regn. No. 117488W

DATED : 30.05.2011
PLACE : VADODARA

(PIYUSH I. SHAH)
PROPRIETOR
M. No. 103665

**ANNEXURE TO THE AUDITORS REPORT**

(REFERRED TO IN PARA 1 OF OUR REPORT OF EVEN DATE)

1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed asset and to produce the same for the verification.

All the assets have not been physically verified by the management during the year, but as explained, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. As informed no material discrepancies were noticed on such verification.

During the year, substantial parts of the Fixed Assets have not been disposed off by the company.

- (ii) The company is primarily engaged in investment activities which does not involve maintenance of any inventory. As regards company's business of trading of commodities, the management had followed reasonable and adequate procedures of physical verification of inventories at the end of the year. The company is maintaining the proper record of inventory, the discrepancies noticed on verification between the physical stock and the book records were not material. However, in absence of the adequate evidence produced before us for the verification, relating to physical verification of inventory, we are not in position to comment upon the reasonableness as to frequency and procedures.
- (iii) The company has neither granted not taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly sub clause (b), (c) and (d) are not applicable.
- (iv) In our opinion and according the information and explanations given to us, management has established an adequate internal controls procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods/services. During the course of our audit, no, major weakness has been noticed in the internal control system in respect of these areas.
- (v) According to the information and explanations given to us, we are of the opinion that wherever the transaction that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered subclause (b) is not applicable.
- (vi) The company has not accepted deposits under the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- (vii) In our opinion, the company has no internal audit system commensurate with its size and the nature of its business.
- (viii) We are informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the activities carried on by the company.
- (ix) The company is regular in depositing with appropriate authorities undisputed statutory dues including employees' state insurance, income tax, sales tax, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, excise duty and cess were in arrears, as at 31/03/2011 for a period of more than six month from the date they become payable. On the basis of information and explanations given to us and the relevant documents produced before us, the following dues have not been deposited on account of dispute.

Name of the statute	Nature of dues	Amount (₹ in lacs)	Years to which the amount relates	Forum where dispute is pending
Income Tax Act	Interest Tax demand	0.27	A.Y. 1996-97	ITAT Appeal order effect not given.

- (x) The company do not have any accumulated losses at the end of the financial year nor the company has incurred cash losses in the financial year and in the financial year immediately preceding such financial year.
- (xi) The company has neither taken any loans from a financial institutions and a bank nor issued any debenture. Accordingly clause 4(xii) of the order is not applicable.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



CONTIL INDIA LTD.

- (xiii) Considering the nature of activities carried on by the company, it is not a chit fund or a nidhi/ benefit fund/ society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to company.
- (xiv) The company has maintained proper records of all the transaction of shares, securities and other investment. According to the information and explanation given to us and found from the records that the company is making timely entries in records.
- In our opinion and according to the information and explanation given to us, the company held the share, security, debentures and other securities in the name of the company except to the extent of the exemption granted u/s 49 of the Act.
- (xv) As informed to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) The company has not taken any Term Loan/s during the year.
- (xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. All assets have been funded by share holder's fund.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of Act.
- (xix) The company has not issued any debentures.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

FOR P. INDRAJIT & ASSOCIATES
CHARTERED ACCOUNTANTS
ICAI Firm Regn. No. 117488W

DATED : 30.05.2011
PLACE: VADODARA

(PIYUSH I. SHAH)
PROPRIETOR
M. No. 103665

**BALANCE SHEET AS AT 31ST MARCH, 2011**

PARTICULARS	SCHEDULE	AMOUNT (₹) 31.03.2011	AMOUNT (₹) 31.03.2010
I. SOURCES OF FUNDS :-			
1. Share holder's Funds			
(a) Equity Share Capital	A	30,944,000.00	30,944,000.00
(b) Reserve and Surpluses	B	11,475,796.28	10,461,588.39
2. Deffered Tax Liability		387,777.58	431,501.68
TOTAL ₹		42,807,573.86	41,837,090.07
II. APPLICATION OF FUNDS :-			
1. Fixed Assets	C		
(a) Gross Block		5,046,484.00	5,046,484.00
(b) Less : Depreciation		2,829,109.00	2,566,525.00
(c) Net Block		2,217,375.00	2,479,959.00
2. Investments	D	30,781,758.66	34,303,634.05
3. Current Assets, Loans and Advances			
(a) Closing Stock (Of Goods Traded)		0.00	1,326,603.99
(b) Sundry Debtors	E	1,465,322.29	0.00
(c) Cash and Bank Balances	F	286,253.98	820,275.07
(d) Loans and Advances	G	8,429,062.93	3,446,662.00
		10,180,639.20	5,593,541.06
Less : Current Liabilities and Provisions	H	372,199.00	540,044.04
Net Current Assets		9,808,440.20	5,053,497.02
TOTAL ₹		42,807,573.86	41,837,090.07

To be read with Note on Accounts

As per Report of even date annexed

For P. INDRAJIT & ASSOCIATES
 CHARTERED ACCOUNTANTS
 ICAI Firm Regn. No. 117488W

(PIYUSH I. SHAH)
 PROPRIETOR
 M. No. : 103665

Place : Vadodara
 Date : MAY 30, 2011

For & Behalf of the Board of Directors of
CONTIL INDIA LTD.

K. H. Contractor
 (Managing Director)

H. A. Contractor
 (Director)

Place : Vadodara
 Date : MAY 30, 2011

**CONTIL INDIA LTD.****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	SCHEDULE	AMOUNT (₹) 31.03.2011	AMOUNT (₹) 31.03.2010
I. INCOME :-			
(a) Sales (of Traded Goods)		1,570,334.42	2,409,061.71
(b) Income from Operations	I	3,322,644.72	3,899,154.36
(c) Other Income		0.00	4,667.56
TOTAL ₹		4,892,979.14	6,312,883.63
II. EXPENDITURE :-			
(a) Cost of Purchases (Of Traded Goods)	J	1,523,373.99	2,723,472.78
(b) Administrative Expenses	K	422,976.67	403,450.20
(c) Staff Salaries		528,256.00	529,922.00
(d) Directors Remuneration (including Sitting Fees)		744,000.00	624,000.00
(e) Audit Fees		52,944.00	52,944.00
(f) Interest and Finance Charges	L	167,157.73	294,486.65
(g) Depreciation		262,584.00	263,150.00
(h) Donation		2,500.00	3,001.00
TOTAL ₹		3,703,792.39	4,894,426.63
III. PROFIT FOR THE YEAR BEFORE TAX (I-II)		1,189,186.75	1,418,457.00
IV. LESS :- Current Income Tax		213,235.00	378,342.04
Deferred Income Tax		(43,724.10)	(159,286.32)
V PROFIT / LOSS AFTER TAX (III - IV)		1,019,675.85	1,199,401.28
VI. Add : Balance of Profit of Earlier Year/s		8,175,811.39	7,187,219.85
Profit Available for Appropriations		9,195,487.24	8,386,621.13
APPROPRIATIONS :-			
Statutory Reserve		203,935.00	239,880.00
Tax Adjustment of earlier year/s		5,467.96	(29,070.26)
BALANCE OF PROFIT CARRIED OVER TO B/S		8,986,084.28	8,175,811.39
		9,195,487.24	8,386,621.13

To be read with Note on Accounts

As per Report of even date annexed

For P. INDRAJIT & ASSOCIATES
 CHARTERED ACCOUNTANTS
 ICAI Firm Regn. No. 117488W

(PIYUSH I. SHAH)
 PROPRIETOR
 M. No. : 103665

Place : Vadodara
 Date : MAY 30, 2011

For & Behalf of the Board of Directors of
CONTIL INDIA LTD.

K. H. Contractor
 (Managing Director)

H. A. Contractor
 (Director)

Place : Vadodara
 Date : MAY 30, 2011

**(SCHEDULES "A to L" ANNEXED TO AND FORMING PART OF ACCOUNTS)**

PARTICULARS	AMOUNT (₹) 31.03.2011	AMOUNT (₹) 31.03.2010
SCHEDULE - A : SHARE CAPITAL		
AUTHORISED :		
3,200,000 Equity Shares of ₹ 10.00 each	32,000,000.00	32,000,000.00
ISSUED, SUBSCRIBED AND PAID-UP :		
3,094,400 Equity Shares of ₹ 10.00 each fully paid-up	30,944,000.00	30,944,000.00
Total ₹	30,944,000.00	30,944,000.00

SCHEDULE - B : RESERVES AND SURPLUS

STATUTORY RESERVE :		
Reserve Created under section 45 IC of Reserve Bank of India Act, 1934.		
Opening Balance	2,285,777.00	2,045,897.00
Add :- Transferred from Profit & Loss A/c.	203,935.00	239,880.00
Closing Balance	2,489,712.00	2,045,897.00
PROFIT AND LOSS ACCOUNT (Credit Balance)-	8,986,084.28	8,175,811.39
Total ₹	11,475,796.28	10,461,588.39

SCHEDULE C : FIXED ASSETS AND DEPRECIATION

NAME OF ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	Cost as at 01.04.2010	Add. Deduct	Cost as at 31.03.2011	Up to 31.03.2010	During the Year	Deduction During the year	Up to 31.03.2011	As At 31.03.2011	As At 31.03.2010
1. BUILDING	2,058,593.00	-- --	2,058,593.00	440,122.00	33,556.00	--	473,678.00	1,584,915.00	1,618,471.00
2. FURNITURE FIXTURE	973,471.00	-- --	973,471.00	907,183.00	61,620.00	--	968,803.00	4,668.00	66,288.00
3. OFFICE EQUIPMENT	755,904.00	-- --	755,904.00	361,142.00	24,680.00	--	385,822.00	370,082.00	394,762.00
4. VEHICLE ACCOUNT	913,226.00	-- --	913,226.00	614,838.00	86,756.00	--	701,594.00	211,632.00	298,388.00
5. COMPUTER A/C	345,290.00	-- --	345,290.00	243,240.00	55,972.00	--	299,212.00	46,078.00	102,050.00
TOTAL ₹.	5,046,484.00	-- --	5,046,484.00	2,566,525.00	262,584.00	--	2,829,109.00	2,217,375.00	2,479,959.00

**CONTIL INDIA LTD.****SCHEDULE - D : INVESTMENTS**

Name of the Company	31.03.2011		31.03.2010	
	Nos.	Amount	Nos.	Amount
INVESTMENT IN QUOTED SHARES				
ABB LTD.	1,000	900,292.80	0	0.00
BOSCH LTD(MICOLTD)	0	0.00	30	143,887.50
CENTURY ENKA LTD	3,101	742,347.61	0	0.00
CENTURY TEXTILES LTD	3,000	1,316,009.85	0	0.00
CIPLA LTD	1,000	301,023.00	0	0.00
DABUR (I) LTD.	1,500	153,180.00	0	0.00
GUJARAT ALKALIES & CHEMICALS LTD	4	503.55	0	0.00
IOC LTD.	1,000	344,410.00	600	178,050.00
JINDAL SAW LTD.	500	112,369.15	0	0.00
NHPC LTD.	10,000	317,900.00	0	0.00
NEYVELI LIGNITE LTD.	0	0.00	1,500	217,275.00
PTC INDIA LTD.	0	0.00	2,000	224,000.00
RELIANCE CAPITAL LTD.	1,500	1,170,505.85	500	377,325.00
RELIANCE INDUSTRIES LTD.	1,000	1,073,290.00	0	0.00
RELIANCE INFRASTRUCTURE LTD.	1,000	1,131,228.25	0	0.00
RELIANCE POWER LTD.	67	10,187.35	67	10,187.35
STERLITE INDUSTRIES LTD.	1,500	256,815.00	0	0.00
SHIPPING CORPORATION LTD.	2,000	278,313.05	0	0.00
TATA INVESTMENT LTD.	610	361,198.80	225	112,927.50
UNITED PHOSPHROUS LTD.	1,000	160,540.00	0	0.00
YES BANK	0	0.00	500	124,950.00
TOTAL (A)		8,630,114.26		1,388,602.35
INVESTMENT IN MUTUAL FUNDS				
FRANKLIN INDIA BLUECHIP FUND	5,218.644	300,000.00	5,218.644	300,000.00
HDFC GROWTH FUND(D)	12,637.520	400,000.00	12,637.520	400,000.00
JM AGRI & INFRA FUND(D)	15,000.000	150,000.00	15,000.000	150,000.00
JM BASIC FUND(D)	16,314.888	500,000.00	16,314.888	500,000.00
TEMPLETON INDIA TREASURY MGT A/c.	10,692.334	16,170,444.40	17,809.376	26,933,831.70
TOTAL (B)		17,520,444.40		28,283,831.70
INVESTMENT IN GLOBLE VENTURE (AS AN INVESTOR)				
CONTIL CANADA LTD (FV IN CAD)	45,846	3,673,200.00	45,846	3,673,200.00
TOTAL (C)		3,673,200.00		3,673,200.00
INVESTMENT IN UN QUOTED SHARES				
PRECISION GLASS PVT. LTD.	95,800	958,000.00	95,800	958,000.00
TOTAL (D)		958,000.00		958,000.00
TOTAL INVESTMENT (A+B+C+D)		30,781,758.66		34,303,634.05
TOTAL MARKET VALUE AS AT 31ST MARCH		28,714,012.54		33,787,171.69

**(SCHEDULES "A to L" ANNEXED TO AND FORMING PART OF ACCOUNTS)**

PARTICULARS	AMOUNT (₹) 31.03.2011	AMOUNT (₹) 31.03.2010
SCHEDULE - E : SUNDRY DEBTORS (UNSECURED CONSIDERED GOOD)		
Sundry Debtors for Goods outstanding for a period :		
- Exceeding Six Months	1,465,322.29	0.00
- Others	0.00	0.00
Total ₹	<u>1,465,322.29</u>	<u>0.00</u>

SCHEDULE - F : CASH & BANK BALANCES		
Cash on Hand	11,529.60	7,183.60
Balance with Schedule Bank in the Current Account		
-HDFC Bank Ltd.	258,663.96	797,031.05
-ICICI Bank Ltd.	16,060.42	16,060.42
Total ₹	<u>286,253.98</u>	<u>820,275.07</u>

SCHEDULE - G : LOANS AND ADVANCES		
Advance Recoverable in Cash or kind	6,800,000.00	1,200,000.00
Interest / Dividend Receivable	151,791.00	453,404.00
Building Advance	1,117,493.00	1,117,493.00
Advance Income Tax(F.Y.2010-11)	100,000.00	0.00
Tax Deducted at Source (F.Y.2010-11)	73,470.00	402,210.00
Income Tax Refund Receivable (Previous year/s)	147,125.00	273,555.00
Advance to Staff	36,000.00	0.00
Pre-paid Electricity Expenses	3,183.93	0.00
Total ₹	<u>8,429,062.93</u>	<u>3,446,662.00</u>

SCHEDULE - H : CURRENT LIABILITIES & PROVISIONS		
Rent Security Deposit	104,040.00	104,040.00
Income Tax Provision (F.Y. 2010-11)	213,235.00	378,342.04
Tax Deducted at Source on Payments	5,453.00	7,721.00
Audit Fees Payable	47,491.00	47,491.00
Telephone Bill Payable	1,980.00	1,871.00
Electricity Bill Payable	0.00	579.00
Total ₹	<u>372,199.00</u>	<u>540,044.04</u>

**CONTIL INDIA LTD.****(SCHEDULES "A to L" ANNEXED TO AND FORMING PART OF ACCOUNTS)**

PARTICULARS	AMOUNT (₹) 31.03.2011	AMOUNT (₹) 31.03.2010
SCHEDULE - I : INCOME FROM BUSINESS OPERATIONS		
Interest Income	340,961.60	1,969,519.00
Dividend Income	1,067,311.16	326,556.20
Profit on Sale of Shares and Securities	1,498,211.96	1,239,899.16
Rent Income	416,160.00	363,180.00
Total ₹	3,322,644.72	3,899,154.36

SCHEDULE - J : COST OF PURCHASES (OF TRADED GOODS)		
Opening Stock of Traded Goods	1,326,603.99	297,532.32
Add :- Purchase (Imported) during the year	0.00	1,486,734.38
Add :- Purchase (Domestic) during the year	196,770.00	2,088,906.20
Add :- Direct Expenses	0.00	176,903.87
	1,523,373.99	4,050,076.77
Less :- Closing Stock of Traded Goods	0.00	1,326,603.99
Total ₹	1,523,373.99	2,723,472.78

SCHEDULE - K : ADMINISTRATIVE EXPENSES		
Advertisement Expenses	18,800.00	23,157.00
Books & Periodicals	1,729.00	2,119.00
Computer Expenses	4,925.00	1,200.00
Consultancy Fees	25,475.00	14,750.00
Electricity Bill	12,932.13	14,349.88
Legal Fees	25,000.00	18,500.00
Listing Fees	11,030.00	11,030.00
Office Expenses	26,063.42	14,411.00
Postage	11,866.00	8,478.00
Professional Tax	2,167.00	2,180.00
Rent Rates and Taxes	31,783.00	31,788.00
Repairs, Maintainance	19,123.00	11,177.00
ROC Fees	2,000.00	2,000.00
Staff Refreshment	18,897.00	22,849.00
Stationery & Printing	10,185.00	12,790.00
Telephone	35,771.07	28,331.57
Travelling Expenses	64,615.03	58,755.27
Vehicle Repairs Conveyance & Petrol	100,615.02	125,584.48
Total ₹	422,976.67	403,450.20

**(SCHEDULES "A to L" ANNEXED TO AND FORMING PART OF ACCOUNTS)**

PARTICULARS	AMOUNT (₹) 31.03.2011	AMOUNT (₹) 31.03.2010
SCHEDULE - L : INTEREST AND FINANCE CHARGES		
Bank Charges	0.00	2,206.00
Depository Charges	6,660.61	3,353.90
Registrar & Transfer Expenses	18,786.00	24,628.00
Service Tax Collected by Broker	12,079.11	10,098.71
Stamp Charges	9,635.98	6,210.15
Security Transaction Tax	115,815.00	75,355.00
Diminution in the value of Traded Investments	0.00	169,715.84
Transaction Charges	4,181.03	2,919.05
Total ₹	167,157.73	294,486.65

As per Report of even date annexed

For P. INDRAJIT & ASSOCIATES
CHARTERED ACCOUNTANTS
ICAI Firm Regn. No. 117488W

(PIYUSH I. SHAH)
PROPRIETOR
M. No. : 103665

Place : Vadodara
Date : MAY 30, 2011

For & Behalf of the Board of Directors of
CONTIL INDIA LTD.

K. H. Contractor
(Managing Director)

H. A. Contractor
(Director)

Place : Vadodara
Date : MAY 30, 2011

**NOTES ON ACCOUNTS****SIGNIFICANT ACCOUNTING POLICIES****(1) Back Ground**

The company was incorporated on October 27, 1994 in the name of Continental Credit & Investment Ltd. The name of the company has subsequently been changed to Contil India Ltd. vide fresh certificate dated December 26, 2007 received under the hand of Registrar of Companies, Gujarat. The listing of the company has been done on a Bombay Stock Exchange vide security trade Name Contil India BSEId : 531067. The Company is Non-Banking Finance Company (not accepting public deposit) registered with Reserve Bank of India as an investment company.

(2) Basis of preparation

The financial statements have been prepared under historical cost convention on an accrual basis and in accordance with generally accepted accounting principles in India, the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Reserve Bank of India as applicable to a Non Banking Finance Company (Non Deposit Accepting) ("NBFC-ND"). The Accounting policies are consistent with those used in the previous year.

(3) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

(4) Fixed Assets and Depreciation

Fixed assets are shown at cost less accumulated depreciation. Depreciation on owned assets is provided on straight line Method at the rates and in the manner laid down in schedule XIV to the Companies Act, 1956.

(5) Investments

Investments intended to be held for not more than a year are classified as current investments. Current investments are carried at lower of cost and market value if quoted. All other investments are considered as long term investments and are carried at cost. No provision is made for the diminution in the value of long term investments, since in the opinion of the Board, it is a temporary phenomenon and no provision is necessary.

(6) Valuation of Inventory

During the year, company has indulged into trading of Agro Commodities. Inventories are valued at cost or net realizable value whichever is lower.

(7) Cash and Cash equivalent

Cash and cash equivalents in the cash flow statement which is prepared in accordance with Accounting Standard AS 3 issued by the Institute of Chartered Accountants of India comprise cash at bank and in hand and liquid term investments with an original maturity of one month or less.

(8) Revenue Recognition

Revenue is recognized when there is reasonable certainty of its ultimate realization / collection.

- Sales are shown net of taxes and discounts.
- Interest income is recognized on its accrual on the basis of the contracted rate.
- Dividend income is accounted for on its receipt basis or where right or receipt of dividend is recognized.
- Rent Income is recognized as per the terms of an Agreement on accrual basis.

(9) Foreign Currency Transaction

Foreign currency transactions are accounted at the exchange rate prevailing on the date of transactions. Exchange differences arising on actual payments/realizations are recognized as gain or loss as the case may be in the profit and loss account.

(10) Segment Reporting

The company is engaged primarily in the business of investment activity and there is no separate reportable segment. Accordingly, income, expenses and other financial data relating to businesses other than the business of investments are shown under "Unallocated Reconciling Items" as per Accounting Standard AS 17 issued by ICAI.

(11) Taxation

Tax expense for the year, comprising current tax and deferred tax is included in determining the net profit for the year. A provision is made for the current tax based on tax liability computed in accordance with relevant rates and tax laws. A provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted tax rates. Deferred tax assets shall recognized only if there is reasonable certainty that they will be realize and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

**02. INFORMATION PURSUANT TO PARAS 3 AND 4 OF PART II OF THE SCHEDULE VI OF THE COMPANIES ACT AS CERTIFIED BY THE MANAGEMENT IS AS UNDER.****A. DETAILS OF LICENSED CAPACITY AND INSTALLED CAPACITY**

PRODUCTS	LICENSED CAPACITY	INSTALLED CAPACITY
Agro Commodity	NOT APPLICABLE	NOT APPLICABLE

B. DETAILS OF OPENING STOCK, PURCHASES, TURNOVER & CLOSING STOCK IN RESPECT OF GOODS TRADED

CLASS OF GOODS	OPENING STOCK	PURCHASES	SALES	CLOSING STOCK
	QTY (Kg.)	QTY (Kg.)	QTY (Kg.)	QTY (Kg.)
Agro Commodities	26866.40	7000.00	33866.40	0.00
AMOUNT (₹)	1326603.99	196770.00	1570334.42	0.00

C. EXPENDITURE IN FOREIGN CURRENCY – NIL.

D. EARNING IN FOREIGN CURRENCY (Export on FOB basis) – NIL.

E. VALUE OF IMPORTS ON CIF BASIS - Nil.

AUDITOR'S REMARKS ON NOTES ON ACCOUNTS

- 1) The company has received the certificate of registration under section 45(1)A of the Reserve Bank of India Act, 1934 to commence the business of Non Banking Financial Institution since 20/03/1998. The company has been carrying on the business of NBFC and in terms of the condition of the certificate it has not accepted Public Deposits.
- 2) In the opinion of the Management, the Provident Fund and ESI Act are not applicable. Hence, no provisions or payment have been made for the same as explained by the management, the company do not provide any retirement benefits to its employees. Adhoc retirement benefits, if any, to be given are not provided for in the accounts.
- 3) Balance of debtors, Loans & Advances and bank balances are subject to confirmation and reconciliation. In the opinion of the Board, the current Assets, Loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- 4) During the year some advances are found to be inoperative and stagnant since long, hence the management is advised to take suitable measures for the recovery or else necessary provision may be made for the same.
- 5) There are no dues payable to small scale industrial undertakings in view of the nature of the business of the company.
- 6) Suppliers covered under the Micro, small and medium enterprise have not furnished the information regarding filling of necessary memorandum with appointed authority. In view of this, the information required under Schedule VI of the Companies Act, to that extent is not given.
- 7) Contingent liabilities not provided for contingencies which are material and future outcome of which cannot be ascertained, with reasonable certainty are treated as contingent liabilities. There are no contingent liabilities as on 31st March, 2011.

8) Related Party Transactions as at 31.03.2011

Particulars	Global Venture viz. Contil Canada Ltd.	Outstanding as at 31/03/2011
Purchase of Goods	NIL	NIL
Equity Contribution	USD 90,000.00 (Equivalent INR 36.73 lacs)	36,73,200.00

9) Disclosure in respect of Global Venture

In terms of the Global Venture integrated as a Corporate Alliance, The Company through the Canadian business House Viz. CONTIL CANADA LTD. has embarked upon the development of commodity trading in global arena and has subscribed 43.70% of the capital of the CONTIL CANADA LTD.

NAME : CONTIL CANADA LTD.
 DESCRIPTION OF INTEREST : CORPORATE ALLIANCE
 DESCRIPTION OF JOB : TO DEVELOP A BUSINESS OF COMMODITY TRADING
 PROPORTION OF OWNERSHIP INTEREST : 43.70%
 COUNTRY OF INCORPORATION : CANADA

Note : During the year, no income has been received or accrued from the corporate alliance abroad. The Liability of our Company is limited to the fund based commitment towards equity only.

**CONTIL INDIA LTD.****10) Segment Reporting**

(₹ In Lacs)

Particulars	Year ended March 31,2011			Year ended March 31,2010		
	Investment Activity	Unallocable Items	Total	Investment Activity	Unallocable Items	Total
Segment Revenue	29.06	4.63	33.69	35.36	0.53	35.89
Net Profit before Tax	0	0	11.89	0	0	14.18
Net Profit after Tax	0	0	10.20	0	0	11.99
Segmental Assets	375.82	55.97	431.79	355.04	68.73	423.77
Segmental Liabilities	0	7.60	7.60	0	9.71	9.71

11) Deferred Tax

Working of Deferred Tax as per AS-22, issued by ICAI is as follows.

	Opening Balance 01.04.2010	Charged / (Credited) to P&L Account	Closing Balance 31.03.2011
I. Deferred Tax Liability (arising on account of timing difference in)			
- Depreciation	431501.68	(43724.10)	387777.58
II. Deferred Tax Assets (arising on account of timing difference in)			
- Depreciation	NIL	NIL	NIL
Total (I-II) (Net)	431501.68	(43724.10)	387777.58

12) Earning per Share

Working of EPS as per AS-20, issued by ICAI is as follows :-

	31.03.2011	31.03.2010
Net Profit / Loss After Tax (in ₹) (Profit attributable to Shareholders)	10,19,675	11,99,401
Weighed Average Paid-up Equity Shares (in Numbers)	3,094,400	3,094,400
Basic Earning per Share of Rs. 10/- each (in ₹)	0.33	0.39

13) Management Remuneration

Name of Director	Position	Salaries including Allowance and perquisites	Sitting Fees	Total
K. H. Contractor	Managing Director	3,60,000	8,000	3,68,000
H. A. Contractor	Director	0	8,000	8,000
N. H. Contractor	Director	3,60,000	8,000	3,68,000
A. H. Nagarsheth	Director	0	0	0
R. H. Chokhawala	Director	0	0	0
TOTAL		7,20,000	24,000	7,44,000

14) Previous year figures have been rearranged / regrouped where ever necessary.

FOR P. INDRAJIT & ASSOCIATES
 CHARTERED ACCOUNTANTS
 ICAI Firm Regn. No. 117488W

DATED : 30.05.2011
 PLACE : VADODARA

(PIYUSHI. SHAH)
 PROPRIETOR
 M. No. 103665


SCHEDULE TO THE BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY

as required in terms of paragraph 13 of Non Banking Financial (Non Deposit Accepting or Holding Companies Prudential Norms (Reserve Bank) Directions, 2007

(₹ in Lacs)

	PARTICULARS		Amt. outstanding 31-3-2011
	LIABILITIES SIDE		
1	Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid :	Amount Outstanding	Amount overdue
	(a) Debentures : Secured	0	0
	Unsecured (other than falling within the meaning of public deposits*)	0	0
	(b) Deferred Credits	0	0
	(c) Term Loans	0	0
	(d) Inter-corporate loan and borrowing	0	0
	(e) Commercial Paper	0	0
	(f) Other Loans (Specify nature)	0	0
	* Please see Note 1 below		
	ASSETS SIDE		
2	Break-up of Loans and Advances including bills receivable (other than those included in (4) below :		
	(a) Secured		0
	(b) Unsecured		68.00
3	Break-up of Leased Assets and stock on hire and other Assets counting towards AFC activities.		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	0	0
	(b) Operating lease	0	0
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire		0
	(b) Repossessed Assets		0
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		0
	(b) Loans other than (a) above		0
4	Break-up of Investments :		
	Current Investments :		
	1. Quoted :		
	(i) Shares (a) Equity		0
	(b) Preference		0
	(ii) Debentures and Bonds		0
	(iii) Units of Mutual Funds		161.70
	(iv) Government Securities		0
	(v) Other (please specify)		0
	2. Unquoted :		
	(i) Shares (a) Equity		0
	(b) Preference		0
	(ii) Debentures and Bonds		0
	(iii) Units of Mutual Funds		0
	(iv) Government Securities		0
	(v) Other (please specify)		0
	Long Term Investments		
	1. Quoted :		
	(i) Shares (a) Equity		86.30
	(b) Preference		0
	(ii) Debentures and Bonds		0
	(iii) Units of Mutual Funds		13.50
	(iv) Government Securities		0
	(v) Other (please specify)		0


CONTIL INDIA LTD.

PARTICULARS				
	2. Unquoted : (i) Shares (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of Mutual Funds (iv) Government Securities (v) Other (please specify)			46.31 0 0 0 0 0
5)	Borrower group-wise classification of assets financed as in (2) and (3) above Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties ** (a) Subsidiaries (b) Companies in the same group (c) Other related parties 2. Other than related parties	0 0 0 0	0 0 0 68.00	0 0 0 68.00
	TOTAL	0	68.00	68.00
6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) Please see Note 3 below			
	Category	Market Value / Break up or fair value or NAV		Book Value (Net of Provisional)
	1. Related Parties ** (a) Subsidiaries (b) Companies in the same group (c) Other related parties (Global Venture) 2. Other than related parties	0 0 36.73 250.41		0 0 36.73 271.08
	TOTAL	287.14		307.81
	As per Accounting Standard of ICAI (Please see Note 3)			
7)	Other Information			
	Particulars	Amount		
(i)	Gross Non-Performing Assets (a) Related Parties (b) Other Non Related Parties Net Non-Performing Assets (a) Related Parties (b) Other Non Related Parties	0 0 0 0 0		
(ii)	Assets acquired in satisfaction of debt	0		

Notes :

- As defined in paragraph 2(i)(xii) of the Non-Banking Financial Companies Acceptance of Public-Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

**CASH FLOW STATEMENT AS AT 31ST MARCH, 2011**

	31.03.2011	31.03.2010
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT FOR THE YEAR ENDED 31 MARCH	10,19,675.85	1,199,401.28
Adjustment for :-		
a) Depreciation	262,584.00	263,150.00
b) Income from Business Operations except Rent Income	(2,906,484.72)	(3,535,974.36)
c) Deferred Tax Liability Charged / (Credited) to profit & Loss A/c	(43,724.10)	(159,286.32)
d) Tax Adjustments	(5,467.96)	29,070.26
	(16,73,416.93)	(2,203,639.14)
Operating Profit Before Working Capital Changes		
Adjustment for :-		
a) Increase / (Decrease) in Trade Payable / Other Liabilities	(1,67,845.04)	167,869.09
b) (increase) / Decrease in Inventories	13,26,603.99	(1,029,071.67)
c) (increase) / Decrease in Trade Receivables / Other Receivables	(14,65,322.29)	424,506.09
Net Cash From Operating Activities [A]	(1,979,980.27)	(2,640,335.63)
B) CASH FLOW FROM INVESTING ACTIVITIES		
a) Purchase / Sale of Fixed Assets	0.00	0.00
b) Dividend Income	1,067,311.16	326,556.20
c) Profit from Sale of Investment	1,498,211.96	1,239,899.16
d) (Increase) / Decrease in Investments	3,521,875.39	(9,075,390.76)
Net Cash used in Investing Activities [B]	6,087,398.51	(7,508,935.40)
C) CASH FLOW FROM FINANCING ACTIVITIES		
a) Interest Income	340,961.60	1,969,519.00
b) (Increase) / Decrease in Loans and advances	(4,982,400.93)	8,697,060.74
Net Cash from Financing Activities [C]	(4,641,439.33)	10,666,579.74
Cash and Cash Equivalents as at the beginning of the year	820,275.07	302,966.36
Net Increase in Cash and Cash equivalents (A+B+C)	(534,021.09)	517,308.71
Cash and Cash Equivalents as at the end of the year	286,253.98	820,275.07

Notes :

1. The above cash flow statement has been prepared under the "Indirect Method" set out in AS-3, issued by ICAI
2. Cash and Cash Equivalents represent Cash and bank Balances.

**CONTIL INDIA LTD.****BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

As per schedule VI, Part (IV) of the Companies Act, 1956

i)	Registration Details			
	Registration Number	L 65990 GJ 1994 PLC 023444	State Code	04
	Balance Sheet Date	31-03-2011		
ii)	Capital Raised during Year (₹ 000's)			
	Public Issue	0	Right Issue	0
	Bonus Issue	0	Private Placement	0
iii)	Position of Mobilization and Deployment of Funds (₹ 000's)			
	Total Liability	42807	Total Assets	42807
	Sources of Funds			
	Paid up Capital	30944	Secured Loans	0
	Share Application Money	0	Unsecured Loans	0
	Reserves & Surplus	11476	Deferred Tax Liability	387
	Application of Funds			
	Net Fixed Assets	2217	Investments	30782
	Net Current Assets	9808	Misc. Expenditures	0
	Accumulated Losses	0	Deferred Tax Asset	0
iv)	Performance of the Company (₹ 000's)			
	Total Income	4893	Total Expenditure	3704
	Profit before Tax	1189	Profit after Tax	1020
	Earning per Share	₹ 0.33	Dividend	0%
v)	Generic names of Three Principal Products/Services of Company (As per Monetary terms)			
	Item Code		NOT APPLICABLE	
	Product Description		Non Banking Finance Company	

AS PER OUR ATTACHED REPORT OF EVEN DATE

For P. INDRAJIT & ASSOCIATES
CHARTERED ACCOUNTANTS**(PIYUSH I. SHAH)**
PROPRIETORPlace : Vadodara
Date : MAY 30, 2011For & Behalf of the Board of Directors of
CONTIL INDIA LTD.**K. H. Contractor**
(Managing Director)Place : Vadodara
Date : MAY 30, 2011**H. A. Contractor**
(Director)



CONTIL INDIA LIMITED

Registered Office : 811, Siddharth Complex, R.C. Dutt Road, Alkapuri, Baroda - 390 007.

PROXY FORM

I/We _____ of _____
Being _____ a Member / members of CONTIL INDIA LTD. hereby appoint
of _____ or _____
him _____ of _____
as my / our proxy to vote for me / us and on my / our behalf at the 17th Annual General Meeting to be held on
20th August, 2011 at 11.00 a.m. or at any adjustment there of

Signed this _____ day of _____ 2011

Signature _____

Affix a
Rs. 1/-
Revenue
Stamp

Notes : The Proxy form must be return to the Regd. Office of the Company not less than 48 hours
before the time for holding the aforesaid meeting. The proxy need not be a member of the company.

----- **TEAR HERE** -----

CONTIL INDIA LIMITED

Registered Office : 811, Siddharth Complex, R.C. Dutt Road, Alkapuri, Baroda - 390 007.

ATTENDANCE SLIP

Please fill in the Attendance slip and hand it over at the entrance of the meeting place. Joint Shareholders may obtain additional slips on request. Please bring your copy of the Annual Report for reference of the meeting

Name & Address of the Shareholders :

Folio No. / DPID & Client ID :

No. of Shares Held :

I hereby record my presence at 17th Annual General Meeting of the Company to be held on 20th August, 2011 at 11.00 a.m. at 811, Siddharth Complex, R. C. Dutt Road, Alkapuri, Baroda.

Signature of the Shareholders / Proxy
(Strikeout whichever is not applicable)

Book Post

To,

If Undelivered Please Return to :

CONTIL INDIA LTD.
811, Siddharth complex,
R. C. Dutt Road, Alkapuri,
Vadodara - 390 007.