



**ENRICH INDUSTRIES LIMITED**

19<sup>th</sup> Annual Report 2010-11

**ENRICH INDUSTRIES LIMITED**

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**BOARD OF DIRECTORS**

|                      |                              |
|----------------------|------------------------------|
| Mr. Swetank M. Patel | Chairman & Managing Director |
| Mr. Narendra S. Ayer | Director                     |
| Mrs. Hina S. Patel   | Director                     |
| Mr. Umesh R. Naik    | Director                     |

**AUDITORS**

M/S. J.K. Parmar & Co.  
Chartered Accountants  
Ahmedabad.

**BANKERS**

(1) The Suvikas Peoples Co-op. Bank Ltd.  
(2) State Bank of India.  
(3) Axis Bank.

**REGISTERED OFFICE**

A-Wing 404, 4<sup>th</sup> Floor, Satyamev –II,  
Nr. Gujarat High Court, Opp. Kargil Petrol Pump,  
S.G.Highway, Ahmedabad.  
E-mail : enrichind@gmail.com

**Shares Transfer Agent**

M/s. SHAREPRO SERVICES  
Office No. 416-420,  
Devnandan Mega Mall,  
Opp Sanyas Ashram,  
Ashram Road, Ahmedabad.



## NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Member of **ENRICH INDUSTRIES LIMITED** will be held on Friday the 30<sup>th</sup> September, 2011 at 11.00 A.M. at A-Wing, 4<sup>th</sup> Floor, Satyamev-II, Nr. Gujarat High Court, Opp. Kargil Petrol Pump, S.G. Highway, Ahmedabad to transact the following business :-

### Ordinary Business:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31st March, 2011, Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.
2. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS

#### 3. Appointment of Mrs. Hina S. Patel as a Director

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

**"RESOLVED THAT Mrs. Hina S. Patel** who was appointed as additional director of the company and who holds office up to the date of this annual general meeting under section 260 of the Companies Act, 1956 and Articles of association of the company and in respect of whom the company has received notice in writing pursuant to section 257 of Companies Act, 1956 along with a deposit of Rs. 500/- from a member proposing his candidature as director of the company be and is hereby appointed as director of the company, liable to retire by rotation."

#### 4. Appointment of Mr. Umesh R. Nalk as a Director.

**"RESOLVED THAT Mr. Umesh R. Nalk** who was appointed as additional director of the company and who holds office up to the date of this annual general meeting under section 260 of the Companies Act, 1956 and Articles of association of the company and in respect of whom the company has received notice in writing pursuant to the section 257 of the Companies Act, 1956 along with a deposit of Rs. 500/- from a member proposing his candidature as director of the company be and is hereby appointed as director of the company, liable to retire by rotation."

#### 5. Appointment of Mr. Narendra Ayer as a Director

**"RESOLVED THAT Mr. Narendra Ayer** who was appointed as Additional director of the company and who holds office up to the date of this annual general meeting under section 260 of the Companies Act, 1956 and Articles of association of the company and in respect of whom the company has received notice in writing pursuant to section 257 of the Companies Act, 1956 along with a deposit of Rs. 500 /- from a member proposing his candidature as director of the company be and is hereby appointed as director of the company, liable to retire by rotation."

#### 6. Appointment of Managing Director

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to provisions of Section 198, 269, 309 and Schedule XIII to the Companies Act, 1956 and also subject to the confirmation of remuneration by remuneration Committee in its meeting, consent of Members of the Company be and is hereby given to the appointment of **Mr. Swetank Madhuvir Patel** as the Managing Director of the Company w.e.f. 01-03-2011 for a period of 5 years on the

**ENRICH INDUSTRIES LIMITED**

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terms and conditions as set out in the explanatory statement.

**"FURTHER RESOLVED THAT** in absence of profit or inadequate profit in any financial year during the tenor of appointment of managing director be paid the salary and perquisites as agreed as the minimum remuneration

**"RESOLVED FURTHER** That the Board Of Directors of the Company be and is hereby authorized further to alter, vary and/or amend the terms and conditions of appointment including remuneration so as not to exceed limit set out in Section 198 and 309 read with Schedule XIII to the Companies Act, 1956 or any amendments thereto.

**"FURTHER RESOLVED THAT** the Board Of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution".

7. **"RESOLVED THAT** subject to the approval of Central Government pursuant to Section 21 and other applicable provisions, if any, of the Companies Act, 1956, consent of the members be and is hereby accorded for changing the name of the company "ENRICH INDUSTRIES LTD" to "ANAR INDUSTRIES LTD", or such other name as may be approved by the Government, and the existing name of the company viz. "ENRICH INDUSTRIES LTD" wherever appearing including Memorandum and Article of Association be substituted by such name.

**"RESOLVED FURTHER THAT** pursuant to sec. 16 and other applicable provisions of the Companies Act, 1956 Clause I of the Memorandum of Association of the company be substituted accordingly and that the new name be mentioned in all its business letters, bill heads, notices and other publications of the company.

**Regd. Office:**  
A-404 Satyamev 2, Nr. Kargil Petrol Pump,  
S.G.Highway,  
Ahmedabad- 380 061  
Date: 08-09-2011.

**By Order of the Board**

**Raju Dubey**  
**Company Secretary**

## Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.
2. The instrument appointing the proxy should however be deposited at registered office of the Company at least 48 hours before the time of meeting.
3. Register of Members and Share Transfer Books will remain closed from 23rd September, 2011 to 30th September, 2011 (Both Days Inclusive).
4. Members are requested to bring their copy of the Annual Report to the Meeting as No Extra Copy will be distributed at the Meeting call as a Measure of Economy.
5. Members desiring any information as regards accounts are requested to write to the Company at Least 7 Days before the Meeting to Enable the Management to keep The information ready.
6. Members are requested to be in their seats at The Meeting before the scheduled time of Commencement of The Meeting to avoid interruption in the Proceedings.

## Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956

### Item No. 3

Mrs. Hina S. Patel was appointed as an Additional Director with effect from 1<sup>st</sup> March, 2011 and who holds office till the date of this Annual General Meeting.

Mrs. Hina S. Patel, wife of Mr. Swetank M Patel having an age of 41 years .She is qualified as a Bachelor of Commerce. She is involved in Administration and Banking activities throughout her career. She is working as administration in charge of Nishan Grafitex Pvt Ltd since past 15 years. She also holds a position of Director in Anar Softcom Pvt. Ltd. Her reputation and experience will be immensely benefited to the company in near future.

Your directors recommend her appointment as a director to retire by rotation. Except, Mr. Swetank Patel, no other director is deemed to be concerned or interested in the proposed resolution.

### Item No. 4

Mr. Umesh R. Naik was appointed as an Additional Director with effect from 1<sup>st</sup> March 2011 and who holds office till the date of this Annual General Meeting.

Mr. Umesh Naik, son of Rudrakant Naik, aged about 51 years is qualified as B.E. He has an in depth knowledge of setting up an ISP unit successfully. He has created customer base in Retail, SME and Corporate of over 25000 in and around Surat for Anar Softcom Pvt Ltd as CEO of the company. Further he has managed different segments in the field of Sales, Marketing, Installation and Servicing. His reputation and experience will be immensely benefited to the company in near future.

Your directors recommend his appointment as a director liable to retire by rotation.

### Item No. 5

Mr. Narendra Ayer was appointed as an Additional Director with effect from 7th March 2011 and who holds office till the date of this Annual General Meeting.

Mr. Narendra Ayer, son of Samatbhai Ayer, having an age of about 45 years. He holds a position of Director in Milan Grafitex Pvt Ltd. and is looking after day to day business activities of the said company. He has experience of more than 10 years in marketing and financial aspects. His reputation and experience will be immensely benefited to the company in near future.

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Your directors recommend his appointment as a director liable to retire by rotation.

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956:

### **Item No.6**

Mr. Swetank M Patel is the promoter of the Company, under his visionary leadership; the company has commenced new business of software, hardware and internet providers since his appointment to the current year. There has been increase in responsibilities shouldered by Top Management. Therefore to compensate the Chairman and Managing Director- Mr. Swetank M Patel, fairly and in consonance with the industrial standards, as recommended by the Remuneration Committee, the Board has approved, subject to the consent of Members, the appointment and enhancement of remuneration. The terms and conditions of appointment of Managing Director are under:

The Company shall pay to the Managing Director as from the date of appointment i.e 01-03-2011 remuneration for his services as such as follows, which was approved by the remuneration committee of the Board of Directors at it's meeting held 12- March,2011.

#### **1. Remuneration :**

##### **(a) Salary**

Rs. 50,000/- per month in the scale of Rs. 50,000 – 10000 – 15000 – 100,000

##### **(b) Bonus / Ex-gratia**

Payment of Bonus or exgratia, in lieu of Bonus, subject to ceiling of one month's salary.

##### **(c) Commission**

The appointee shall be entitled to a commission not exceeding 1% of the Net Profits of the company for each financial year, as may be decided by the Board of Directors and subject to the overall limits as stipulated under section 198, 309, 310, 311 read with schedule XIII of the companies act, 1956 and computed in the manner prescribed under section 349 and 350 of the companies act, 1956

##### **(d) Perquisites**

The appointee shall be entitled to the following perquisites (restricted to an amount equal to 50% of annual salary) in addition to the salary, bonus and commission mentioned above:

- Housing:** The Company shall provide furnished accommodation, which includes electricity, gas, water, furniture, fixtures, security personal and other related items. The appointee shall be reimbursed all such expenses for his residence.
- Medical Reimbursement:** Actual expenses incurred by the appointee and his family
- Leave Travel Concession:** For self and family once in a year incurred in accordance with the rules specified by the company.

**Explanation:** For the purpose of (b) and (c) above, family means the souse, dependent children and dependent parent of Mr. Swetank Patel.

- Club Fees:** Fees of clubs subject to maximum of two clubs.
- Personal Accident / Medical Insurance:** Premium not to exceed Rs. 25,000 per annum.
- Company's contribution towards Provident Fund:** Contribution to provident fund will not be included in the computation of the ceiling on perquisites to the

extent not taxable under the Income Tax Act, 1961.

- Gratuity:** Gratuity payable will not exceed half month's salary for each completed year of service.
- Provision of Car:** Provision of car for use on company's business will not be considered as perquisites.
- Provision of Telephone:** Provision of telephones, mobile connections and other modern communication facilities at residence will not be considered perquisites.
- Such other perquisites, benefits, amenities and facilities not specified above as opted by Mr. Swetank Patel, the annual value of which shall not exceed one month's salary.

**Explanation:** For the purpose of foregoing perquisites, it shall be valued as per Income Tax Rules, 1962. In the absence of any such rule, perquisites shall be evaluated at actual cost.

**2. Other terms and conditions:**

- A.** No sitting fees shall be paid to the appointee for attending the meetings of the Board or of any Committee thereof.
- B.** In the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Swetank Patel, the company shall pay to Mr. Swetank Patel remuneration by way of consolidated salary, bonus, exgratia, perquisites and all other allowances, as stated above, as minimum remuneration subject however to overall limit specified in Para I of Section II of Part II of schedule XIII to the companies act, 1956 or any amendments thereto, as may be applicable at the relevant time.
- C.** Mr. Swetank Patel shall not retire by rotation.
- D.** The appointee shall act in accordance with the instructions, supervision and directions given by the Board of Directors from time to time.
- E.** The designation of appointee is subject to review and upgrade or promotion as may be determined by the Board of Directors from time to time.
- F.** The terms and conditions of the said appointment may be varied / enhanced from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amounts payable to Managing Director as per schedule XIII to the companies act, 1956, or any amendments made hereafter in this regards by the Central Government.

The Managing Director shall not so long as he function as such, become interested in or otherwise concerned with directly or through his wife and/or minor children in any selling Agency of the Company without the prior approval of the Central Government.

If prior to the expiration of this period of this agreement, the tenure of the office of the Managing Director is determined by the Company (as provided in clause 10(b) hereof) then and in such case the Managing Director shall be entitled subject to the provisions and limitations contained in Section 318 of the Companies Act, 1956 to receive compensation from the Company for the loss of office to the extent provided in that section.

- (a) If the Managing Director is desirous of resigning his office as Managing Director, he shall be entitled to do so on giving the Company at least 90 days notice in writing in that behalf at the end of which period his resignation shall take effect.



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- (b) If the Company is desirous of termination the Services of the Managing Director then in such case the Company shall be bound to give to the Managing Director at least 90 days notice in writing in that behalf at the end of which period the termination shall take effect.

The Managing Director may be removed from office for gross negligence, breach of duty or breach of trust, if the Company passes a special Resolution to that effect but no such resolution shall be passed or be effective unless the Company shall have given due notice of it's intention to the Managing Director and after giving him an opportunity of being heard and in such event, the Managing Director for loss of office.

The Managing Director shall be entitled to re-imbusement of all expenses which may be incurred by him on behalf of the Company.

The Managing Director shall not as long as he continues to be the Managing Director of the Company be liable to retires by rotation and he shall not reckoned as Director for the purpose of determining the numbers of Directors liable to retirement by rotation.

None of the Directors except Mrs. Hina S. Patel are interested or concerned in the Resolution.

**Item No. 7**

The promoter is known by group of "ANAR" and they carried out their business in past by using name of ANAR in their field. So, the name is vary reputed and popular in the business market.As Anar name carries good reputaion, the promoter think fit that the name of company and its image must carry the name Anar Industries Ltd , this will enhance the goodwill and brand name of company in near future.

For and on behalf of the Board  
For, ENRICH INDUSTRIES LIMITED

DATE:-08-09-2011.  
PLACE: AHMEDABAD

**Raju Dubey**  
**Company Secretary**

## DIRECTOR'S REPORT

Dear Shareholders

The Directors present their Nineteenth Annual Report and Audited Statement of Accounts for the year ended on 31- March 2011 ENRICH INDUSTRIES LIMITED.

(Rs. in Lacs)

| FINANCIAL RESULTS                  | Year ended31-<br>March 2011 | Year ended31-<br>March 2010 |
|------------------------------------|-----------------------------|-----------------------------|
| Income from Operations             | 147.44                      | 38.33                       |
| Profit/Loss Before Tax             | (-) 4.81                    | (+) 9.56                    |
| Loss Transfer to Capital Reduction | NIL                         | NIL                         |
| Income of Previous year            | NIL                         | NIL                         |
| Provision for Differed Tax         | 2.01                        | 2.12                        |
| Profit/Loss after Tax              | (-)2.79                     | (+) 4.49                    |

### OPERATIONS:

During the year company has incurred net loss of Rs. 2.79 lacs after making necessary provisions. The new management has taken over the charge of the affairs of the company in the month of March 2011. But the company has incorporated the financial transactions carried out by Softcom division of Anar Softcom Pvt Ltd as per order of Hon'ble Gujarat High Court for approval of Restructuring of the company u/s 391 to 394 of the Companies Act. During the year company has achieved sales of Rs 147.44 lacs and new management is putting their best efforts for doing more business in the field of Software/Hardware, Internet provider and also to carry out construction activities in near future.

### DIVIDEND:

The company has made Net Loss of Rs. 2.79 Lacs during the year. Your directors are unable to recommend the dividend for the year under review.

### DEPOSITS:

The company has not invited and accepted any new deposits from the public.

### DIRECTORS:

Mrs. Hina S. Patel was appointed as additional director from 01/03/2011. Mr. Umesh R. Nalk and Mr. Narendra S. Ayer were appointed as independent director w.e.f. 01-03-2011 and 07-03-2011 respectively. They hold office till the ensuing Annual General Meeting and they are eligible and willing for their regular appointment. Looking to their business exposure in their respective fields, the company will get benefit in future. Your Directors recommend their appointments

Shri Pradeep Shah, Mrs. Bhavna Ayer, Shri Gaurang Vora, Shri Jayesh Mor, Shri Parag Khandekar, Mrs. Kalpana Mor, Shri Narendra Ayer and Shri Kulin Vyas resigned during the year. Your Directors express their sincere gratitude for the valuable services rendered by them during the tenure of their service.

### DIRECTOR'S RESPONSIBILITY STATEMENT:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- II. Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and Loss of the company for the year under review.
- III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV. The annual accounts have been prepared on a going concern basis.

### AUDIT COMMITTEE

The company has constituted Audit Committee, which comprises of two independent directors and a Managing Director of the company.

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**AUDITOR'S REPORT:**

The comments of the auditors in the report are self explanatory.

**AUDITORS:**

M/s. J. K. Parmar & Co. Chartered Accountants, Ahmedabad retires at the conclusion of the ensuing Annual General Meeting and is eligible, offer themselves for appointment. The certificate has been obtained from them for their appointment, if made, shall be in accordance with the provisions of Section 224 (1 B) of the companies Act, 1956.

**CORPORATE GOVERNANCE:**

A separate Report on Corporate Governance together with the Certificate from Auditors is provided.

**EMPLOYEES:**

None of the employee of the company were in receipt remuneration in excess of Rs. 100,000/- p.m. and hence information pursuant to the provisions of section 217 (2 A) of the companies Act, 1956, read with companies (Particulars of Employees) Rules, 1975 not required to be furnished.

**STOCK EXCHANGE LISTING & COMPLIANCE:**

Company has paid listing fees of Ahmedabad & Mumbai Stock Exchange up to 31.03.2011 where the shares of the company are listed for trading. Majority of compliance as per listing agreement are made from time to time.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Since the company is not engaged in any manufacturing activity the information under conservation of energy and Technology absorption is not applicable. There has been no foreign exchange earning or outgo in respect of the company.

**APPRECIATION:**

Your company and its Directors wish to place on record their appreciation for the support received from staff, banks and customers during the year.

For and on behalf of the Board

DATE: 08/09/2011.  
PLACE: AHMEDABAD

SWETANK M PATEL  
CHAIRMAN

## ANNEXURE II TO DIRECTOR'S REPORT REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE :

The company believes in functioning in a transparent manner and this philosophy being to enhance the shareholders values, keeping in mind the needs and interest of other stockholders. In compliance thereof, the following information is placed before the shareholders.

### 2. BOARD OF DIRECTORS:

Meeting and Attendance, as on 31<sup>st</sup> March 2011, the board comprises of a Chairman & Managing Director and 3 Non executive Directors aggregating to total of 5 members. The company's corporate Governance Policy requires the board to meet at least four times in a year. During the financial year ended 31<sup>st</sup> March 2011 the board meetings were held on 30<sup>th</sup> April, 2010; 29<sup>th</sup> June, 2010; 31<sup>st</sup> July, 2010; 26<sup>th</sup> August, 2010; 14<sup>th</sup> September, 2010; 30<sup>th</sup> October, 2010; 31<sup>st</sup> January, 2011; and 12<sup>th</sup> March, 2011).

#### Attendance at Board meetings and at Annual General Meeting (AGM):

| Name of Director     | No. of Board Meeting Attended | Attendance at last AGM | Composition of Board of Directors    |
|----------------------|-------------------------------|------------------------|--------------------------------------|
| Mr. Jayesh R. Mor    | 7                             | Yes                    | Director (Resigned on 07/03/2011)    |
| Mr. Gaurang Vora     | 4                             | No                     | Director (Resigned on 07/03/2011)    |
| Mr. Parag Khandekar  | 2                             | No                     | Director (Resigned on 07/03/2011)    |
| Mrs. Kaipana Mor     | 4                             | No                     | Director (Resigned on 07/03/2011)    |
| Mr. Kulin B. Vyas    | 4                             | No                     | Director (Resigned on 07/03/2011)    |
| Mr. Pradip C. Shah   | 6                             | Yes                    | Director (Resigned on 07/03/2011)    |
| Mr. Narendra S. Ayer | 6                             | Yes                    | Director (Reappointed on 07/03/2011) |
| Mrs. Bhavna N. Ayer  | 4                             | Yes                    | Director (Resigned on 07/03/2011)    |
| Mr. Swetank M. Patel | 4                             | Yes                    | Chairman and M.D.                    |
| Mrs. Hina S. Patel   | 1                             | No                     | Director (Appointed on 01/03/2011)   |
| Mr. Umesh R. Naik    | 1                             | No                     | Director (Appointed on 01/03/2011)   |

### 3. AUDIT COMMITTEE:

The audit committee of the company inter alia, provides assurance to the board on the accepted accounting principles, auditing assurance Standards and other accounts & taxation matters etc. are observed by the company. They also provide guidance and liaison with internal Auditors as well as the statutory auditors of the company. The Committee meets once in every quarter and prepare its minutes on the proceeding and business transacted.

Terms of reference of the Audit Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement. Main areas are deliberated as under.

- a) To provide an open avenue of communication between the independent auditors, internal auditors and the Board of Directors (BOD).
- b) To oversee the work of the independent auditors for the purpose of preparing or issuing an audit report or related work.
- c) To consider and review the adequacy of internal control including computerized information system controls and security; and related findings and recommendations of the independent auditor and internal auditor together with the management's responses.
- d) To review and discuss with the management and the independent auditors, the annual audited financial statements and quarterly audited / un audited financial statements, including the company's disclosures under "Management's Discussion and Analysis of Financial Condition

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and of Results of Operations”

- e) To conduct a post – audit review of the financial statements and audit findings, including any significant suggestions for improvements provided to management by the independent auditors.
- f) Review, in conjunction with counsel, any legal matters that could have a significant impact on the company’s financial statements.
- g) Report periodically to the Board of Directors on significant activities.

Relying on the review and discussions with the management and the independent auditor, the Audit Committee believes that the Company’s financial statements are fairly presented in conformity with Generally Accepted Accounting Principles in all material aspects.

During financial year ended 31- March 2011 four meetings of the audit committee were held on 30- April, 2010; 31- July, 2010; 30- October, 2010 and 31- January, 2011.

| Name of Director   | Status   | No. of Meeting Attended |
|--------------------|----------|-------------------------|
| Mr. Gaurang Vora   | Chairman | 3                       |
| Mr. Kulin B. Vyas  | Member   | 3                       |
| Mr. Pradip C. Shah | Member   | 1                       |
| Mr. Jayesh R. Mor  | Member   | 2                       |

#### 4. SHARE HOLDERS/INVESTORS GRIEVANCE COMMITTEE:

a) **Terms of reference :**

The company has constituted a shareholder Grievance committee to expeditiously redress the shareholders complains and grievances, if any. The Committee is empowered to keep complete records of demat shares and investors grievance.

b) **Composition :**

The shareholders grievance comprises of three non-executive directors and one executive director. During the year the committee held 5 meetings and the attendance of members was as follows:

| Name of Director     | Status   | No. of Meeting Attended |
|----------------------|----------|-------------------------|
| Mr. Kulin B. Vyas    | Member   | 3                       |
| Mr. Gaurang Vora     | Member   | 3                       |
| Mr. Narendra S. Ayer | Member   | 1                       |
| Mr. Swetank M Patel  | Chairman | 3                       |

**Complaints from Investors:**

All the complaints relating to transfer, transmission, dividend, interest, demat and change of address and others received during the year have been resolved. 12 complaints were pending for more than 15 days.

#### 5. REMUNERATION COMMITTEE

The Remuneration Committee is formed to review the policy on remuneration packages for Executive Directors. The Committee determines and recommends to the Board the compensation to the directors. All Board-level compensation is approved by shareholders, and separately disclosed in the financial statements.

In fixing remuneration, practices followed by the companies of size and standing similar to the Company and that of the industry standards are taken into consideration. However, remuneration to Non- Executive Directors will be decided by the Board of Directors.

The Constitution of the committee and the attendance of each member of the committee is given below:

| Name                | Designation | Category                             |
|---------------------|-------------|--------------------------------------|
| Mr. Swetank M patel | Chairman    | Managing Director                    |
| Mr. Umesh R Naik    | Member      | Non-Executive Director / Independent |
| Mr. Narendra Ayer   | Member      | Non-Executive Director               |

The committee has appointed Mr. Swetank M Patel as Managing Director and fixed his remuneration in it's meeting dt.12-03-2011.

Details of remuneration paid / payable to the Directors for Financial Year 2010-2011

(Amount in Rupees)

| Name                | Salary and Perquisites | Commission        | Shares issued under ESOP (Rs.) | Details of service contracts: notice period and severance fees |
|---------------------|------------------------|-------------------|--------------------------------|----------------------------------------------------------------|
| Mr. Swetank M Patel | Rs.50000<br>MD         | Nil<br>Nil<br>Nil | Nil<br>Nil<br>Nil              | Resolution passed in Board meeting dt.12-03-2011.              |

#### 6. SHARE TRANSFER COMMITTEE:

##### a) Terms of reference:

The company has constituted a share transfer committee to consider and process various requests for transfer of shares, issue of duplicate shares, Split/Consolidation of shares and thereupon issue of fresh share certificates, transmissions or transposition of shares.

| Name of Director    | Status   | No. of Meetings Attended |
|---------------------|----------|--------------------------|
| Mr. Narendra Ayer   | Member   | 9                        |
| Mr. Swetank M Patel | Chairman | 4                        |
| Mr. Pradip Shah     | Member   | 9                        |

**ENRICH INDUSTRIES LIMITED****7. GENERAL BODY MEETING:****Particulars of last three Annual General Meetings:**

| AGM                    | Year Ended                                                                                                                    | Venue                                                                                                      | Date       | Time       |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------------|------------|
| 16 <sup>th</sup>       | 31-03-2008                                                                                                                    | 105, Sahajanand Complex,<br>B/h. Bhagwati Chamber,<br>Nr. Swastik Cross Road,<br>Ahmedabad – 380009        | 30-09-2008 | 1.00 a.m.  |
| EGM                    | For approval of<br>scheme of<br>restructuring of<br>company u/s. 391<br>to 394 of The<br>Companies<br>Act, 1956               | A-Wing, 404, 4 <sup>th</sup> Floor,<br>Satyamev-II,<br>Nr. Gujarat High Court,<br>S.G. Highway, Ahmedabad. | 25-06-2009 | 11.00 a.m. |
| EGM                    | — DO —                                                                                                                        | — DO —                                                                                                     | 10-12-2009 | 11.00 a.m. |
| 17 <sup>th</sup> A.G.M | 31-03-2009                                                                                                                    | — DO —                                                                                                     | 31-12-2009 | 11.00 a.m. |
| EGM                    | For approval of<br>scheme of<br>restructuring of<br>company u/s. 94(1)<br>(a) of The<br>Companies<br>Act, 1956                | — DO —                                                                                                     | 26-07-2010 | 11.00 a.m. |
| 18 <sup>th</sup>       | 31-03-2010                                                                                                                    | — DO —                                                                                                     | 30-12-2010 | 10.00 a.m. |
| EGM                    | For approval of<br>object clause<br>amendmet,<br>Articles of<br>Association<br>and increase in<br>authorized<br>share capital | — DO —                                                                                                     | 16-05-2011 | 10.00 a.m. |

**8. NOTES ON DIRECTORS' APPOINTMENT / REAPPOINTMENT**

Mrs. Hina S. Patel was appointed as an Additional Director with effect from 1<sup>st</sup> March 2011 and holds office till the date of this Annual General Meeting.

Mrs. Hina S. Patel, wife of Mr. Swetank Patel having an age of 41 years. She is qualified as a Bachelor of Commerce. She is involved in Administration and Banking activities throughout her career. She is working as administration in charge of Nishan Graftech Pvt Ltd since past 15 years. She also holds a position of Director in Anar Softcom Pvt. Ltd. Her reputation and experience will be immensely benefited to the company in near future.

Mr. Umesh R. Naik was appointed as an Additional Director with effect from 1<sup>st</sup> March 2011 and who holds office till the date of this Annual General Meeting.

Mr. Umesh Naik, son of Rudrakant Naik, aged about 51 years is qualified as B.E. He has an in depth knowledge of setting up an ISP unit successfully. He has created customer base in Retail, SME and Corporate of over 25000 in and around Surat for Anar Softcom Pvt Ltd as CEO of the company. Further he has managed different segments in the field of Sales, Marketing, Installation and Servicing. His reputation and experience will be immensely benefited to the company in near future.

Mr. Narendra Ayer was appointed as an Additional Director with effect from 7<sup>th</sup> March 2011 and who holds office till the date of this Annual General Meeting.

Mr. Narendra Ayer, son of Samatbhal Ayer, having an age of about 45 years. He holds a position of Director in Milan Graftech Pvt Ltd. and is looking after day to day business activities of the said company. He has experience of more than 10 years in marketing and financial aspects. His reputation and experience will be immensely benefited to the company in near future.

**9. DEMAT / REMAT OF SHARES**

Details of Shares Dematerialised / Rematerialised during the last financial year is as below:

|                                        |                             |
|----------------------------------------|-----------------------------|
| a) Number of Demat requests approved   | 81444 (NSDL) + 14688 (CDSL) |
| b) Number of Shares Dematerialised     | 3,831                       |
| c) Percentage of Shares Dematerialised | 0.13%                       |
| d) Number of Remat requests approved   | Nil                         |
| e) Number of Shares Rematted           | Nil                         |

Representatives of the Company are constantly in touch with M/s. Sharepro Services (I) P. Ltd., Share Transfer Agents of the Company and review periodically the outstanding matters.

**10. DISCLOSURES**

i) Disclosure on materially significant related party transaction i.e. transactions of the Company of material nature, with its promoters, the Directors or the management and their subsidiaries or relatives etc. That may have potential conflict with the interest of company at large. The transactions entered in to did not have any potential conflict with the interest of the company.

ii) Details of non-compliance by the company, penalties, structures, imposed on the company by Stock Exchange or S.E.B.I. or any statutory authority, on any matter related to Capital Market, during the last three years – NIL.

**11. MEANS OF COMMUNICATIONS**

The means of communication between the shareholders and company are transparent and investor friendly. The quarterly results of the company are published in The Western Times [English] and [Gujarati] as required by the listing agreement.

**12. GENERAL SHAREHOLDERS INFORMATION****SHAREHOLDERS INFORMATIONS:**

|                                                           |       |   |                                                                                                         |
|-----------------------------------------------------------|-------|---|---------------------------------------------------------------------------------------------------------|
| 19 <sup>th</sup> Annual General Meeting :<br>(to be Held) | Date  | : | 30-09-2011.                                                                                             |
|                                                           | Time  | : | 11.00 a.m.                                                                                              |
|                                                           | Venue | : | A-Wing, 404, 4 <sup>th</sup> Floor, Satyamev-II,<br>Nr. Gujarat High Court, S.G. Highway,<br>Ahmedabad. |
| Accounting Year                                           | :     |   | 1 <sup>st</sup> April, 2010 to 31 <sup>st</sup> March, 2011.                                            |
| Date of Book closure                                      | :     |   | from Friday 23 <sup>rd</sup> September, 2011 to<br>Friday 30 <sup>th</sup> September, 2011.             |
| Dividend Payment Date                                     | :     |   | No dividend is declared.                                                                                |
| Listing on Stock Exchange                                 | :     |   | 1. The Ahmedabad Stock Exchange.<br>2. The Stock Exchange, Mumbai.                                      |
| Stock Code                                                | :     |   | 1. The Ahmedabad Stock Exchange Code: 16281<br>2. The Stock Exchange, Mumbai. Code: 531127              |

a) **Market Price Data: The monthly High & Low quotations at Mumbai Stock Exchange [BSE] during the financial year 2010-11.**

| Month          | Low Rs. | High Rs. | Volume of Trading Shares |
|----------------|---------|----------|--------------------------|
| April 2010     | 6.67    | 7.90     | 47083                    |
| May 2010       | 6.02    | 7.65     | 38978                    |
| June 2010      | 6.80    | 8.15     | 31105                    |
| July 2010      | 5.99    | 7.80     | 35396                    |
| August 2010    | 6.02    | 7.65     | 26833                    |
| September 2010 | 0.00    | 0.00     | 0.00                     |



**ENRICH INDUSTRIES LIMITED**

|               |       |       |        |
|---------------|-------|-------|--------|
| October 2010  | 0.00  | 0.00  | 0.00   |
| November 2010 | 0.00  | 0.00  | 0.00   |
| December 2010 | 0.00  | 0.00  | 0.00   |
| January 2011  | 0.00  | 0.00  | 0.00   |
| February 2011 | 17.15 | 21.00 | 69109  |
| March 2011    | 22.05 | 24.65 | 152711 |

**a) Distribution of shareholding as on March 31, 2011.**

| Sr. No. | Category                       | No. of Shares    | % of share Holding |
|---------|--------------------------------|------------------|--------------------|
| 1       | Promoters                      | 4749894          | 74.98              |
| 2       | Corporate Bodies               | 242212           | 3.82               |
| 3       | Indian Pubic                   | 1322379          | 20.88              |
| 4       | NRI / OCBs                     | 18744            | 0.30               |
| 5       | Foreign Instit. Inv. (FILS)    | 0                | 0                  |
| 6       | Banks, Financial Institutions, | 1350             | 0.02               |
| 7       | Stat Gov. Inst., Non-Gov.Inst. | 120              | 0                  |
| 8       | Mutual Funds & UTI             | 0                | 0                  |
|         | <b>GRAND TOTAL</b>             | <b>63,34,699</b> | <b>100.00</b>      |

Demat (ISIN) International security identification INE 148B 0.1017 IN NSDL and CDSL for equity shares.

**c) Dematerialization of Shares and liquidity**

The Securities and Exchange Board of India (SEBI), through a notification have made it compulsory that delivery in the Company's shares against Stock Exchange trades became compulsory in demat format. As on 31-03-2011, 93.28% equity shares (% of the total number of shares) have been dematerialized.

**d) Investors' correspondence :** M/s. Sharepro Services (India) Private Limited  
Address :416-420,Devnadan Mall,opp. Sanyas Ashram, Ashram Road, Ahmedabad-380006  
Phone Nos: - 079-26582381\82  
E-mail:- sharepro@shareproservices.co

**e) Auditors :** **J. K. Parmar & Co.**  
Chartered Accountants  
31, Binori Corner, Nr. Rly. Overbridge  
Jivrajpark, Ahmedabad – 380051.

**f) Compliance Certificate of the Auditors**

A Certificate from the Auditors of the Company regarding compliance of conditions of corporate Governance as stipulated under clause 49 of the listing Agreement is attached to this Report.

**g) Management Discussion and Analysis Report****(I) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has a system of Internal control in all activities. The audit committee regularly reviews the findings of any deficiency and immediately effective steps are being implemented. In the opinion of the board, an effective internal control system adequate to the size of the company.

**(II) CAUTIONARY STATEMENT:**

Statement in the management discussion and analysis describing the company's position and expectation may be for word looking statements, within the meaning of applicable securities laws and regulations. Actual results could differ materially from those express or implied. Important factors that could make, among other, economic condition effecting demand/ supply and price condition in the market in which the company operates, in the Government regulations, tax laws and other statutes and incidental factors.

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**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
**ENRICH INDUSTRIES LIMITED.**

We have examined the compliance of conditions of Corporate Governance by Enrich Industries Limited, for the year ended on 31-March, 2011 as stipulated Clause 49 of the Listing Agreement of the said Company with stock exchanges. The compliance of conditions of Corporate Governance is the responsibilities of the management. Our examination has been limited to a review of the procedures and implementations there of, adopted by the company for ensuring compliance with the conditions 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 representation made by the Directors and the Management, We certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

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 J. K. PARMAR & CO.  
CHARTERED ACCOUNTANTS**

**PLACE: AHMEDABAD  
DATE: 08/09/2011**

**(J. K. PARMAR)  
PROPRIETOR**

**AUDITORS' REPORT**

To,  
The Members,  
ENRICH INDUSTRIES LIMITED.

We have audited the attached balance sheet of **ENRICH INDUSTRIES LIMITED** as at 31- March 2011 and the Profit & Loss account for the year ended on that date annexed thereto and cash flow statement for the period ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing 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 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.

- 1) As required by the companies (Auditor's Report) order, 2003 issued by the central government of India in terms of sub-section (4A) of section 227 of the companies act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 2) Further to our comments in the annexure referred to 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 the books;
  - c) The balance sheet, profit & loss account and cash flow statement dealt by this report are in agreement with the books of account;
  - d) In our opinion, the balance sheet and profit & loss account dealt 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, and taken on record by the board of directors, we report that none of the director is disqualified as at 31- March, 2011 from being appointed as a director in terms of clause (q) of sub-section (1) of section 274 of the companies act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the companies act, 1956 in the manner so required and subject to notes no. 2, 5 & 6 give a true and fair view in conformity with the accounting principles generally accepted in India;
    - i) In the case of the balance sheet, of the state of affairs of the company as at March 31, 2011; and
    - ii) In the case of the profit & loss account, of the Loss for the year ended on that date; and
    - iii) In the case of cash flow statement, of the cash flow for the year ended on that date.

For J. K. PARMAR & Co.  
Chartered Accountants

Place: Ahmedabad  
Date: 08/09/2011.

(J. K. PARMAR)  
Proprietor  
M. No. 34138.

**Annexure to the Auditors' Report**  
**Referred to in paragraph 1 of our report of even date.**

1. The company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets. The fixed assets are physically verified by the management according to a phased programme designed to cover items at all the locations once in two years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the programme, fixed assets at certain locations were physically verified by the management during

the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion and according to information and explanations given to us, a substantial part of fixed assets has not been disposed off by the company during the year.

2. As explained to us, as at 31.03.2011 there is no stock of trading goods
3. We are informed that the company has taken/granted loans-unsecured, from/to companies, firms or other parties listed in the register maintained under section 301 of the companies act, 1956. The closing balances on 31.03.2011 are NIL.  
The company has not taken/given interest on such loans. The terms & conditions of such loans are not prima facie prejudicial to the interest of the company.  
The repayment of such loans has not been stipulated so we cannot offer any remarks on recovery/payment/overdue of such loans.
4. In our opinion, and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the inventory and fixed assets and for the sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control.
5. In our opinion, and according to the information and explanation given to us, there are no transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies act, 1956 and aggregating during the year to Rs. 5,00,000 or more in respect of any party, made at price as available with the company.
6. In our opinion, and according to the information and explanation given to us, the company has complied with the provision of section 58A and 58AA.
7. In our opinion, the company has an internal audit system commensurate with the size of nature of its business.
8. The central Government has not prescribed maintenance of cost Records section 209(1) (d) of the companies act, 1956 in respect of activities of the company.
9. According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of provident fund, investor education and protection fund, employees state insurance, Income-tax, sale-tax, wealth tax, custom duty, excise duty, cess except Service tax payable Rs.187460.00 which are outstanding as at 31/03/2011 for a period of more than six month from the date they became payable.
10. The company has no accumulated losses as at 31- March 2011, and it has not incurred cash losses in the financial year on that date or in the immediately preceding financial year.
11. The company has not defaulted in repayment of dues to bank.
12. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company under audit is not chit Fund/Nidhi etc. as specified paragraph 13 of CARO-2003.
14. According to the information and explanation given to us, proper records have been maintained in respect of transactions and contracts, in shares, securities, debenture and other investments and timely entries have been made therein. The shares and other securities have been held by the company in its own name.
15. According to the information and explanation given to us, the company has not given any guarantee for loans taken by other form bank or financial institute.
16. The company has not taken any term loans and hence requirement of reporting regarding application of terms loans does not arise.
17. As informed to us, during the year the company has not raised short terms/long term funds.
18. We are informed that the company has not made any preferential allotment of shares to companies, firms or order parties listed in the register maintained under section 301 of the companies act, 1956.
19. The company has not issued debentures and hence requirement of reporting regarding creation of securities in respect of debentures issued does not arise.
20. The Company has not raised any money by way of Public Issues during the year.
21. On the basis of records and information provided by the company's management, no fraud on or by the company has been noticed or reported during the course of our Audit.

For J. K. PARMAR & Co.  
Chartered Accountants

Place: Ahmedabad  
Date: 08/09/2011.

(J. K. PARMAR)  
Proprietor  
M. No. 34138.

**ENRICH INDUSTRIES LIMITED****ENRICH INDUSTRIES LTD.  
Balance Sheet as at 31st March, 2011.**

| <b>PARTICULARS</b>                               | <b>SCH.<br/>No.</b> | <b>31/03/2011<br/>Amt. Rs.</b> | <b>31/03/2010<br/>Amt. Rs.</b> |
|--------------------------------------------------|---------------------|--------------------------------|--------------------------------|
| <b>SOURCE OF FUNDS</b>                           |                     |                                |                                |
| Share Capital                                    | 1a                  | 63,346,990                     | 16,466,660                     |
| Share Capital-Pending Allotment                  | 1b                  | -                              | 46,880,330                     |
| Reserve & Surplus                                | 2                   | 1,303,746                      | 1,582,998                      |
| <b>TOTAL</b>                                     |                     | <b><u>64,650,736</u></b>       | <b><u>64,929,988</u></b>       |
| <b>APPLICATION OF FUNDS</b>                      |                     |                                |                                |
| <b>FIXED ASSETS</b>                              |                     |                                |                                |
| Gross Block                                      | 3                   | 22,991,001                     | 5,119,408                      |
| Less : Depreciation                              |                     | <u>1,807,123</u>               | <u>913,837</u>                 |
| Net Block                                        |                     | <u>21,183,878</u>              | <u>4,205,571</u>               |
| <b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>      |                     |                                |                                |
| a) Cash & Bank Balance                           | 4                   | 2,679,962                      | 30,113,551                     |
| b) Sundry Debtors                                |                     | 16,455,278                     | 2,772,160                      |
| d) Loans & Advances                              |                     | 39,076,898                     | 31,885,948                     |
| e) Other Current Assets                          |                     | <u>159,785</u>                 | <u>86,499</u>                  |
|                                                  |                     | <u>58,371,923</u>              | <u>64,858,158</u>              |
| <b>Less : CURRENT LIABILITIES AND PROVISIONS</b> |                     |                                |                                |
| a) Sundry Creditors                              | 5                   | 14,535,677                     | 3,601,410                      |
| c) Provisions                                    |                     | <u>601,665</u>                 | <u>563,155</u>                 |
|                                                  |                     | <u>15,137,342</u>              | <u>4,164,565</u>               |
| Net Current Assets                               |                     | <u>43,234,581</u>              | <u>60,693,593</u>              |
| Deferred Tax Liabilities / Assets                |                     | 232,276                        | 30,824                         |
| <b>TOTAL</b>                                     |                     | <b><u>64,650,736</u></b>       | <b><u>64,929,988</u></b>       |

**NOTES ON ACCOUNTS & ACCOUNTING POLICIES 9**

As per our report of even date.

For J.K. PARMAR & CO.  
Chartered Accountants

For ENRICH INDUSTRIES LTD.

[J.K. PARMAR]  
Proprietor.  
M. Shlp No. 34138.  
DATE : 08.09.2011.  
PLACE : AHMEDABAD.MANAGING  
DIRECTOR.  
DIRECTOR.  
DATE : 08.09.2011.  
PLACE : AHMEDABAD.

**ENRICH INDUSTRIES LTD.**

Profit and Loss Account for the year ended on 31st March, 2011.

| <b>PARTICULARS</b>                                                          | <b>SCH.<br/>No.</b> | <b>31/03/2011<br/>Amt. Rs.</b> | <b>31/03/2010<br/>Amt. Rs.</b> |
|-----------------------------------------------------------------------------|---------------------|--------------------------------|--------------------------------|
| <b>INCOME</b>                                                               |                     |                                |                                |
| Sales and Commission                                                        | 6                   | 12795200                       | 2856360                        |
| Interest                                                                    |                     | 1934995                        | 976624                         |
| Others Income                                                               |                     | 14144                          | 0                              |
| <b>TOTAL</b>                                                                |                     | <b>14744339</b>                | <b>3832984</b>                 |
| <b>EXPENDITURE</b>                                                          |                     |                                |                                |
| Trading Purchase                                                            |                     | 11836500                       | 0                              |
| Administrative Expenses                                                     | 7                   | 2492388                        | 2152055                        |
| Financial Charges                                                           | 8                   | 2868                           | 2617                           |
| Depreciation Expenses                                                       | 3                   | 893286                         | 721843                         |
|                                                                             |                     | <b>15225042</b>                | <b>2876514</b>                 |
| <b>Profit(+)/Loss(-) Before Taxation</b>                                    |                     | <b>(480703)</b>                | <b>956470</b>                  |
| <b>Profit(+)/Loss(-)</b>                                                    |                     | <b>(480703)</b>                | <b>956470</b>                  |
| <b>Less : Differed Tax Liability / Assets</b>                               |                     | <b>201452</b>                  | <b>212164</b>                  |
| <b>Less : Current Tax</b>                                                   |                     | <b>0</b>                       | <b>295747</b>                  |
| <b>Profit(+)/Loss(-) After Taxation<br/>[Transferred to Balance Sheet ]</b> |                     | <b>(279251)</b>                | <b>448559</b>                  |
| <b>TOTAL</b>                                                                |                     | <b>14744339</b>                | <b>3832984</b>                 |
| <b>EARNING PER SHARE (FACE VALUE Rs.10/- EACH)</b>                          |                     |                                |                                |
| -BASIC                                                                      |                     | (-) 0.04                       | (+) 0.27                       |
| -DILUTED                                                                    |                     | (-) 0.04                       | (+) 0.27                       |

**NOTES ON ACCOUNTS & ACCOUNTING POLICIES 9**

As per our report of even date.

For J.K. PARMAR & CO.  
Chartered Accountants

For ENRICH INDUSTRIES LTD.

[J.K. PARMAR]  
Proprietor.  
M. Ship No. 34138.  
DATE : 08.09.2011.  
PLACE : AHMEDABAD.MANAGING DIRECTOR.  
DIRECTOR.  
DATE : 08.09.2011.  
PLACE : AHMEDABAD.

## SCHEDULES TO BALANCE SHEET AT 31/03/2011.

| PARTICULARS                                                        | 31/03/2011<br>Amt. Rs. | 31/03/2010<br>Amt. Rs. |
|--------------------------------------------------------------------|------------------------|------------------------|
| <b>SCHEDULE : 1.</b>                                               |                        |                        |
| <b>AUTHORISED SHARE CAPITAL</b>                                    |                        |                        |
| [1,65,00,000 Equity Share of Rs.10/- fully paid up                 | <u>1,65,000,000</u>    | <u>65,000,000</u>      |
|                                                                    | <u>1,65,000,000</u>    | <u>65,000,000</u>      |
| <b>ISSUED SUBSCRIBED &amp; PAID UP CAPITAL</b>                     |                        |                        |
| <b>a) SHARE CAPITAL</b>                                            |                        |                        |
| [Pre. Year 1646666 Equity shares Rs.10 fully paid up]              | <u>63346990</u>        | <u>16466660</u>        |
| <b>TOTAL OF SCHEDULE -1a.</b>                                      | <u>63346990</u>        | <u>16466660</u>        |
| <b>b) SHARES PENDING ALLOTMENT</b>                                 |                        |                        |
| Equity Shares Allotted to Share Holders of                         |                        |                        |
| Anar Softcom P. Ltd. [76853 shares @ 10 shares of Enrich x Rs.10 ] | <u>0</u>               | <u>46880330</u>        |
| <b>TOTAL OF SCHEDULE -1b.</b>                                      | <u>0</u>               | <u>46880330</u>        |
| <b>SCHEDULE : 2.</b>                                               |                        |                        |
| <b>RESERVE &amp; SURPLUS :</b>                                     |                        |                        |
| Capital Reserve                                                    |                        |                        |
| Opening balance of reserve                                         |                        |                        |
| Excess consideration due to fractional shares to                   |                        |                        |
| Anar Softcom P. Ltd. [76853 shares @ 10]                           | <u>844,452</u>         | <u>844,452</u>         |
| <b>PROFIT AND LOSS ACCOUNT :</b>                                   |                        |                        |
| Opening Profit & Loss                                              | 738,545                | 289,987                |
| Less : Profit(+)/Loss(-) during the year                           | (279,251)              | 448,559                |
| <b>TOTAL OF SCHEDULE -2.</b>                                       | <u>1,303,746</u>       | <u>1,582,998</u>       |
| <b>SCHEDULE : 3.</b>                                               |                        |                        |
| <b>FIXED ASSETS</b>                                                |                        |                        |

[Amt. in Rs.]

| Sr. PARTICULARS No.          | RATE % | GROSS BLOCK     |                 |           |                 | DEPRECIATION W.D.V. |               |                 | NET BLOCK       |                |
|------------------------------|--------|-----------------|-----------------|-----------|-----------------|---------------------|---------------|-----------------|-----------------|----------------|
|                              |        | Opening Balance | Addition        | Deduction | Closing Balance | Opening Balance     | For the Year  | Closing Balance | 31.03.11        | 31.03.10       |
| 1 Office Equip. A/c.         | 13.91% | 132809          | 169400          | 0         | 301209          | 2387                | 2883          | 54570           | 246339          | 106922         |
| 2 Vehicle A/c.               | 26.89% | 2695089         | 0               | 0         | 2695089         | 567825              | 563389        | 1111014         | 1584075         | 2137464        |
| 3 Air Condition A/c.         | 13.91% | 44585           | 111207          | 0         | 155792          | 9026                | 15621         | 24847           | 131145          | 35559          |
| 4 Computers A/c.             | 40.00% | 22800           | 91998           | 0         | 114798          | 11923               | 28251         | 41174           | 73612           | 10677          |
| 5 Plant & Machinery          | 13.91% | 2224125         | 0               | 0         | 2224125         | 309376              | 266342        | 575718          | 1648407         | 1914749        |
| 6 Plot A/c.- Advance money   | 0.00%  | 0               | 17500000        | 0         | 17500000        | 0                   | 0             | 0               | 17500000        | 0              |
| <b>GRAND TOTAL</b>           |        | <u>5119408</u>  | <u>17671593</u> | <u>0</u>  | <u>2291031</u>  | <u>913837</u>       | <u>863286</u> | <u>1867123</u>  | <u>21183878</u> | <u>4205571</u> |
| <b>PREVIOUS YEAR-2009-10</b> |        | <u>3529182</u>  | <u>1590226</u>  | <u>0</u>  | <u>5119408</u>  | <u>191994</u>       | <u>721843</u> | <u>913837</u>   | <u>6</u>        | <u>4205571</u> |

| PARTICULARS                                  | 31/03/2011<br>Amt. Rs. | 31/03/2010<br>Amt. Rs. |
|----------------------------------------------|------------------------|------------------------|
| <b>SCHEDULE : 4.</b>                         |                        |                        |
| <b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>  |                        |                        |
| <b>A) CASH &amp; BANK BALANCE :</b>          |                        |                        |
| <b>1. CASH ON HAND</b>                       |                        |                        |
| Cash on Hand                                 | 99,800                 | 584,456                |
| <b>2. CURRENT ACCOUNT WITH CO-OP.BANK</b>    |                        |                        |
| Suvikas People's Co-Op. Bank Ltd.            | 954                    | 151,825                |
| <b>3. CURRENT ACCOUNT WITH SCHEDULE BANK</b> |                        |                        |
| State Bank Of India                          | 2,474,126              | 714,404                |
| Dena Bank                                    | 5,082                  | 11,375                 |
| <b>4. CURRENT ACCOUNT WITH OTHER BANK</b>    |                        |                        |
| Axds Bank                                    | 100,000                | -                      |
| <b>5. FIXED DEPOSIT WITH SCHEDULE BANK</b>   |                        |                        |
| State Bank Of India                          | -                      | 28,651,490             |
| <b>TOTAL OF SCHEDULE -4(A).</b>              | <u>2,679,962</u>       | <u>30,113,550</u>      |
| <b>B) SUNDRY DEBTORS :</b>                   |                        |                        |
| <b>3. SUNDRY PARTIES :</b>                   |                        |                        |
| <b>II. Other</b>                             |                        |                        |
| b) Considered doubtful                       | 16,455,278             | 2,772,160              |
| <b>TOTAL OF SCHEDULE - 4(B).</b>             | <u>16,455,278</u>      | <u>2,772,160</u>       |
| <b>D) LOANS &amp; ADVANCES :</b>             |                        |                        |
| <b>1. INTER CORPORAT DEPOSITS :</b>          |                        |                        |
| <b>a) Considered Good</b>                    |                        |                        |
| <b>I. More than 6 months</b>                 |                        |                        |
| II. Other                                    | -                      | -                      |
| <b>b) Considered doubtful</b>                |                        |                        |
| II. Other                                    | -                      | -                      |
| <b>b) Considered doubtful</b>                |                        |                        |
| <b>2. SUNDRY PARTIES :</b>                   |                        |                        |
| <b>a) Considered Good</b>                    |                        |                        |
| <b>I. More than 6 months</b>                 |                        |                        |
| b) Considered doubtful                       | 4,499,675              | 18,731,309             |
| <b>4. ADVANCE RECOVERABLE IN CASH/KIND :</b> |                        |                        |
| <b>a) Considered Good</b>                    |                        |                        |
| <b>I. More than 6 months</b>                 |                        |                        |
| II. Other                                    | 30,827,223             | 7,662,139              |
| <b>b) Considered doubtful</b>                |                        |                        |
| <b>TOTAL OF SCHEDULE - 4(D).</b>             | <u>39,076,898</u>      | <u>31,885,948</u>      |
| <b>E) OTHER CURRENT ASSETS :</b>             |                        |                        |
| TDS Receivable Asst.Yr.-2009-10              | -                      | 1,609                  |
| TDS Receivable Asst.Yr.-2010-11              | 84,890                 | 84,890                 |
| TDS Receivable Asst.Yr.-2011-12              | 74,895                 | -                      |
| <b>TOTAL OF SCHEDULE - 4(E).</b>             | <u>159,785</u>         | <u>86,499</u>          |
| <b>SCHEDULE : 5.</b>                         |                        |                        |
| <b>CURRENT LIABILITIES AND PROVISIONS :</b>  |                        |                        |
| <b>A) CURRENT LIABILITIES :</b>              |                        |                        |
| <b>SUNDRY CREDITORS :</b>                    |                        |                        |
| <b>i) ADVANCE PAYABLE IN CASH/KIND :</b>     |                        |                        |
| ii) OTHER CREDITORS :                        | 1,985,000              | 2,080,000              |
| <b>TOTAL OF SCHEDULE - 5(A).</b>             | <u>12,550,677</u>      | <u>1,521,410</u>       |
| <b>TOTAL OF SCHEDULE - 5(A).</b>             | <u>14,535,677</u>      | <u>3,601,410</u>       |



**ENRICH INDUSTRIES LIMITED**

| <b>PARTICULARS</b>                        | <b>31/03/2011<br/>Amt. Rs.</b> | <b>31/03/2010<br/>Amt. Rs.</b> |
|-------------------------------------------|--------------------------------|--------------------------------|
| <b>B) PROVISIONS :</b>                    |                                |                                |
| Expenses Payable                          | 2,100                          | 24,300                         |
| FBT Provision Asst.Yr.-2007-08            | -                              | 6,044                          |
| FBT Provision Asst.Yr.-2008-09            | -                              | 5,600                          |
| FBT Provision Asst.Yr.-2009-10            | -                              | 2,500                          |
| I.T. Payable Asst.Yr.-97-98               | 12,376                         | 12,376                         |
| I.T. Provision Asst.Yr.-2009-10           | 29,128                         | 29,128                         |
| I.T. Provision Asst.Yr.-2010-11           | 295,747                        | 295,747                        |
| Salary Payable                            | 13,550                         | -                              |
| Service Tax Payable-Division-Anar Softcom | 187,460                        | 187,460                        |
| TDS Payable                               | 50,816                         | -                              |
| Vat Input 5%                              | (591,825)                      | -                              |
| Vat Output 5%                             | 602,313                        | -                              |
| <b>TOTAL OF SCHEDULE - 5(B).</b>          | <u>601,665</u>                 | <u>563,155</u>                 |
| <b>SCHEDULE : 6 :</b>                     |                                |                                |
| <b>SALES AND OTHERS INCOME :</b>          |                                |                                |
| <b>a) SALES &amp; COMMISSION :</b>        |                                |                                |
| Sales of Goods                            | 12,046,250                     | 2,007,460                      |
| Commission                                | 748,950                        | 848,900                        |
| <b>TOTAL OF SCHEDULE - 6a.</b>            | <u>12,795,200</u>              | <u>2,856,360</u>               |
| <b>b) INTEREST INCOME</b>                 |                                |                                |
| Interest Income-SBI-FD                    | 1,893,353                      | 623,652                        |
| Interest Income-others                    | 41,642                         | 352,972                        |
| <b>TOTAL OF SCHEDULE - 6b.</b>            | <u>1,934,995</u>               | <u>976,624</u>                 |
| <b>c) OTHER INCOME</b>                    |                                |                                |
| FBT Income                                | 14,144                         | -                              |
| <b>TOTAL OF SCHEDULE - 6c.</b>            | <u>14,144</u>                  | <u>-</u>                       |
| <b>SCHEDULE : 7 :</b>                     |                                |                                |
| <b>ADMINISTRATIVE EXPENSES :</b>          |                                |                                |
| A.G.M. Expense                            | 2,025                          | 4,375                          |
| Advertisement Expense                     | 17,024                         | 162,510                        |
| Annual Listing Fees                       | 35,105                         | 91,845                         |
| Auditors' Remuneration                    | 19,500                         | 19,800                         |
| Bonus Expense                             | 12,000                         | 12,617                         |
| Books & Periodicals                       | -                              | 1,855                          |
| Conveyance Expense                        | 5,150                          | -                              |
| Electricity Expense                       | 5,175                          | 5,225                          |
| Interest Expense on TDS                   | 4,453                          | 17                             |
| Kasar-Vatav A/c.                          | -                              | (534)                          |
| Legal & Professional Fees                 | 605,075                        | 249,330                        |
| Membership Fees                           | -                              | 1,790                          |
| Office Expense                            | 12,509                         | 4,970                          |
| Postage & Stamps Expense                  | 61,311                         | 37,480                         |
| Printing & Stationery Expense             | 57,020                         | 51,948                         |
| R.O.C. Filing Fees                        | 250,000                        | 4,000                          |
| Repairs & Maintenance Expense             | 7,522                          | 8,450                          |

| PARTICULARS                           | 31/03/2011<br>Amt. Rs.  | 31/03/2010<br>Amt. Rs.  |
|---------------------------------------|-------------------------|-------------------------|
| Salary & Benefit Expense              | 313,600                 | 720,525                 |
| Share Transfer Expense                | 586,212                 | 33,093                  |
| Stamp Duty Charges                    | 468,804                 | -                       |
| Telephone Expense                     | 8,282                   | 2,734                   |
| Travelling Expense                    | 21,621                  | 37,125                  |
| Bandwidth Expenses                    | -                       | 473,200                 |
| Laying Expenses                       | -                       | 42,240                  |
| Software Expenses                     | -                       | 187,460                 |
| <b>TOTAL OF SCHEDULE - 7.</b>         | <b><u>2,492,388</u></b> | <b><u>2,152,055</u></b> |
| <b>SCHEDULE : 8 :</b>                 |                         |                         |
| <b>FINANCIAL CHARGES :</b>            |                         |                         |
| Bank Interest & Charges               | 3,009                   | 2,617                   |
| <b>Division Expenses-Anar softcom</b> |                         |                         |
| Interest on IT                        | <u>(141)</u>            | <u>-</u>                |
| <b>TOTAL OF SCHEDULE - 8.</b>         | <b><u>2,868</u></b>     | <b><u>2,617</u></b>     |

**SCHEDULE: 9.****1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted by the Company in the preparation and presentation of the Accounts:-

**I) SYSTEMS OF ACCOUNTING**

- a) The Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting Principles and the provisions of the Companies Act, 1956.
- b) Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles. The Company follows the mercantile systems of accounting and recognizes income and expenditure on accruals basis.

**II) FIXED ASSETS**

Fixed Assets are stated at that historical cost. All cost relating to acquisition and installation of Fixed Assets including financial cost up to the date the assets are put to use and adjustment arising from exchange rate variation relating to specific borrowing towards to the fixed assets.

**III) DEPRECIATION**

- a) Depreciation on Fixed Assets is provided on written down value method at rates and in the manner specified under Schedule XIV to the Companies Act, 1956 read with the relevant circulars Issued by the Department of Company Affairs.
- b) Depreciation on Assets acquired during the period is provided on pro-rata basis with reference to the date of addition/disposal.

**IV) INVESTMENTS**

Long term investments are carried at cost. Provision for diminution in the value of investments is made only if such a decline is other than temporary in the opinion of the management. Any short fall in market value considered as temporary nature hence loss is not provided.

**V) FOREIGN CURRENCIES**

Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of transactions. The resulting gain/loss is recognised in the profit and loss account. There are no such transactions in the current year.

**VI) INVENTORIES**

Inventories are valued at lower of cost or net realisable value.

**VII) REVENUE RECOGNITION**

- a) Revenue from sales of Goods/shares and services rendered is recognised upon passage of title and rendering of services to the customers.
- b) Insurance and other claims, to the extent considered recoverable, are accounted for in the year of claim.
- c) Interest on loans & advances accounts are provided at the rate mutually decided orally between the parties. If there is no certainty of recovery of loans & advances the interest thereon is not provide
- d) The amount of Bad & Doubt full written off from loans & advances accounts is on the basis of capacity of parties for repayment or tentative decision of court cases.

**VIII) CASH FLOW**

The cash flow statement is prepared as per method prescribed in accounting Standard- (AS)-3.

**IX) CONTINGENT LIABILITIES**

Contingent liabilities as defined in accounting Standard (AS)-29 are disclosed by way of notes to the accounts, if any.

**X) EARNING PER SHARE**

The Company reports Basic and Diluted Earnings per Share (EPS) in accordance with Accounting Standard-20 issued by the Institute of Chartered Accountants of India. The Basic EPS has been computed by dividing the income available to equity shareholders and Diluted EPS by the weighted average number of equity shares outstanding during the accounting period.

**XI) SEGMENT REPORTING**

The Company is Carrying out only Trading Hardware and Software Business. Misc. income includes interest on Loans and Advances accounts.

Accordingly it has been disclosed separately in the Profit & Loss accounts as business activities as prescribed under Accounting Standard-17.

**XII) LEASE FINANCE BUSINESS**

Accounting of Leasing Business (Entered prior to 1.4.2001) Lease Terminal Adj. A/c. arising on account of corresponding entries passed for lease equalization is adjusted in the net book Value of the leased assets and the residual value of leased asset is recovered from lessee by sale of Assets at book value (AS-19). There is no lease business in the current financial year.

**XIII) OTHER ACCOUNTING STANDARDS**

In the finalising the accounts of the Company for the year ended 31st March, 2011 Accounting Standards issued by the I.C.A.I., out of which AS-7, 11, 12, 14, 15, 16, 21 & 23 to 29 are not applicable to the Company & hence not considered.

**XIV) TAXES ON INCOME**

- a) Provision is made for Taxation on a yearly basis, under the tax payable method, based on tax liability, as computed after taking credit for allowances and exceptions.
- b) Deferred Tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognized only if there is virtual certainty of realisation of such asset. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date to reassess realisation.  
The company has calculated deferred tax assets after considering unabsorbed depreciation and carried forward loss as per income tax return.

**XV) MISCELLANEOUS EXPENDITURE**

Preliminary Expenses are amortised over a period of Ten years.

**2. NOTES FORMING PART OF ACCOUNTS: - 31.03.2011.**

1. Depreciation on Fixed Assets is provided on WDV basis as per the rates prescribed under the Companies Act.
2. The Annual Accounts are prepared on the Basis of going concern. In accordance with the terms of Scheme of restructuring arrangement U/s. 391 to 394 of the Companies Act, 1956 as sanctioned by the Honorable Gujarat High Court dated 17.06.2010, the Softcom Division of Anar Softcom Pvt.Ltd has been transferred to and vested in the company as a going concern with effect from 31.01.09 i.e. the appointed date under the scheme, and accordingly the assets and liability of Softcom division of Anar Softcom Pvt.Ltd have been transferred to the Company for a consideration of Rs.4,66,880,330.00 to be discharged by way of issuing 4688033 equity shares of Rs.10 each to the shareholders of Anar Softcom Pvt.Ltd. The Scheme of the reduction of share capital of Enrich Industries Ltd is also approved by Honorable Gujarat High Court in the same petition according to which 73% of listed share capital and 100% of unlisted share capital has been written off against the accumulated losses, doubtful debtors, doubtful loans and advances and other current assets of the Company. The difference between share capital issued to promoters of Anar Softcom Pvt.Ltd. and actual amount of assets is accounted as capital reserve.
3. The short fall in the Market value if any, of Investments/Inventory is not provided in the books.
4. In the opinion of the Board, the Current Assets, Loans & Advances, including Lease Finance and H.P. Finance are realisable in the ordinary course of the business. The Provision for the amount due and interest thereon has not been provided in the accounts to that extent the loss is understated. However the efforts are continued for the recovery.
5. Sundry Debtors and Creditors balance are subject to confirmation.
6. The Income Tax assessment is completed up to assessment year 2009-10. The company has preferred an appeal against assessment order for assessment year 1996-97, 2002-03, 2006-07. The income tax demand payable is Rs.35.07 lacs for the Asst. year 2006-07. The company has preferred an appeal before ITAT.
7. Inventories are value at lower of cost or net realizable value. There is no Closing Stock.
8. The accounts/figures of previous year have been regrouped where ever it is necessary make the comparable with the current year accounts/figures.
9. Information required to be given as per Part 3 and 4 to Part II Schedule - VI of Companies Act, 1956.

|                                                                          | (Qty.) | 2010-11<br>(Amt.In lac) | (Qty.) | 2009-2010<br>(Amt.In lac) |
|--------------------------------------------------------------------------|--------|-------------------------|--------|---------------------------|
| i) Turnover                                                              |        |                         |        |                           |
| Cable (in Mtrs.)                                                         | 525000 | 95.86                   | Nil    | Nil                       |
| Desktop PC (In Nos.)                                                     | 25     | 7.69                    | Nil    | Nil                       |
| Laptop PC (In Nos.)                                                      | 10     | 5.11                    | Nil    | Nil                       |
| <b>Gross Total</b>                                                       |        | <b>108.66</b>           |        | <b>Nil</b>                |
|                                                                          |        | <b>2010-2011</b>        |        | <b>2009-2010</b>          |
| ii) Opening Stock Goods [In Nos./Mtrs.]                                  |        | <b>Qty.</b>             |        | <b>Qty.</b>               |
| Closing Stock Goods                                                      |        | NIL                     |        | NIL                       |
| iii) Contingencies not provided                                          |        | NIL                     |        | NIL                       |
| iv) Remuneration to Employees                                            |        |                         |        |                           |
| a) Employed for whole year & Remuneration exceeding Rs. 12, 00,000/-     |        | NIL                     |        | NIL                       |
| b) Employed for Part of the year And Remuneration exceeding Rs.1, 00,000 |        | NIL                     |        | NIL                       |
| v) Directors Remuneration & Perquisites                                  |        | NIL                     |        | NIL                       |
| vi) Auditor's Remuneration                                               |        | 0.20                    |        | 0.20                      |
| vii) Expenditure in Foreign Currency                                     |        | NIL                     |        | NIL                       |
| viii) Earnings In Foreign Currency                                       |        | NIL                     |        | NIL                       |

**ENRICH INDUSTRIES LIMITED****10. Related Party Disclosers:-**

As per Accounting Standard on "Related Party disclosures" (AS18) issued by the Institute of Chartered Accountants of India, the related parties of the Company are as follows:

**I) Key Management Personnel**

Swetank M Patel. Managing Director.

**II) Associate Concerns**

Anar Softcom Pvt. Ltd.

Nishan Grafftech Pvt.Ltd

**iii) Key Management personnel and his relative**

1. Hina S. Patel

**SCHEDULE: 9.**

| Transactions with related parties |                                        |                    |                          |                                      | Rs. In Lacs             |
|-----------------------------------|----------------------------------------|--------------------|--------------------------|--------------------------------------|-------------------------|
| Sr. No.                           | Nature of Transactions during the year | Associate concerns | Key Management Personnel | Relative of Key Management personnel | Balance as on 31-3-2011 |
| 1                                 | Loans & advances                       | 465.00             | 0.00                     | 0.00                                 | 0.00                    |
| 2                                 | Re-imbusement of Exps.                 | 0.00               | 0.00                     | 0.00                                 | 0.00                    |
| 3                                 | Investments                            | 0.00               | 0.00                     | 0.00                                 | 0.00                    |
| 4                                 | Unsecured Loans                        | 0.00               | 0.00                     | 0.00                                 | 0.00                    |
| 5                                 | Sales                                  | 0.00               | 0.00                     | 0.00                                 | 0.00                    |

**11. Earning per share [E.P.S.]****2010-2011****2009-2010**

i) PROFIT after Tax [Rs. in lac]

(-)2.79

(+)4.49

ii) No. of Equity shares [in Nos.]

63, 34,699

64, 98,500

iii) Earning per share [EPS] [in rupees]

(-)0.04

(+)0.27

**As per report of even date attached****Signature for Schedule 1 to 9.****For J.K. PARMAR & CO.  
Chartered Accountants****For ENRICH INDUSTRIES LTD.****[J.K. PARMAR]  
Proprietor.  
M. Ship No. 34138.****MANAGING  
DIRECTOR.****DIRECTOR.****DATE : 08.09.2011.  
PLACE : AHMEDABAD.****DATE : 08.09.2011.  
PLACE : AHMEDABAD.**

| CASH FLOW STATEMENT FOR THE YEAR ENDED ON          | 31-Mar-11       | (Rs. In lac)<br>31-Mar-10 |
|----------------------------------------------------|-----------------|---------------------------|
|                                                    | Amt.            | Amt.                      |
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>    |                 |                           |
| Net Profit before Tax & Extraordinary Items        | (4.80)          | 9.56                      |
| Adjustments for:                                   |                 |                           |
| Depreciation                                       | 8.93            | 7.22                      |
| Other Income                                       | 0.00            | 0.00                      |
| Income of Previous year                            | -               | 0.00                      |
| Provision for Differed Tax Assets                  | 2.01            | (2.12)                    |
| Provision for Freinge Benefit Tax                  | 0.00            | (2.96)                    |
|                                                    | <u>10.94</u>    | <u>2.14</u>               |
| Operating Profit before working capital changes    | <u>6.14</u>     | <u>11.70</u>              |
| Adjustments for :                                  |                 |                           |
| Trade & Other receivables, loans, assets           | (209.48)        | (164.66)                  |
| Inventories                                        | 0.00            | -                         |
| Trade Payables                                     | 109.72          | 16.11                     |
|                                                    | <u>99.76</u>    | <u>(148.55)</u>           |
| Cash generated from Operations                     | <u>(93.62)</u>  | <u>(136.85)</u>           |
| <b>Net Cash Flow from Operating Activities (A)</b> | <u>(93.62)</u>  | <u>(136.85)</u>           |
| <b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>     |                 |                           |
| Purchase of Fixed Assets                           | (178.72)        | (15.90)                   |
| Sales of Fixed Assets                              | -               | -                         |
| Deferred Tax Assets                                | (2.01)          | 2.12                      |
| Sale of Investments                                | -               | -                         |
| Purchase of Investments                            | -               | -                         |
| <b>Net Cash Flow from Investing Activities (B)</b> | <u>(180.73)</u> | <u>(13.78)</u>            |
| <b>TOTAL (A) + (B)</b>                             | <u>(274.35)</u> | <u>(150.63)</u>           |
| <b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>     |                 |                           |
| Proceeds from issue of share Capital               | -               | -                         |
| Shares issue Expenditure                           | -               | -                         |
| Secured Loan                                       | -               | -                         |
| <b>Net Cash Flow from financing activities (C)</b> | <u>-</u>        | <u>-</u>                  |
| Net Increase/Decrease in cash & bank equivalents   | (274.35)        | (150.63)                  |
| Cash & Bank equivalents as at 01-04-10 (Op.Bal)    | 301.14          | 451.77                    |
| Cash & Bank equivalents as at 31-03-11 (Cl.Bal)    | 26.79           | 301.14                    |

For ENRICH INDUSTRIES LTD.

PLACE : AHMEDABAD.  
DATE : 08/09/2011.

MANAGING DIRECTOR

**AUDITORS' CERTIFICATE**

We have Examined the attached Cash Flow statement of ENRICH INDUSTRIES LIMITED for the year ended 31.03.2011. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing Agreement with the Ahmedabad & Mumbai Stock Exchanges and is based on the Agreement with the corresponding Profit & Loss Account and Balance Sheet of the company covered by our Report of even date to the Members of the Company.

For J. K. PARMAR & CO.  
CHARTERED ACCOUNTANTSPLACE: AHMEDABAD  
DATE: 08/09/2011(J. K. PARMAR)  
PROPRIETOR

**ENRICH INDUSTRIES LIMITED****Balance Sheet Abstract and Company's general business Profiles :**

|                                                                             |                                                                   |                             |                 |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------|-----------------------------|-----------------|
| <b>1 Registration Details :</b>                                             |                                                                   |                             |                 |
| Registration No.                                                            | 18047                                                             |                             | State Code -04. |
| Balance Sheet Date                                                          | 31-Mar-11                                                         |                             |                 |
| <b>2 Capital raised during the year (Rs. In Thousand)</b>                   |                                                                   |                             |                 |
| Public Issue                                                                | NIL                                                               | Right Issue                 | NIL             |
| Bonus Issue                                                                 | NIL                                                               | Private Placement           |                 |
| <b>NIL</b>                                                                  |                                                                   |                             |                 |
| <b>3 Position of mobilisation and deployment of funds (Rs. In Thousand)</b> |                                                                   |                             |                 |
| Total Liabilities                                                           | 64651                                                             | Total Assets                | 64651           |
| <b>Source of Funds</b>                                                      |                                                                   | <b>Application of Funds</b> |                 |
| Paid up Capital                                                             | 63347                                                             | Net Fixed Assets            | 21184           |
| Reserves & Surplus                                                          | 1304                                                              | Investments                 | -               |
| Secured Loans                                                               | -                                                                 | Net Current Assets          | 43235           |
| Unsecured Loans                                                             | -                                                                 | Misc. Current Assets        | 232             |
| Deferred Tax Liabilities                                                    | -                                                                 | Profit & Loss A/c.          | 0               |
| <b>4 Performance of Company (Rs. In Thousand)</b>                           |                                                                   |                             |                 |
| Turnover                                                                    | 14744                                                             | Total Expenditure           | 15225           |
| Loss before Tax                                                             | (481)                                                             | Loss After Tax              | 279             |
| <b>5 Generic name of principal Product/Services of the Company</b>          |                                                                   |                             |                 |
| Product Description                                                         | : SOFTWARE, HARDWARE, INTERNET PROVIDER,<br>INVESTMENT & FINANCE. |                             |                 |
| Item Code No.                                                               | : NOT APPLICABLE.                                                 |                             |                 |

For ENRICH INDUSTRIES LTD.

PLACE : AHMEDABAD.  
DATE : 08.09.2011.

MANAGING  
DIRECTOR.

DIRECTOR.

**ENRICH INDUSTRIES LIMITED**

A-Wing 404, 4<sup>th</sup> Floor, Satyamev –II, Nr. Gujarat High Court,  
Opp. Kargil Petrol Pump, S.G.Highway, Ahmedabad.

CARD D.P.ID \_\_\_\_\_ L.F.No.: \_\_\_\_\_

Client ID \_\_\_\_\_ No. Of Shares Held \_\_\_\_\_

**ATTENDANCE**

I/we hereby record my/our presence at the Annual General Meeting of the Company to be held on Friday 30<sup>th</sup> September, 2011 at 11.00 A.M. at A-Wing 404, 4<sup>th</sup> Floor, Satyamev-II, Nr. Gujarat High Court, S.G. Highway, Ahmedabad

NAME OF THE SHARE HOLDER

(IN BLOCK LETTERS) \_\_\_\_\_

SIGNATURE OF THE

SHARE HOLDER \_\_\_\_\_

NAME OF THE PROXY

(IN BLOCK LETTERS) \_\_\_\_\_

SIGNATURE OF THE

PROXY \_\_\_\_\_

- Applicable for holding in electronic form.

**Notes:**

1. You are requested to sign and hand over this at the entrance. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy, A-Wing 404, 4<sup>th</sup> Floor, Satyamev–II, Nr.Gujarat High Court, Opp. Kargil Petrol Pump, S.G.Highway, Ahmedabad.
2. Not less than 48 hours before the time for holding the meeting.
3. If you are attending the meeting in person or by proxy. You/your proxy for reference at the meeting may please bring your copy of the Balance Sheet.



**ENRICH INDUSTRIES LIMITED**

A-Wing 404, 4<sup>th</sup> Floor, Satyamev –II, Nr. Gujarat High Court,  
Opp. Kargil Petrol Pump, S.G.Highway, Ahmedabad.

CARD D.P.ID \_\_\_\_\_ L.F.No.: \_\_\_\_\_

Client ID \_\_\_\_\_ No. Of Shares Held \_\_\_\_\_

**FORM OF PROXY**

I/we.....of.....in the district of .....Being a member/members of the above named Company hereby appoint.....of.....in the district of.....as my/our proxy to attend and vote for me/us and on my/our behalf at the NINETEENTH ANNUAL GENERAL MEETING of the Company to be held on the 30<sup>th</sup> September, 2011

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



- Applicable for Holding in electronic form.

**Notes:**

1. The Proxy form must be deposited at the Registered office of the Company at A-Wing 404, 4<sup>th</sup> Floor, Satyamev –II, Nr. Gujarat High Court, Opp. Kargil Petrol Pump, S.G.Highway, Ahmedabad.
2. Not less than 48 hours before the time for holding the meeting.
3. This Proxy form is to be used (\*) if favour of/against the resolution. Unless otherwise directed, the Proxy will vote as he thinks fit.

(\*) Strike out whichever is not applicable.