

R.B.GUPTA
FINANCIALS
LIMITED

18TH
ANNUAL REPORT
2010 – 2011

DIRECTOR'S REPORT

Dear Members,

Your Directors hereby present the 18th ANNUAL REPORT together with the Audited statement of the account for the year ended 31st March'2011.

(1) FINANCIAL RESULTS :

The financial results for the year ended are as under:

(Rs. in Lac)	Year Ended 2010-2011	Year Ended 2009-2010
Total turnover and other income	95.08	10.36
Profit / Loss before Int., Dep. & Tax	2.37	0.56
Interest	0.03	0.05
Depreciation	0.21	0.20
Profit / Loss before Tax	2.13	0.30
Provision Fringe Benefit Tax	0.35	0.00
Add : Deferred Tax Assets	0.18	0.15
Profit / Loss after Tax	1.54	0.09
Transfer to special Reserve	0.43	0.06
Balance carried to Balance Sheet	9.46	7.92

(2) DIVIDEND:

Your Director's do not recommend any dividend for the year.

(3) PUBLIC DEPOSIT :

The Company has not accepted any deposits u/s 58A of the Companies Act 1956 during the year under report.

(4) Report on corporate Governance:-

Pursuance to clause-49 of the listing agreement entered with stock exchanges. A separate section on corporate Government in the annual report of the company is attached to the annual report.

(5) AUDITORS :

M/s. Amin Parikh & Co. Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for reappointment.

(6) AUDITORS' REPORT :

The observation of the auditors are explained wherever necessary, by way of appropriate notes to the accounts.

(7) DIRECTORS' RESPONSIBILITY :

Pursuant Section 217(2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

R B GUPTA FINANCIALS LIMITED

- (i) In the preparation of the Annual Accounts, the applicable standards have been followed.
- (ii) Appropriate accounting policies been selected and applied consistently and have made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March'2011 and of the Profit & Loss Account for the year ended on that day.
- (iii) Proper and sufficient care has been take for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Annual Accounts have been prepared on a going concern basis.

(8) DIRECTORS :

Mr. Ramesh N. Chauhan, Director retires by rotations of the ensuing annual general meeting of the company and being eligible offers himself for re-appointment.

Mr. Narendra Chandubhai Patel was appointed as additional Independent Director during the year. He ceases to be director at the ensuing annual general meeting. The Company has received notice U/s. 257 of the companies Act, 1956 to appoint him as independent director.

(9) Secretarial Compliance Certificate:

Secretarial compliance certificate as required under the provision of section 383 A1) of the companies Act, 1956 is annexed herewith.

(10) PARTICULARS OF EMPLOYEES:

Information in accordance with the provisions of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended regarding employees is nil.

(11) PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE AND OUT GO :

Information in accordance with the provision of section 217 (1E) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is Nil.

(12) ACKNOWLEDGEMENT :

Your Directors appreciate the valuable co-operation and assistance received from the Company's Bankers, employees, customers and all those associated with the company during the year under review.

By order of the Board

Place : Vadodara
Date : 28th July,2011

Sd/-
Director

Dinesh Mehta & Co.,
Company Secretaries.

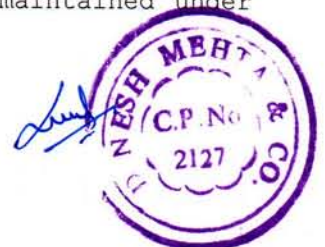
4,Rutu Villa,
Gotri Telephone Exchange Road,
Gotri,Baroda – 390 021,
Ph. No. 2371241

COMPLIANCE CERTIFICATE

To
The Members,
R.B.Gupta Financials Ltd.
Baroda.

We have examined the registers, records, books and papers of R.B.Gupta Financials Ltd. as required to be maintained under the Companies Act, 1956 (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March,2011(financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this Certificate with the Registrar of Companies prescribed under the Act And the rules made there under.
3. The company, being a public limited company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met ten times respectively on 17/04/10, 15/07/2010, 26/07/10, 31/08/10, 11/10/10, 15/10/10, 16/12/10, 17/01/11, 14/02/11 and 31/03/11 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members from 29/09/2010 to 30/09/2010.
6. The annual general meeting for the financial year ended on 31st March, 2010 was held on 30/09/2010 after giving due notice to the members of the company and the resolutions passed there were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The company has not entered into any contract falling under section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.



11. There were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.

12. The company has not issued any duplicate certificates during the financial year.

13. i. There was no allotment/transfer/transmission of securities.

The Company has:

ii & iii. not deposited any amount in a separate Bank Account and also not posted any warrant as no dividend was declared during the Financial year.

iv. There was no outstanding amount in unpaid dividend account, application money amount due for refund, matured deposit, matured debenture and interest thereon.

v. duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the company is duly constituted. There was an appointment of one additional director during the year. There was no appointment of alternate directors and directors to fill casual vacancy during the financial year.

15. There was no appointment of managing director or executive director under section 269 of the act read with Schedule XIII during the year.

16. The company has not appointed any sole selling agents during the financial year.

17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such prescribed under the various provisions of the Act. The company had made application under Form 1B to the Registrar of Companies for approval for change of name of the company. However, the company could not obtain required letter/ certificate from the Reserve Bank of India and therefore the change of name of the company has not been approved by ROC.

18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.

19. The company has not issued any shares, debentures or other securities during the financial year.

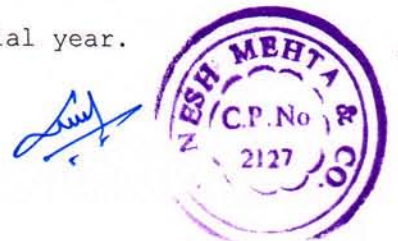
20. The company has not bought back any shares during the financial year.

21. There was no redemption of preference shares or debentures during the financial year.

22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer or shares.

23. The company has not invited/accepted any deposit including any unsecured loan falling within the purview of section 58A during the financial year.

24. The company has not made any borrowing during the financial year.



25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the Register kept for the purpose.

26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.

27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.

28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny. The company had made application under Form 1B to the Registrar of Companies for approval for change of name of the company. However, the company could not obtain required letter/ certificate from the Reserve Bank of India and therefore the change of name of the company has not been approved by ROC.

29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.

30. The company has not altered its articles of association during the financial year.

31. There was no prosecution initiated against or show cause notice received by the company during the financial year for offence under the Act.

32. The company has not received any money as security from its employees during the financial year.


33. The company has not deducted any contribution towards Provident Fund under section 418 of the Act.

Place: VADODARA
Date: 11/06/2011



For

Dinesh Mehta & CO.
Company Secretaries


Dinesh Mehta
Proprietor
C.P. No. 2127

Annexure A

Registers as maintained by R.B.Gupta Financials Ltd.

1. Reg. of Charge u/s 143.
2. Reg. of Members u/s 150.
3. Reg. of contract with Directors etc. u/s 301.
4. Reg. of Directors' shareholding u/s 307.
5. Reg. of Directors, Managing Director u/s 301/303.
6. Share Transfer Register.

Annexure B

Forms>Returns filed by R.B.Gupta Financials Ltd.

1. Form 23AC & 23ACA as at 31.03.2010 filed on 22.10.2010.
2. Form 20B upto 30.9.2010 filed on 27.11.2010.
3. Form 66 for the year ended 31.03.2010 filed on 15.10.2010.
4. Form 20A dated 30.09.2010 filed on 14.10.2010.
5. Form 1A filed on 04.09.2010 and 27.01.2011.
6. Form 1B dated 30.09.2010 filed on 15.10.2010.
7. Form 23 dated 30.09.2010 filed on 14.10.2010 and 30.11.2010
8. Form 32 dated 16.12.2010 filed on 16.12.2010.

For Dinesh Mehta & Co.
Company Secretaries


Dinesh Mehta
Proprietor





AUDITOR'S REPORT

To,
The Shareholders,
R.B.GUTPA FINANCIALS LIMITED
VADODARA

1. We have audited the attached Balance Sheet of R.B. GUPTA FINANCIALS LTD., VADODARA as at 31st March 2011 and also the annexed Profit and Loss Account of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that :
 - a. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit ;
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books ;
 - c. The Company's Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by the report are in agreement with the books of accounts ;

AMIN PARIKH & CO.

CHARTERED ACCOUNTANTS

11nd Floor, "Parvati Sadan", Prof. Manekraoji Road, Dandia Bazar, Baroda - 390 001.
Phone : (O) 2423370 Fax : 2423370 (R) 2310599 E-mail : aminparikh@yahoo.com



AUDITOR'S CERTIFICATE ON COMPLIANCE OF CLAUSE 49 OF THE LISTING AGREEMENT

R B Gupta Financials Limited
Near Shivam Estate,
Opp. Vuda Office,
Karelibaug, Baroda - 390 018.

We have reviewed the records concerning the company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the company with the Stock Exchanges, for the financial year ended 31st March' 2011

The compliance of conditions on Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions on the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for the review and the information and explanations given to us by the company.

Based on such review, in our opinion, the company has complied with the conditions on Corporate Governance, as stipulated in Clause 49 of the said listing Agreement.

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

For Amin Parikh & Co
Chartered Accountants,


CA Samir Parikh
Partner

M.No. 41506


F.R.N. 100332W

Vadodara : 28/07/2011

- d. In our opinion, Profit and Loss Account, Cash Flow Statement and Balance Sheet dealt with by the report comply with mandatory Accounting Standards as referred to in the sub-section (3C) of section 211 of the Companies Act, 1956. To the extent applicable except note relating to the retirement benefits (Accounting Standard-15)
- e. In our opinion, and on information and explanations given to us, none of the directors is disqualified as on 31st March'2011 from being appointed as a director in terms of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956.
- f. As discussed in Note of Schedule to the financial statements no Provision has been provided in the financial statements which in our opinion, is in accordance with the prudential Accounting norms as per Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directives, 1998. This is the result of a decision taken by management at the start of the preceding Financial year and caused us to qualify our audit opinion on the financial statements relating to the year, with result the profit for the year ended 31st March'2011 should reduced accordingly.
- g. Except for Non – Provision of doubtful debt referred to the preceding paragraph in our opinion, the Balance sheet and profit & loss accounts and cash flow statement comply with the accounting standard referred to in sub-section(3c) of section 211 the Companies Act,1956.
- h. In our opinion and to the best of our information and according to the explanation given to us, except for the effect on the financial statement of Non-Provision of doubtful debts referred to in paragraph (f) foregoing, the said financial statements read together with the other note thereon given the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- i. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Significant Accounting Policies and other Notes thereon given the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India.
1. in so far as related to Balance Sheet, of the state of affairs of the Company as at 31st March,2011
 2. in so far as it relates to the Profit and Loss Account, of the Profit of the company for the year ended on that date;
 3. in so far as it relates to the Cash Flow Statement of the cash flows of the Company for the year ended on that date. And subject to-
- a. Note No. 2 of Schedule 12 relating to relating to retirement a benefit which is accounted for on payment basis. The extent of compliance in value terms is as certain able.

- b. Note No. 4 relating to non-provision of declining valuation of quoted/unquoted investments/inventories (traded securities) including following the method of valuation of investment laid down in AS-13 and the RBI Guidelines.
- c. The company has complied with the prudential norms on income recognition, Accounting Standards, assets classification, provisioning for bad doubtful debts and concentration of credit / investments as specified in the directions issued by the RBI in terms of the Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- d. Compliance with Capital adequacy ratio with the minimum Capital to Risk Assets Ratio prescribed by the RBI.
- e. The company has complied with the prescribed liquidity requirements and not kept the approved securities with the designated bank.

**For Amin Parikh & Co
Chartered Accountants,**

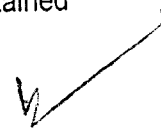

**CA Samir Parikh
Partner
M.No. 41506
F.R.N. 100332W
Vadodara : 28/07/2011**



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

1. (a) The company has maintained proper records to showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

(b) All the assets have been physically verified by the management during the year in phased periodic manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.


(c) There is no substantial sale of Fixed Assets of the company during the year.
 2. In respect of its inventories :
 - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there where no material discrepancies noticed on physical verification of inventory as compared to the book records.
 3. In respect of Loans & Advances :
 - a. The company had not taken loan from companies firm or other parties listed in the register maintained as per section 301 and 370 (IC) of the Companies Act, 1956.
 - b. The company has granted loans to parties listed as per section 301 and 370 (IC) of the Companies Act, 1956. There are three parties covered in the register maintained under section 301 of the Companies Act, 1956 to which the company has granted loans. The maximum amount involved during the year was Rs.20.89 Lakhs and the year end balance of loans taken to such parties was Rs. 339.88 Lakhs.
 - c. The Company does not charge any interest on these advances given nor does it pay any interest on the advances taken.
 - d. The amounts in the balance sheet are overdue since many years and no details are available for our verification.
 4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
 5. In respect of transactions covered under Section 301 of the companies Act, 1956.
 - a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, the needed to be entered in the registers maintained under section 301 of the Companies Act, 1956 have been so entered.
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- b. In our opinion and according to the information and explanations give to us, each of these transactions aggregating to Rs. 5,00,000/- (Rs. Five Lacs Only) or more in respect of any party during the year have been at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company is a Non-Banking Financial Company which is an investment company, not accepting public deposit and which has invested not less than 90% of its assets in the securities of its group holding / subsidiaries companies as long term investments.
- (i) In our opinion and according to the information given to us, Board of Directors has passed a resolution for the non-acceptance of the public deposits.
- (ii) In our opinion and according to the information given to us, the company has not accepted any public deposits during the year.
- (iii) In our opinion and according to the information given to us, the company has, through a Board resolution, identify the group/holding/subsidiary companies.
- (iv) In our opinion and according to the information given to us, the cost of investments made in the group of holding or subsidiary company is less than 90% of the cost of the total assets of the company at any point of time through out the accounting year.
- (v) In our opinion and according to the information given to us, the company has continued to hold the securities of group of holding or subsidiary companies as long term investments and has not traded in those investments during the accounting year.
7. In our opinion, the company has an internal audit system commensurate with size and nature of its business.
8. Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956. for the year under review.
9. In respect of statutory dues :
- a. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, Income –tax, sales tax, custom-duty and Excise-duty, Cess etc., were outstanding as on 31st March'2011 for a period of more than six month from the date they become payable and the Company is regular in depositing undisputed statutory dues with the appropriate authorities.
- b. According to the information and explanations given to us, there are no dues of Sale tax, Income tax, Customs duty, Excise duty, and Cess, which have not been deposited on account of any dispute.



10. In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. In our opinion, and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
12. In our opinion, and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a Chit Fund or a Nidhi Mutual benefit Fund/Society. Therefore, the provisions of clause 4 (xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. In our opinion, the Company has not given Guarantees for loans taken by other from banks or financial institutions.
15. No term loans have been raised during the year.
16. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment and no long-term funds have been used to finance short term assets.
17. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
18. The Company has not issued any debentures and hence Company has not created securities.
19. The Company has not raised any money by way of public issue during the year.
20. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year that caused the financial statements to be materially misstated.

For Amin Parikh & Co
Chartered Accountants,


CA Samir Parikh
Partner
M.No. 41506
F.R.N. 100332W
Vadodara : 28/07/2011

REPORT ON CORPORATE GOVERNANCE

The Corporate Governance Code. Introduced by Securities and Exchange Board of India [{"SEBI"}] as adopted by incorporating a new clause No. 49 in the Listing Agreement of the Stock Exchange and also by applicable and also by applicable provision of the Companies [Amendments] Act, 2000, has been implemented by the Company effective from 1st April'2004

The Company has taken necessary steps to comply with all the requirement of the guidelines on Corporate Governance as would be applicable to it.

1. Board of Director as on 31st March'2011

The Board comprises of Four Directors, of whom one was Managing Director up to 30.09.2010 and three are Non-Executive Directors. The Chairman of the Board was a Managing Director/Director.

A. Composition of the Board for the period from 1st April'2010 to 31st March'2011

Name of the Directors	Status
1. Shri Bharat R. Gupta	Director
2. Smt. Anupama B. Gupta	Director
3. Shri Ramesh N. Chauhan	Non-Executive Independent Director
4. Shri Narendra C. Patel	Non-Executive Independent Director

B. Board Meeting :

The meetings of the Board of Directors are scheduled well in advance. The notice convening the meeting and the detailed agenda is sent at least seven days in advance to all the Directors.

The Board meets at least once in a quarter to review the quarterly performance and financial results.

I. Number of Board Meeting

During the year from 1st April'2010 to 31st March'2011 the Board of Directors met Ten times on the following dates.

R B GUPTA FINANCIALS LIMITED

<u>Sr.No.</u>	<u>Date</u>	<u>Board Strength</u>	<u>No. of Director Present</u>
1.	17.04.2010	3	3
2.	15.07.2010	3	3
3.	26.07-2010	3	3
4.	31.08.2010	3	3
5.	11.10.2010	3	3
6.	15.10.2010	3	3
7.	16.12.2010	3	3
8.	17-01-2011	4	4
9.	14.02.2011	4	4
10.	31.03.2011	4	4

II. Attendance of Directors :

Names of the Directors	No. of Board Meeting held	No. of Board Meeting Attended	Attendance at the last Annual General Meeting	No. of Director ship in other Boards as on 31 st March '11	No. of Member ships in other Board committees as on 31st March '11
Bharat R. Gupta	10	8	Yes	1	3
Ramesh Chauhan	10	8	Yes	-	3
Anupama B Gupta	10	8	Yes	1	3
Narendra C Patel	10	3	No.	-	1

2. Committees of Directors :

Non-Executive Independent Directors, Including the Chairman, provide guidance to operating management on policy matters as well as in the monitoring actions of operating management. The Committees are intended to provide regular exchange of information and ideas between the Non-Executive Directors and the operating management.

The Board has accordingly formed Committees, which comply with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges and other Applicable provisions of the Companies [Amendment] At, 2000.

[A] Audit Committee :

Audit Committee comprises of the following Executive Director and Non-Executive Independent Directors of the Board.

Name of the Directors	Status
1. Shri Bharat R. Gupta	Director
2. Mrs. Anupama B. Gupta	Director
3. Shri Ramesh N. Chauhan	Non-Executive Independent Director

Audit committee meetings were held on 15.07.2010 and 15.10.2010

I. Remuneration Committee comprises of the following Non-Executive Independent Directors of the Board:

Name of the Directors	Status
1. Mrs. Anupama B. Gupta	Director
2. Shri Ramesh N. Chauhan	Non-Executive Independent Director
3. Shri Narendra C. Patel	Non-Executive Independent Director

II. Remuneration Policy:

The Company follows a market linked remuneration policy, which is aimed at enabling the company to attract and retain the best talent. The Company does not have an Employees Stock option Policy.

III. Board terms of reference of the Remuneration Committee.

- a. To recommend and review remuneration package of Managing/Executive Director and Company Secretary if any, of the Company.
- b. To present report to the Board on remuneration package of Managing/Directors and Company Secretary, if any, of the Company.

IV. Details of remuneration paid to the executive director during the year ended 31st March'2011.

a. Executive Director :

Name of the Director	Salary	Perquisites	Total
Mr. Bharat R. Gupta	1,50,000/-	Nil	1,50,000/-
Managing Director (up to 30.09.2010)			

The above Managing/Executive Director has not been given any package of stock option, pension etc.

R B GUPTA FINANCIALS LIMITED

Terms of Contract:

Name of the Director	Date of Appointment	Expiry of the Contract
Mr. Bharat R. Gupta Managing Director	01.10.2005	30.09.2010

The above Managing Director was required to give 3 months notice period for resignation as Managing Director, if before expiry of service contract, the tenure of office of the Managing Director is determined, he will be entitled compensation as per section 318 of the companies Act.

b. Non-Executive Directors:

No sitting fee is paid to Non-Executive Directors.

No remuneration committee meeting was held during the year.

c. Shareholder/Investors Grievances Committee:

This committee of the following Executive Director, and Non-Executive Directors, reviewing shareholders, complaints and resolution thereof.

Name of the Directors	Status
1. Shri Bharat R. Gupta	Director
2. Mrs. Anupama B. Gupta	Director
3. Shri Ramesh N. Chauhan	Non-Executive Independent Director
4. Shri Narendra C. Patel	Non-Executive Independent Director

No Shareholder / Investors Grievances Committee Meeting was held during the year ended 31st March'2011 as the Company did not receive any letter of major grievances from the shareholders / Investors.

3. General Body Meetings :

The last three Annual General Meeting [AGMS] of the Company were held on the following dates and time at Near Shivam Estate, Opp. Vuda Office, Mangal Pandey Raod, Karelibaug, Baroda - 390 018.

[A] Details of last three AGMs held :

AGM	Day and date	Time
15 th	Tuesday 30-09-2008	9.00 am
16 th	Wednesday 30.09.2009	9.00 am
17 th	Thursday 30.09.2010	9.00 am

[B] Whether special resolutions were put through postal ballot last year? No

Generally, all the resolution in the General Body Meetings are passed through show of hands.

[C] Details of resolutions passed through Postal Ballot: Nil

[D] Area proposed to be conducted through postal ballot and procedure:

The Company proposes to pass resolution of General Body Meetings through postal ballot paper and follow the procedure given under the Companies Act.

5. Disclosure :

[A] Disclosures on materially significant related party transaction i.e. Transaction of the Company of material nature, with its promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large;

a. Managerial Remuneration of Rs. 1,50,000/- was paid to Mr. Bharat R. Gupta, Director for the period from 01.04.2010 to 30.09.2010.

[B] Details of non-compliance by the Company, penalties, stricture imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years : Nil

6. Means of Communication:

[A] Company has not made any presentations to any Institutional Investors / Analyst during the period.

[B] All items required to be covered in the Management Discussion & Analysis have been included in the directors Report to Members.

7. General Shareholder Information:

Day and date : Friday 30th September'2011
Time : 9.00 am.
Venue : Near Shivam Estate, Opp. Vuda Office,
Mangal Pandey Raod, Karelibaug, Baroda - 390 018.

[B] Financial Calender [1st April'2011 to 31st March'2012]

1	Board Meeting	29-04-2011
2	Board Meeting	28-07-2011
3	Board Meeting	31.10.2011
4.	Board Meeting	31.01.2012

R B GUPTA FINANCIALS LIMITED

[C] Registered Office : Near Shivam Estate, Opp. Vuda Office,
Mangal Pandey Raod, Karelibaug, Baroda - 390 018.
Ph.: 0265-6531377

[D] Listing on Stock exchange : Bombay Stock Exchange Ltd.
Corporate Relationship Department,
1st Floor, New Trading Ring, Phiroze Jeejeebhoy Tower,
Dalal Street, Fort, Mumbai - 400 001.

[E] Stock Code : 532024 : Bombay Stock Exchange Ltd.

[F] Market Price data:

The equity shares of the company are not traded at the stock exchange and therefore market price of shares of the company is not available.

[G] Dematerialization of share and liquidity. : The Company has not dematerialized its shares

[H] Address of Registrars and share transfer agent. : The Company has in-house share transfer department.

[I] Share Transfer System:

Shares in physical mode, which are lodged for transfer, are processed and returned to the shareholders within the stipulated time.

[J] Distribution of shareholding as on 31st March'2011.

<u>Category</u>	<u>No. of Shares</u>	<u>Percentage</u>
Promoter Group	4440800	74.51%
NRI / OCB	--	--
Bank	--	--
Bodies Corporate	293700	4.93%
Others	1225500	20.56%
Total	<u>5960000</u>	<u>100%</u>

[K] Outstanding GDR's ADR's / Warrants or any Convertible instruments, Conversion date and likely impact or equity. : Not Applicable

**AUDITOR'S CERTIFICATE ON COMPLIANCE OF CLAUSE 49 OF THE
LISTING AGREEMENT**

R B Gupta Financials Limited
Near Shivam Estate,
Opp. Vuda Office,
Karelibaug, Baroda – 390 018.

We have reviewed the records concerning the company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the company with the Stock Exchanges, for the financial year ended 31st March' 2011

The compliance of conditions on Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions on the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for the review and the information and explanations given to us by the company.

Based on such review, in our opinion, the company has complied with the conditions on Corporate Governance, as stipulated in Clause 49 of the said listing Agreement.

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

For Amin Parikh & Co
Chartered Accountants,

Sd/-
CA Samir Parikh
Partner
M.No. 41506
F.R.N. 100332W
Vadodara : 28/07/2011

R. B. GUPTA FINANCIALS LIMITED : BARODA

BALANCE SHEET AS ON 31st MARCH'2011


PARTICULAR		AS AT 31/03/2011 Rs.	AS AT 31/03/2010 Rs.
SOURCES OF FUNDS :			
I. Shareholders Funds :			
a) Capital	A	50579000.00	45783500.00
b) Reserves & Surplus	B	1488308.38	1291170.98
		52067308.38	47074670.98
II. Loan Funds :			
a) Secured Loans	C	0.00	0.00
b) Unsecured Loans		0.00	0.00
		0.00	0.00
Total		52067308.38	47074670.98
APPLICATION OF FUNDS :			
I. Fixed Assets :	D		
a) Gross Block		415592.06	415592.06
b) Less : Depreciation		272065.12	251415.61
Net Block		143526.94	164176.45
II. Investment :	E	4257269.12	3147416.22
III. Net Current Assets	F	42641589.32	38756871.31
IV. Miscellaneous Expenditure (To the extent not w/off)	G	1259328.00	1259328.00
V. Deferred Tax Assets		3765595.00	3746879.00
Total (I to IV)		52067308.38	47074670.98

As per our report of even date

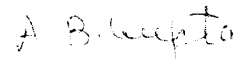
For Amin Parikh & Company
Chartered Accountants

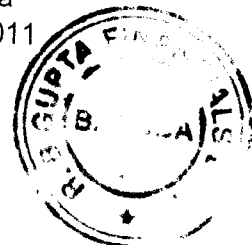
CA Samir Parikh
PARTNER
Place : Vadodara
Date : 28/07/2011

On Behalf on the Board
For R. B. Gupta Financials Ltd.


Bharat R. Gupta
(Managing Director)

Place : Vadodara
Date : 28/07/2011


Anupama B. Gupta
(Director)



R. B. GUPTA FINANCIALS LIMITED : BARODA
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH'2011

PARTICULAR		FOR THE YEAR	FOR THE YEAR
		ENDED 31/03/2011 Rs.	ENDED 31/03/2010 Rs.
INCOME :			
Income	H	7921890.00	0.00
Other Income		1585984.57	1062712.00
Increase/Decrease in Stock		0.00	0.00
	Total	9507874.57	1062712.00
EXPENSES :			
Expenses	I	7799807.00	0.00
Administrative Expenses	J	1470895.38	1006934.83
Interest	K	3101.28	4920.02
Depreciation		20649.51	20283.76
	Total	9294453.17	1032138.61
Profit before Taxation/Loss (-)		213421.40	30573.39
Less : Provision for Income Tax		35000.00	0.00
Less : Provision for Fringe Benefit tax		0.00	0.00
Less : Transfer to Special Reserve as per RBI Act.		42684.28	6115.00
Add : Deferred Tax Assets		18716.00	15060.00
Less : Income Tax Adjustments		0.00	2850750.00
Profit after Tax/Loss (-)		154453.12	9398.39
Add : Opening Balance of the Prev. year		791839.51	3633191.12
Balance Transfer to Profit & Loss A/c.		946292.63	791839.51

As per our report of even date

On Behalf on the Board
For R. B. Gupta Financials Ltd.

For Amin Parikh & Company
Chartered Accountants

CA Samir Parikh
PARTNER
Place : Vadodara
Date : 28/07/2011



Bharat R. Gupta
(Managing Director)
Place : Vadodara
Date : 28/07/2011

A. B. Gupta
(Director)



R. B. GUPTA FINANCIALS LIMITED : BARODA

PARTICULAR	AS AT	AS AT
	31/03/2011	31/03/2010
	Rs.	Rs.
SCHEDULE : A		
<u>SHARE CAPITAL</u>		
Authorised		
6000000 Equity Share of Rs 10/- each	<u>60000000.00</u>	<u>60000000.00</u>
Issued & Subscribed		
Share Capital		
5960000 Equity Share of Rs 10/-each	59600000.00	59600000.00
Paid-up		
Fully Paid-up	47565000.00	41171000.00
Partly Paid-up	12035000.00	18429000.00
Less : Calls Unpaid	9021000.00	13816500.00
Total	<u>50579000.00</u>	<u>45783500.00</u>

SCHEDULE : B

RESERVE & SURPLUS

a. General Reserve		147407.84	147407.84
b. Special Reserve			
Opening Balance	351923.63		
Add : During the year Reserve	<u>42684.28</u>	394607.91	351923.63
c. Profit & Loss Account			
Opening Balance	791839.51		
Add : During the year	<u>154453.12</u>	946292.63	791839.51
Total		<u>1488308.38</u>	<u>1291170.98</u>

SCHEDULE : C

A. SECURED LOANS

	0.00	0.00
Total	<u>0.00</u>	<u>0.00</u>

B. UNSECURED LOANS

	0.00	0.00
Total	<u>0.00</u>	<u>0.00</u>



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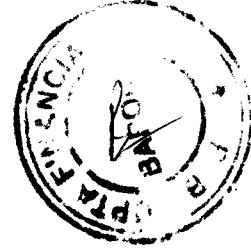
R.B.GUPTA FINANCIALS LIMITED, VADODARA

Fixed Assets As On 31.03.2011

Schedule - D : Details of Fixed Assets

SR. NO.	A S S E T S	GROSS BLOCK		Total	DEPRECIATION			NET BLOCK		
		As on 01.04.2010			Up to 01.04.2010	For the Year	Deduction Adjustme	Up to 31.03.2011	As on	
		Rs.	Deduction						Rs.	Rs.
1	Air Conditioner	65,485.06	0.00	65,485.06	44,822.13	3,110.53	0.00	47,932.66	17,552.40	20,662.93
2	Computer	186,505.00	0.00	186,505.00	105,408.27	8,858.99	0.00	114,267.26	72,237.74	81,096.73
3	Modi Zerox Machine	62,177.00	0.00	62,177.00	47,252.51	2,953.41	0.00	50,205.92	11,971.08	14,924.49
4	Furniture	57,525.00	0.00	57,525.00	43,000.82	3,641.33	0.00	46,642.15	10,882.85	14,524.18
5	Fax Machine	5,000.00	0.00	5,000.00	2,612.50	237.50	0.00	2,850.00	2,150.00	2,387.50
6	Leval Miter	13,500.00	0.00	13,500.00	4,590.75	641.25	0.00	5,232.00	8,268.00	8,909.25
7	Water Cooler M/c.	10,000.00	0.00	10,000.00	3,362.88	475.00	0.00	3,837.88	6,162.12	6,637.12
9	Mobile	15,400.00	0.00	15,400.00	365.75	731.50	0.00	1,097.25	14,302.75	15,034.25
	Total	415,592.06	0.00	415,592.06	251,415.61	20,649.51	0.00	272,065.12	143,526.94	164,176.45
	Previous Year	409,391.73	0.00	409,391.76	216,894.54	20,355.00	0.00	237,249.55	172,142.21	192,498.11

Note :- 1. Depreciation Provided on S.L. Method at the rate of 4.75% on Plant & Machinery and 6.33% on Furniture.



(Handwritten signature)

R. B. GUPTA FINANCIALS LIMITED : BARODA

PARTICULAR	AS AT 31/03/2011 Rs.	AS AT 31/03/2010 Rs.
<u>SCHEDULE : E</u>		
INVESTMENTS :		
1300 Equity Shares of Dimand Power Infra. Ltd. Rs.243/-- each Partly Paid-up (Mkt Value Rs.170)	315994.00	0.00
171640 Equity Share of Aarbgir Nirman Ltd) Rs.10/-each fully paid. (Not quoted)	1716400.00	1716400.00
250 Equity Share of Reliance Industries Ltd Rs. 1056/- each fully paid (Mkt Value Rs.1049)	264070.00	0.00
300 Equity Share of ShriRam Multi Tech Ltd Rs.72/-each fully paid (Mkt Value Rs.5)	107603.00	107603.00
4000 Equity Share of ITI Rs.6.38/-each fully paid (Mkt. Value Rs.Nil)	25535.00	25535.00
34167 Equity Share of Kemrock Ind.Ex. Ltd. Rs.37.69 /-each fully paid(Mkt Value Rs.532)	1816140.87	1290568.22
52 Equity Share of Reliance Power Ltd. Rs.143/-each fully paid (Mkt. Value Rs.130)	11526.25	7310.00
Total	<u>4257269.12</u>	<u>3147416.22</u>



R. B. GUPTA FINANCIALS LIMITED : BARODA

PARTICULAR	AS AT 31/03/2011 Rs.	AS AT 31/03/2010 Rs.
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SCHEDULE : G

Miscellaneous Expenditure
(To the extent not W/OFF)
Deferred Revenue Exps.

(Issue Expenses)	1259328.00		
Less : Written off	0.00	1259328.00	1259328.00
Total	1259328.00		1259328.00

SCHEDULE : I

Income Account

Sales	7921890.00	0.00
Total	7921890.00	0.00

OTHER INCOME

Other Income	0.00	1062712.00
Construction Income	995000.00	0.00
Dividend On Equity Shares	34667.00	0.00
Profit on Sale of Share (Long Term)	543417.50	0.00
Short Term Profit of Share	12900.07	0.00
Total	1585984.57	1062712.00

Expencc Accounts

Purchase	7353286.00	0.00
Construction Expenses	446521.00	0.00
Total	7799807.00	0.00

Increase/Decrease in Stock

Stock of Shares		
Closing Stock	0.00	0.00
Opening Stock	0.00	0.00
Total	0.00	0.00



R B GUPTA FINANCIALS LIMITED : BARODA
SUNDRY CREDITORS AS ON 31.03.2011

Sr. No.	Name of the Party	Amount
1	Amin Parikh & Co.	12500.00
2	Maharashtra Steel Traders (India)	4923730.00
3	Out Put Tax Payable	35084.12
4	Jalaram Auto	705.00
5	Yamuna Art Printer	2194.00
	Total	4974213.12

LOANS & ADVANCES AS ON 31.03.2011

Sr. No.	Name of the Party	Amount
1	Hiten k Patel	400000.00
2	Minesh Patel	3240000.00
3	Real Estate Advance	33988585.00
4	Sandeep K Patel	600000.00
	Total	38228585.00

BANK ACCOUNT AS ON 31.03.2011

Sr. No.	Name of the Party	Amount
1	Axis Bank Limited	10000.00
	Total	10000.00



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R B GUPTA FINANCIALS LIMITED : BARODA

Statement pursuant to Part-IV of Schedule VI to the Companies Act, 1956

(i) Registration Detail : Balance Sheet Date :- 31.03.2011
Registration No. : L65910GJ1993PLC019057
State Code : 04

(ii) Capital raised during the year (Amount in Rs.) Rs.NIL

(iii) Position of Mobilisation and Deployment of Funds (Rs. in Lakhs)

Total Liabilities	520.67	Total Assets	520.67
<u>Sources of Funds</u>		<u>Application of Funds</u>	
Paid up Capital	505.79	Net Fixed Assets	1.44
Reserve and Surplus	14.88	Investment	42.57
Secured Loan	0.00	Net Current Assets	426.41
Unsecured Loan	0.00	Miscellaneous Expenses/ P & L /	12.60
		Deferred Tax Assets	37.65

(iv) Performance of the Company

Turn over / Revenue	95.07	Total Expenditure	92.9
Profit before Tax	2.13	Profit after Tax	1.78
Earning Per Share	-	Dividend %	-

(v) Generic Name of the Principal Product/Service of Company


Item Code No : Not Applicable
Product Description : Finance Business & hence N.A.

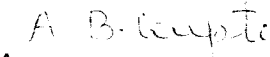
As per our report of even date

on behalf of the Board
For, R.B.Gupta Financials Ltd.

For Amin Parikh & Company
Chartered Accountants

CA Samir Parikh
PARTNER
Place : Vadodara
Date : 28/07/2011


Bharat R. Gupta
(Managing Director)
Place : Vadodara
Date : 28/07/2011


Anupama B. Gupta
(Director)



AMIN PARIKH & CO.

CHARTERED ACCOUNTANTS

IInd Floor, "Parvati Sadan", Prof. Manekraoji Road, Dandia Bazar, Baroda - 390 001.
Phone : (O) 2423370 Fax : 2423370 (R) 2310599 E-mail : aminparikh@yahoo.com



NOTES FORMING PART OF THE ACCOUNTS :

1. SIGNIFICANT ACCOUNTING POLICIES :

(A) Basis of Presentation

- The financial statements have been prepared under the historical cost convention and on the basis of going concern, in accordance with the generally accepted accounting principles and provisions.
- The Company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis. Insurance and other claims are accounted for as and when admitted by the appropriate authorities.

(B) Fixed Assets :

Fixed Assets are recorded at cost less depreciation. The company capitalises all direct costs relating to the acquisition and installation of fixed assets.

(C) Depreciation

Depreciation is charged on fixed assets as per the Straight Line Method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

(D) Deferment of Taxes :

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

During the year a Deferred Tax Assets of Rs.18,716/- has been utilised for carried forward unabsorbed losses of the company. However looking to the business circumstances it is less probable that the company will be able to earn sufficient profits in future to absorb the huge unabsorbed losses to this extent the deferred tax assets should not be recognized by the company.

- In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realised, in the ordinary course of business. Provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

- Debit and Credit Balances in party accounts are subject to confirmation and reconciliation.

4. Contingent Liabilities not provided for in respect of :

- | | |
|--|---------|
| a) Estimated amount of contracts remaining to be executed on Capital Account not provided for in the Books of Accounts | Rs. Nil |
| b) Claims against Company/disputed liabilities not acknowledge as debts. | Rs.Nil |

5. Earning in Foreign Currency Rs. Nil
6. CIF Value of Import & Expenditures : Rs. Nil
7. Quantitative Information : Not Applicable
8. During the year, the company has transferred 20% of its Profit amounting to Rs. 41,552.08/- to Special Reserve as required u/s. 45IC of the Reserve Bank of India Act. 1934.
9. In absence of sufficient profit of the Company, the company has not written off Misc. Expenditure of Rs. 12,59,328/-.
10. Deferred Tax Assets / Liabilities :

	<u>As at March 2011</u>	<u>As at March 2010</u>
i. Deferred Tax Liabilities for Temporary Differences Depreciation	(33,747/-)	(38,528/-)
ii. Deferred Tax Asset for temporary difference Unabsorbed Losses.	37,99,342/-	37,85,407/-
Deferred Tax Assets (Net)	37,65,595/-	37,46,879/-

11. Calculation of Deferred Tax Liabilities/(Assets)

PARTICULARS	UPTO 01.04.2010	DURING THE YEAR	AS AT 31.03.2011
DTL Difference between W.D.V. as per books and as per Income Tax	(38,528/-)	4,781/-	(33,747/-)
DTA , Carried Forward Loss	37,85,407/-	13,935/-	37,99,342/-
NET DTA/(DTL)	37,46,879/-	18,716/-	37,65,595/-

For Amin Parikh & Co
Chartered Accountants

CA Samir Parikh
Partner
M.No. 41506

F.R.N. 100332W
Vadodara : 28/07/2011

On Behalf of Board
For R.B.Gupta Financials Ltd.

Bharat R. Gupta
(Managing Director)

Anupama B. Gupta
(Director)

AMIN PARIKH & CO.

CHARTERED ACCOUNTANTS

11nd Floor, "Parvati Sadan", Prof. Manekraoji Road, Dandia Bazar, Baroda - 390 001.
Phone : (O) 2423370 Fax : 2423370 (R) 2310599 E-mail : aminparikh@yahoo.com



To,
The Board of Directors,
R B Gupta Financials Limited,
Vadodara.

We have examined the attached Cash Flow Statement of R B Gupta Financials Limited for the year ended 31st March' 2011. The statement has been prepared by the Company in accordance with requirements of Listing Agreement Clause 32 with Bombay Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our report of even date to the Members of the Company.

For Amin Parikh & Co
Chartered Accountants,

A handwritten signature in black ink, appearing to read 'Samir Parikh', written over a vertical line.

CA Samir Parikh
Partner
M.No. 41506
F.R.N. 100332W
Vadodara : 28/07/2011

R. B. GUPTA FINANCIALS LIMITED

CASH FLOW STATEMENT FOR YEAR ENDED 31/03/2011

		(Rs. in Lacs)
A.	<u>Cash Flow from Operation Activities :</u>	
	Net Profit after Taxation	2.13
Add. :	Depreciation	0.21
	Increase in Current Assets	-99.68
	Deferred Tax Assets	0.19
	Decrease in Current Liabilities	49.81
		<u>-49.47</u>
		-47.34
Less :	Interest Paid	0.03
	Net Cash Inflow from Operating Activities	<u>-47.37</u>
B.	<u>Cash Flow from Investing Activities :</u>	
	Increase in Investments	-14.19
	Decrease in Investments	20.25
	Long Term Capital Gain	5.43
	Short Term Capital Gain	0.13
	Net Cash Inflow from Investing Activities	<u>11.62</u>
C.	<u>Cash Flow from Financial Activities :</u>	
	Increase in share capital	47.96
Net :	Decrease in Cash & Cash Equivalents	-11.03
Add. :	Cash & Cash Eq. as on 01.04.2010	5.16
Cash :	Cash & Cash Eq. as on 31.03.2011	<u>-5.87</u>

For Amin Parikh & Company
Chartered Accountant

(CR Samir Parikh)
Partner

Vadodara July 28, 2011



on behalf of the Board
For, R B Gupta Financials Ltd.

Bharat R. Gupta
(Managing Director)

Anupama B. Gupta
(Director)

Vadodara July 28, 2011