

SAMPADA CHEMICALS LIMITED

28th
Annual Report

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SAMPADA CHEMICALS LIMITED

28TH ANNUAL REPORT 2010 - 2011

BOARD OF DIRECTORS :

NAME OF DIRECTORS	DESIGNATION	REMARK
Mr. Vipul P. Bhatt	CHAIRMAN	_____
Mr. Bijal V. Bhatt	Non Executive Director / Promoter	_____
Mr. Horam Singh	Non Executive Director / Independent	_____
Mr. Adarsh Somani	_____	Resigned w.e.f.31/03/2011
Mr. R. S. Sodhani	_____	Resigned w.e.f.31/03/2011
Mr. Gopaldas Mantri	_____	Resigned w.e.f.31/03/2011

BANKER :

BANK OF BARODA, TARDEO BRANCH, MUMBAI - 400054.

AUDITORS :

S. G. KABRA & CO. CHARTERED ACCOUNTANT

REGISTERED OFFICE :

**519, NAVJIVAN COMMERCIAL SOCIETY,
BLDG. NO.: 3,
LAMINGTON ROAD,
MUMBAI-400 008.**

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the company will be held on Thursday, 29th September, 2011 at 9.00 a.m. at Rusi Mehta Hall, Tulsiwadi, Tardeo, Mumbai-400 004 to transact the following business:

Ordinary Business :

1. To receive, consider and adopt the Balance Sheet as at 31st March-2011 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors' and the Auditor's thereon.
2. To appoint a Director in place of Mr. Bijal V. Bhatt, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. S. G. Kabra & Co., Chartered Accountants, Mumbai, as statutory auditors of company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

By Order of the Board

Place : Mumbai
Date : 01/09/2011

Vipul Bhatt
Chairman

Registered Office :
519, Navjivan Commercial Society,
Bldg.No 3,Lamington Road,
Mumbai-400 008.

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be member of the company
2. Proxies in order to be effective must be received not less than 48 hours before the meeting at the Registered Office of the company at the address given above.
3. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto and forms part of the Notice.
4. Members / Proxies should bring duly filled in and signed Attendance Slip for attending the meeting.
5. The Company's Register of Members and Share Transfer Book will be closed from Saturday, 24th September, 2011 to Thursday, 29th September, 2011 (Both days inclusive).
6. As per section 109A of the Companies Act, 1956 shareholders are entitled to make nomination in respect of shares held by them. Shareholders who desire to avail the facility may send their request in Form 2B (which will be made available on request) to the Registered Office of the Company.
7. Members are requested to:
 - a. Quote their Folio / DP ID & Client ID numbers in all the correspondence with the company.
 - b. Inform promptly any change in address to their DP/ Company.
 - c. Bring their copy of the Annual Report.
 - d. Intimate to the company at least 10 days in advance about any further information on the Annual Report desired by them at the ensuing Annual General Meeting.

By Order of the Board

Place : Mumbai
Date : 01/09/2011

Vipul Bhatt
Chairman

DIRECTORS' REPORT

To,
THE MEMBERS,

Your Directors have pleasure in presenting the 28th Annual Report of the company along with the Audited Statements of Accounts for the year ended 31-March-2011.

FINANCIAL RESULTS :*Rs./Lakhs*

Particulars	2010-2011	2009-2010
Operating Profit for the Year	139.8	571.65
Less: Interest	121.30	566.20
Profit / (Loss) before Depreciation & Tax	18.5	5.45
Less : Depreciation & Amortisation	0.01	0.02
Profit / (Loss) before Tax	22.53	5.43
Provision for Taxation	4.02	-
Profit / (Loss) after Tax	18.51	5.43
Add : Balance brought forward from previous year	457.39	451.96
Balance carried forward to Balance Sheet	475.90	457.39

DIVIDEND :

In order to conserve the resources and to improve the financial position of the company your Directors have decided not to recommend any dividend for the current year.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to section 217(2AA) of the Companies Act, 1956 it is hereby confirmed that:

- I. In the preparation of the Final Accounts for the year ended 31-March-2011, the applicable Accounting Standards have been followed and that no material departures have been made from the same.
- II. The Directors have selected such accounting policies and applied them consistently and 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 year under review and of the profit or loss of the company for the year.
- III. The Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act , 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV. The Directors have prepared the Accounts for the year ended 31-March-2011 on a 'going concern' basis.

MANAGEMENT DISCUSSION & ANALYSIS REPORT :**A. ECONOMIC OVERVIEW**

Economies across the globe are showing signs of recovery post the financial crises . Advanced economies are recovering at a subdued pace. Amongst emerging economies , India and China are leading the growth campaign it will help Indian economic return back to the GDP growth range of 8.5-9.0%in year 2011-12.

B. INDUSTRY STRUCTURE AND DEVELOPMENT :

Your company being a Non - banking finance company (NBFC) is engaged in the business of finance and investments.

C. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY :

The Company has effective system of internal control:

- a. Effective system of accounting and administrative control.
- b. Existence of Audit Committee of Directors and system of internal audit by an outside independent firm.
- c. Performance review system by the management with preset objective.

D. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :

The net profit of the Company for the current year is 18.51 lakhs as compared to a net profit of Rs.5.43 lakhs in the previous year. The total income of the Company was 41.75 Crores against income of Rs.42.64 Crores in the previous year.

E. SEGMENTWISE PERFORMANCE :

The Company has one segment only however separate segmentwise reporting is not applicable.

F. CAUTION STATEMENT :

Statements in the Management Discussion and Analysis are in the nature of judgements and forward looking statements. Actual results could differ materially or otherwise.

G. CORPORATE GOVERNANCE :

The Report on Corporate Governance along with The Compliance Certificate from the practicing Company Secretary and the Auditor's Certificate for compliance with the listing requirements as to corporate governance are attached as Annexure and form part of the Directors' Report.

H. FIXED DEPOSITS :

The company has neither accepted nor renewed any fixed deposits from public during the year under review.

I. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS & OUTGO :

As the company is an NBFC and not engaged in any manufacturing activity, the Rules for Conservation Of Energy, Technology Absorption And Foreign Earnings & Outgo pursuant to section 217(1) (e) of the Companies Act, 1956 are not applicable .

STATUTORY AUDITORS :

The Statutory Auditors of the company M/s. S. G. Kabra & Co. Chartered Accountants , Mumbai retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office , if reappointed. The Audit Committee and the Board Of Directors recommend their appointment as statutory auditors of the company for the financial year 2011-2012.

OBSERVATION IN AUDITORS' REPORT :

The observations of the Auditors in their Report at Item No. 3 (d) read with the relevant Notes to Accounts in Schedule No.15., Item No. A (2) are self explanatory.

ACKNOWLEDGEMENTS :

Your Directors place on record their deep sense of appreciation for the contribution of employees at all levels and for the support from the financial institutions, banks, and the associates.

By Order of the Board

Place : Mumbai
Date : 16/08/2011

Vipul Bhatt
Chairman

ANNEXURE TO DIRECTORS' REPORT**DIRECTORS' REPORT - CORPORATE GOVERNANCE REPORT
(As per Clause 49 of Listing Agreement)****Philosophy :**

The Company believes in good corporate governance practices as a significant parameter of growth, responsibility, stability, transparency and trust among its stakeholders and implementation of Code of Governance on on - going basis. The aim of company's Code of Governance is to strive for higher levels of Accountability, Transparency, Authority commensurate with Responsibility, Free & Fair dealing and Performance Delivered in all aspects of Operations. Company's strategies, business plans and all actions originate and end at the Code of Governance.

Corporate Ethics :

Company adheres to high standard of business ethics, compliance with the Law of the Land in letter and spirit, and public interest.

Code of Conduct :

The Board members and Senior Managers shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement.

The said code has been communicated to all the Board Members and Senior Managers and the compliance of the same has been affirmed by them. The code of conduct will be posted on the new website of the company which is under development.

A declaration signed by the Director affirming the compliance of the code of conduct by the Board Members and Senior managers is given below:

I hereby confirm that,

The Company has obtained from all the members of the Board and Senior Managers affirmation that they have complied with the code of conduct for Directors and Senior Managers in respect of the Financial period 2010-2011.

Prevention of Insider Trading :

The company has laid down Guidelines to its Directors, Management and Staff for prevention of insider trading and also described procedures to be followed in disclosures of dealing in securities.

Risk Management :

The company has thought out and communicated the procedures, to all concerned in the organization as to identification, measurement and evaluation of risks, their classification and mitigation.

Board of Directors :

Sr. No.	Name of Directors	Category / Position
1.	Mr. Adarsh Somani (Resigned w.e.f.31/03/2011)	Non Executive Director - Promoter
2.	Mr. R. S. Sodhani (Resigned w.e.f.31/03/2011)	Non Executive Director / Independent
3.	Mr. Gopaldas Mantri (Resigned w.e.f.31/03/2011)	Non Executive Director / Independent
4.	Mr. Vipul P. Bhatt	Non Executive Chairman / Promoter
5.	Mr. Bijal V. Bhatt	Non Executive Director / Promoter
6.	Mr. Horam Singh	Non Executive Director / Independent

DIRECTORS' ATTENDANCE :

Sr. No.	Name of Director	No of Board Meetings		Attendance at last AGM on 30.09.2010
		Held	Attended	
1.	Mr. Adarsh Somani	7	7	YES
2.	Mr. R. S. Sodhani	7	7	YES
3.	Mr. Gopaldas Mantri	7	7	YES
4.	Mr. Vipul P. Bhatt	7	5	YES
5.	Mr. Bijal V. Bhatt	7	6	YES
6.	Mr. Horam Singh	7	7	YES

Directors' other directorships, chairmanships, committee membership (As on date of Directors' Report)

Sr. No.	Name of director	Category	Number of directorship held in Public companies	Number of Committies memberships held in other companies	
				Chairman	Member
1.	Mr. Vipul P. Bhatt	Non Executive Chairman / Promoter	1	NIL	NIL
2.	Mr. Bijal V. Bhatt	Non Executive Director / Promoter	1	NIL	NIL
3.	Mr. Horam Singh	Non Executive Director / Independent	NIL	NIL	NIL

Number & Dates of Board Meetings :

Total Number of Board Meetings held: 7 (Seven)

Dates of Board Meetings :

27th April, 2010, 22nd July, 2010, 20th August, 2010, 20th September, 2010, 10th November, 2010, 15th December, 2010, 3rd February, 2011.

Particulars of Directors :

Particulars of Directors as required under Para VI (A) of Clause 49 of the Directors seeking Appointment / Reappointment are as under:

Name of Directors	Qualification	Expertise of Functional Area	Director of Other Ltd. Companies	Membership Committee of Board of Director of Other Companies
Mr. Vipul P. Bhatt	B.Com, ICFA & LLB (Gen)	Financial Accounting & Management and Corporate Matters	Shyam Alcohol and Chemicals Ltd.	NIL
Mr. Bijal V. Bhatt	B.Com, ICWA	Costing & Management	Shyam Alcohol and Chemicals Ltd.	NIL
Mr. Horam Singh	B.Com, LLB	Law and Company Law Matters	NIL	NIL

Remuneration to Directors :

Neither sitting fees nor any remuneration is paid to Directors.

Committees of the Board :**Audit Committee :**

The Audit Committee is formed pursuant to section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement and its details are given below:

Sr. No.	Name	Designation	Category	Committee meetings held/ attended
1.	Mr. R. S. Sodhani	Chairman Non Executive Director	Non - Executive Director / Independent	5 / 5
2.	Mr. Gopaldas Mantri	Member	Non Executive Director / Independent	5 / 5
3.	Mr. Vipul P. Bhatt	Member	Non Executive Director / Promoter	5 / 5

The role, terms and scope of the audit committee are as per Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The company has not formed Grievance Committee or Remuneration Committee as these functions are looked after by the Board of Directors directly.

CEO/CFO CERTIFICATION :

The CEO/CFO, i.e. the Director heading the finance function, discharging that function has certified to the Board that:

- a) They have reviewed financial statements and the cash flow statement for the Twelve months period ended March 31, 2011 that to the best of their knowledge and belief:
 - i) These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statement together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are to the best of their knowledge and belief no transaction entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) They accept the responsibility for establishing and maintaining internal control for the financial reporting and that they have evaluated the effectiveness of the internal control system of the company, pertaining to financial reporting and they have disclosed to the auditors and to the audit committee deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they taken or propose to rectify these deficiencies.
- d) They have indicated to the auditors and the audit committee
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
 - iii) Instance of significant fraud of which they have become aware and involvement therein if any, of the management or any employee having a significant role in the company's internal control system over financial reporting.

The above Certificate was placed before the Board Meeting held on August, 16, 2011

General Meetings :

AGM	Date	Time	Location of the meeting	Number of Special Resolutions passed
25 th	30.09.2008	4.30 p.m.	Oricon House, Ground Floor , 1076 Dr. E. Moses Road, Worli, Mumbai-400018	8
26 th	30.09.2009	4.30 p.m.	Oricon House, Ground Floor , 1076 Dr. E. Moses Road, Worli, Mumbai-400018	1
27 th	30.09.2010	4.00 p.m.	Orient Club, Ground Floor, 9 Chowpatty Facing Road, Opp. Nana Nani Park, Mumbai - 400004	3

Disclosures :

No transactions of material nature have been entered into by the company with the management and their relatives that may have conflict of interest with the company. The register of contracts containing transactions in which Directors are deemed to be interested is placed before the Board, read out and signed regularly.

Transactions with the Related Parties are disclosed in Note No. B7 of Schedule No.15 attached to the accounts in the Annual Report.

There have been no instances of non compliance with Listing Agreement or any Rules

And Regulation relating to capital markets and no penalty or stricture has been imposed or passed by SEBI or Stock Exchanges.

Means of communication :

The Financial Results of the company, book closure notice, any official releases and other intimations to shareholders are communicated to the shareholders directly and to by fax and hard copies.

Shareholders' Information :**28th Annual General Meeting**

Day, Date & Time : Thursday, 29th September, 2011 at 09.00 A.M.

Venue : Rusi Mehta Hall, Tulsiwadi,
Tardeo, Mumbai-400 004.

Financial Calender (April 2011 to March 2012)

Reporting of Financial Results for Quarter ending 30-June-2011 : On or before 14-August-2011

for Quarter ending 30-September-2011 : On or before : 14-November-2011

for Quarter ending 31-December-2011 : On or before : 14-February-2011

for Financial year and Quarter ending : On or before 31- March-2012 : 14-May-2012

Book Closure :

The Register of Members and Share Transfer Books will remain closed from Saturday, 24-September – 2011 to Friday, 30-September-2011 (both days inclusive).

Registered Office :

519, Navjivan Commercial Society, Bldg.No 3,
Lamington Road, Mumbai-400 008.

Dematerilisation of Shares :

The trading in the Equity Shares of the Company has been made compulsory in the Demat Form by all the investors. The Company's Equity Shares are available for trading in the Depository System of both NSDL and CDSL. As on 31.03.2011 49,20,000 Shares representing 98.80% of Equity Shares are held in Demat Mode.

Listing at Stock Exchange :

The company's equity shares are listed on the Bombay Stock Exchange Ltd (Stock Code -506172).The listing fees have been paid for 2011-2012.

ISIN NO. : INE040K01017 DEPOSITORY : NSDL

Trading Code : BSE "B" Group

Stock Market Data :

Monthly high and low prices of Equity Shares of the Company quoted at Stock Exchange, Mumbai and during the year ended 31.03.2011 are as under:

Month	(Amount in Rs) Bombay Stock Exchange (BSE)	
	High	Low
April, 2010	164.05	82.8
May-10	197.5149	202.95
Jun-10	330	217.35
Jul-10	291.35	236.1
Aug-10	299.95	241.1
Sep-10	304.9	279
Oct-10	461.85	415.4
Nov-10	498	415.4
Dec-10	394.65	134.75
Jan-11	289.35	155.4
Feb-11	404.95	250
Mar-11	453.25	362.45

Status of Shareholders' Complaints :

There have been no complaints from shareholders.

Distribution of Shareholding as on 31-March-2011 :**By size of shareholdings**

No of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
01 to 5000	504	79.51%	5,58,049	11.2
5001 to 10000	61	9.62	447815	8.99
10001 to 100000	57	8.99	1595193	32.03
100001 To Above	12	1.89	2378943	47.77
Grand Total	634	100.00	4980000	100.00

By Category of Shareholders :

Category	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
A. Promoter and Promoter Group				
1. Indian : Bodies Corporate	1	0.16	501000	10.06
B. Public Shareholding				
1. Non – Institutions :				
Bodies Corporate	109	17.19	1,810,159	36.35
Individual Holding				
i) upto Rs 1-Lac	459	72.39	827,385	16.61
ii) above Rs1-Lac	31	5.36	1,767,282	35.49
Any Other Clearing Member	31	4.90	74,174	1.49
Financial Institutions				
Mutual Funds				
FII / NRI / OCBs				
Trust				
Resident Individuals				
Others				
Total	634	100	4980000	100

Details of Directors Shareholding As on 31-03-2011 :

There were no shares held by any Director of the Company as at 31.03.2011

Address for Investors Correspondence :

519, Navjivan Commercial Society,
Bldg.No 3, Lamington Road, Mumbai-400 008
Tel No.022-23099793 / Fax No.022-23099793
Email:sampadachem2010@gmail.com

**Registrar and Share Transfer Agents :
(Both Physical and Electronic) :**

M/s Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Ind. Premises,
Andheri- Kurla Road , Safed Pool,
Andheri (E), Mumbai-400072.
Tel No. 02228515606/28515644 / Fax No.28512885
Email: sharexindia@VSNL.com

Outstanding ADRs/GDRs/Warrants /Any other convertible instrument :

The company has not issued any ADRs/GDRs/Warrants /Any other convertible instrument.

Compliance Certificate :

The company has obtained a certificate from the statutory auditors regarding compliance with Corporate Governance requirements of the Revised Clause 49 of the Listing Agreement which is annexed hereto.

For and on Behalf of the Board of Directors

**Place : Mumbai
Date: 16th August, 2011**

**Vipul Bhatt
Chairman**

DECLARATION

I, Vipul Bhatt , Director of Sampada Chemicals Limited, having its registered office at " 519, Navjivan Commercial Society, Bldg.No 3,Lamington Road, Mumbai-400 008, do hereby certify and acknowledge that the Board Members have confirmed the compliance with the code of conduct and have given confirmation for the same.

For and on Behalf of the Board of Directors

**Place : Mumbai
Date: 16th August, 2011**

**Vipul Bhatt
Chairman**

CERTIFICATION

The Director of the company have certified to the Board that :

1. They have reviewed the balance sheet and profit and loss account and all schedules and notes to accounts, as well as cash flow statement;
2. Based on their knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made;
3. Based on their knowledge, information and belief, the financial statement and other financial information included in this report present a true and fair view of the company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations;
4. To the best of their knowledge , information and belief, no transaction entered into by company during the year are fraudulent, illegal or violation of the Company's code of conduct;
5. They are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control system of the Company pertaining to Financial Reporting.
6. They have disclosed ,based on their most recent evaluation, whenever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors , all significant deficiencies in the design or operation of internal controls , if any, of which they are aware and the steps taken or proposed to be taken to rectify the deficiencies.
7. They have indicated to the Auditors and the Audit Committee :
 - a) Significant changes in the Company's internal control over financial reporting during the year.
 - b) All significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
 - c) Any fraud , whether or not material , that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

For and on Behalf of the Board of Directors

Place : Mumbai
Date: 16th August, 2011

Vipul Bhatt
Chairman

AUDITORS CERTIFICATE

To,
The Members of
Sampada Chemicals Ltd.

1. We have examined the Compliance of conditions of Corporate Governance by Sampada Chemicals Ltd. ("the Company") for the year ended 31st March, 2011 stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.
3. In our opinion and based on our review and to the best of our information and explanations given to us, we certify that the conditions of Corporate Governance as stipulated in Clause 49 of the agreement have been complied with in all material aspects by the company except that non posting of the 'Code of Conduct' on the website of the Company, which is under development.
4. We further state that such Compliance is neither an assurance as to the further viability of the Company, nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S. G. Kabra & Co.
Chartered Accountant**

**Place : Mumbai
Date : 16th August, 2011**

**Malvika P. Mitra
Membership No. 44105**

AUDITORS' REPORT

To,
The Members of
Sampada Chemicals Ltd.

1. We have audited the attached Balance Sheet of SAMPADA CHEMICALS LIMITED as at 31st March 2011 Profit & Loss account for the year ended on that date. These financial statements are the responsibility of the Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have 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 from material misstatements. An audit also 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.

2. As required by the companies (Auditors' 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 Para 4 and 5 of the said Order.

3. 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 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 and Profit & Loss Account and Cash Flow Statement dealt with this report are in agreement with the books of accounts.
- (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in section (3c) of Section 211 of the Companies Act, 1956 to the extent applicable, except for Non Provisions for diminution in the value of Long Term Investment which is non in accordance with Accounting Standard 13 on "Accounting for Investments" (Refer Notes to Accounts).
- (e) On the basis of written representations received from the directors as on 31st March 2011 and taken on record by the Board of Directors of the Company , 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 Act.
- (f) We further report that :
- (a) Unsecured Loans, Loans and Advances & Credit Balances are being subject to confirmation & reconciliation.
- (b) Shares held as long term investments were not produced to us for physical verification and therefore we are unable to comment on their physical existence and ownership.
- (g) In our opinion and to the best of our information and according 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 gives a true and fair view in conformity with the accounting principles generally accepted in India.
- (i) In the case of Balance Sheet of the state of affairs of Company as at 31st March, 2011,
- (ii) In the case of Profit & Loss Account of the Profit of the Company for the year ended on that date and
- (iii) In the case of Cash Flow Statement of the Cash Flow for the year ended on that date.

For S. G. Kabra & Co.
Chartered Accountant

Place : Mumbai
Date : 16th August, 2011

Malvika P. Mitra
Membership No. 44105

ANNEXURE TO AUDITOR'S REPORT
Referred to in paragraph 2 of our report of even date

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that :

1. In respect of its fixed assets :
 - a) The Company has non maintained any Fixed Assets Register showing full particulars Including quantitative details and situation of its assets.
 - b) As there are no Documentary evidences available we are not able to comment whether, the fixed assets have been physically verified by the management.
 - c) No substantial part of fixed assets has been disposed off during the year.
2. (a) The inventory has been physically verified during the year by the management .In our opinion , the frequency of verification is reasonable .
 - b) According to the information and explanations given to us the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business
 - c) According to the records produced before us for our verification, there were no material discrepancies notices on physical verification of stocks referred to in para 2(a) above as compared to the books of accounts.
3. In respect to loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - a) The Company has granted unsecured loans to twelve parties aggregating of Rs. 206648331/- listed in register maintained under Section 301 of the Companies Act, 1956 during the year under audit.
 - b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
 - c) We are not able to comment on the regularity of repayment, as there was no stipulation made for repayment at the time of loan given.
 - d) We are not able to comment on whether the amount outstanding which is in excess of Rs. 1 Lac in respect of loans granted in previous years to one company covered under the register maintained under section 301 of the Companies Act, 1956 is overdue as there was no stipulations made.
 - e) The Company has also taken loan from twelve companies aggregating of Rs. 27407433/- covered under the register maintained under Section 301 of the Companies Act, 1956.
 - f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other listed in the register maintained under Section 301 of the Companies Act, 1956 are not prejudicial in the interest of the Company.
 - g) We are not able to comment on the regularity of repayment as there was no stipulation made for repayment at the time of loan taken.
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 purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in 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 controls or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

- b) In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts of arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- (Rs. Five Lacs Only) or more in respect of any party.
6. The Company has not accepted any deposits from the public.
7. Company does not have formal internal audit system.
8. The central Government has not prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 for any of the product of the Company.
9. In respect of statutory dues.
- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities except Service Tax of Rs. 3,92,291/- According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable.
- b) There are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
10. In our opinion, the company is not having accumulated losses subject to our comments in notes to accounts and point no. 3 in our report. The company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks 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, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name.
15. The Company has not given any guarantees for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company except for certain shares pledged by the company for loan taken by the other company. However, in the opinion of the management, the same is not prejudicial to the interest of the company.
16. The Company has not raised any new term loans during the year.
17. In our opinion, the funds raised on short - term on long - term basis have been used for the purpose for which they were raised.
18. 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.
19. The Company has not made any debenture issue.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

**For S. G. Kabra & Co.
Chartered Accountant**

**Place : Mumbai
Date : 16th August, 2011**

**Malvika P. Mitra
Membership No. 44105**

BALANCE SHEET AS ON 31ST MARCH, 2011

	Schedule	Rupees	AS AT 31ST MARCH 2011 Rupees	AS AT 31ST MARCH 2010 Rupees
SOURCES OF FUNDS :				
SHARE HOLDERS'S FUNDS :				
- Share Capital	1	49,800,000		49,800,000
- Reserve & Surplus	2	48,740,587	98,540,587	46,889,224
				96,689,224
LOAN FUNDS :				
- Unsecured Loans	3		1,000,000	170,236,000
TOTAL			99,540,587	266,925,224
APPLICATIONS OF FUNDS :				
FIXED ASSETS :				
- Gross Block	4			1,057,076
- Less : Depreciation				991,440
- Net Block		0	0	65,636
INVESTMENTS :	5		15,000,000	87,498,689
CURRENT ASSETS, LOANS & ADVANCES :				
- Inventories	6	0		35,614,112
- Cash & Bank Balances	7	(21,738,691)		8,402,615
- Loans & Advances	8	409,684,747		222,510,659
			387,946,056	266,527,386
Less : CURRENT LIABILITIES & PROVISIONS				
- Current Liabilities	9	302,549,134		87,082,552
- Provisions	10	856,335		83,935
			303,405,469	87,166,487
NET CURRENT ASSETS			84,540,587	179,360,899
DEFERRED TAX ASSETS				
TOTAL			99,540,587	266,925,224

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Schedules 1 to 15 form part of the Accounts

For S. G. Kabra & Co.
CHARTERED ACCOUNTANTS

Malavika P. Mitra
(Partner)
Membership No. 44105

Place : Mumbai
Date : 15th August, 2011

For and on behalf of the Board

VIPUL V. BHATT - Director

BIJAL V. BHATT - Director

HORAM SINGH - Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011

	Schedule	Rupees	2011 Rupees	2010 Rupees
INCOME :				
-			108,953,187	241,568,527
-			297,897,166	
-			-	-
-	14		10,744,741	184,885,337
			417,595,094	426,453,864
EXPENDITURE :				
-		74,282,871		286,382,810
-		301,026,134		
-	11	35,614,112		75,060,384
-		72,053	410,995,170	196,061
-	12	343,283		238,608
-		1,212,968		56,619,794
-	13	2,789,247		7,410,663
-		1,062		2,124
			415,341,730	
Profit /(Loss) for the year			2,253,363	543,420
Less : Provision for Taxation			402,000	
Profit after Taxation			1,851,363	543,420
Less : Balance brought forward from previous year			45,739,224	45,195,804
Balance Carried to Balance Sheet			47,590,587	45,739,224
Earning Per Share (EPS)			0.37	0.11
Basic/Diluted Earning Per Share (Refer note no. 6 of Schedule 15)				

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Schedules 1 to 15 form part of the Accounts

For S. G. Kabra & Co.
CHARTERED ACCOUNTANTS

Malavika P. Mitra
(Partner)
Membership No. 44105

Place : Mumbai
Date : 15th August, 2011

For and on behalf of the Board

VIPUL V. BHATT - Director

BIJAL V. BHATT - Director

HORAM SINGH - Director

SCHEDULES FORMING PART OF THE BALANCE SHEET

	AS AT 31ST MARCH 2011 Rupees	AS AT 31ST MARCH 2010 Rupees
SCHEDULE - 1- SHARE CAPITAL :		
Authorised :	50,000,000	50,000,000
5000000 (5000000) Equity shares of Rs.10 each		
Issued, Subscribed & Paid up :		
4980000 (4980000) Equity Shares of Rs.10 each (Out of above		
4731000 Equity shares allotted as fully paid up by way of Bonus Shares		
out of General Reserve and Surplus in profit & Loss Account)	49,800,000	49,800,000
	49,800,000	49,800,000
SCHEDULE - 2 - RESERVE & SURPLUS :		
GENERAL RESERVE	1,150,000	1,150,000
PROFIT & LOSS ACCOUNT	47,590,587	45,739,224
	48,740,587	46,889,224
SCHEDULE - 3 - UNSECURED LOANS :		
Inter Corporate Deposits	1,000,000	170,236,000
	1,000,000	170,236,000

SCHEDULE - 4 - FIXED ASSETS :

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.4.2010 Rupees	Addtns/ Adj. Rupees	Ded/ Adj. Rupees	As at 31.3.11 Rupees	Upto 31.3.10 Rupees	for the Year Rupees	Ded/ Adj. Rupees	Upto 31.3.11 Rupees	As at 31.3.11 Rupees	As at 31.3.10 Rupees
OWN ASSETS										
- COMPUTERS	389,356	-	389,356.00	0	369,888	-	369,888	0	0	19,468
- OFFICE EQUIP.	44,720	-	44,720	0	26,691	1,062	27,753.00	-	0	18,029
- CYLINDERS	623,000	-	623,000	0	594,861	-	594,861	0	0	28,139
Total	1,057,076	-	-	1,057,076	991,440	1,062	-	992,502	0	65,636
Previous Year	1,057,076	-	-	1,057,076	989,316	2,124	-	991,440	6,988	69,884

	AS AT 31ST MARCH 2011 Rupees	AS AT 31ST MARCH 2010 Rupees
	0	48,882,762
	0	48,882,762

SCHEDULE - 5 - INVESTMENTS : (AT COST)

LONG TERM INVESTMENTS IN SHARES (FULLY PAID UP)

QUOTED :

- 685409(685409) Equity shares of M/s. Koproan Ltd.of Rs.10 each	0	48,882,762
(A)	0	48,882,762

SCHEDULES FORMING PART OF THE BALANCE SHEET

	AS AT 31ST MARCH 2011 Rupees	AS AT 31ST MARCH 2010 Rupees
SCHEDULE - 5 - INVESTMENTS : (AT COST) (Contd.....)		
UNQUOTED :		
- 304020 (109200) Equity shares of M/s. G. Claridge & Co.Ltd. of Rs.10 each	0	5,853,148
- 5000 (5000) Equity shares of M/s. Sooraj Containers Ltd of Rs.10 each fully paid up	0	50,000
- 978520 (200000) Equity shares of M/s.Parijat Shipping and Finale Ltd. of Rs.10 each	0	2,155,704
- 3450 (3450) Equity Shares of M/s. Debonair Publications Ltd. of Rs.100 each	0	345,575
- 1100000 (1100000) Equity shares of M/s. Alind Ltd.	0	11,027,500
- 460000 (460000) Equity shares of Vanleer Moulded Fibres Ltd.	0	184,000
- 114286 (Nil) Equity shares of Swati Capital Pvt. Ltd.	0	4,000,000
- 1500000 (Nil) Equity shares of Shriman Stock Management Pvt. Ltd.	15,000,000	15,000,000
(B)	15,000,000	38,615,927
Aggregate Book Value of Quoted Investment (gross)	0	48,882,762
Aggregate Market Value of Quoted Investment	0	19,808,320
Aggregate Book Value of Unquoted Investment (gross)	15,000,000	38,615,927

SCHEDULE - 6 - INVENTORIES :**(As certified by the management)***Amt (in Rupees)*

Name of the Company	Description of Shares	Face Value per Share Rupees	Opening Stock as on 14.2.2010		Closing Stock as on 31.3.2011		Cost or Market Value Which ever is lower Amount (Rs.)
			Number of Shares	Amount (Rs.)	Number of Shares	Cost Amount (Rs.) Market Value Amount (Rs.)	
QUOTED (Fully paid up)							
DSQ Softwares	Equity	10	14000	0	-		
DSQ Biotech	Equity	10	19300	0	0		
Team Asia Ltd.	Equity	10	67000	0	0		
Gautam Resources	Equity	10	200000	0	0		
Gemini Communication	Equity	10	500000	12,400,000	0	0	
Hind. Tin Works Ltd.	Equity	10	20269	2,150,084	0		
IMP Power Ltd.	Equity	10	74279	8,374,957	0		
Biocon Ltd.	Equity	10	500	142,175	0		
India Bull Securities Ltd.	Equity	10	12000	334,200	0		
Inox Leisure Ltd.	Equity	10	25000	1,570,000	0		
UNQUOTED (Fully paid up)							
United Shippers Ltd.	Equity	10	21448	10,642,696	-	-	0
Maneesh Pharma Ltd.	Equity	10	45100	-	-	-	0
TOTAL				35,614,112	0	0	0
Previous years				110,674,496	56,070,052	36,149,671	35,614,112

SCHEDULES FORMING PART OF THE BALANCE SHEET

	AS AT 31ST MARCH 2011 Rupees	AS AT 31ST MARCH 2010 Rupees
SCHEDULE - 7 - CASH & BANK BALANCE :		
Cash on hand	1,719	16,347
Balance with Scheduled Bank in Current Account	(21,740,409)	8,386,268
	(21,738,691)	8,402,615
SCHEDULE - 8 - LOANS AND ADVANCES :		
(Unsecured)		
Inter Corporate Deposits	109,182,264	153,077,092
Advance Recoverable in Cash or in Kind or for value to be received	0	8,248,476
Sundry Debtors	297,904,986	60,300,000
Advance payment of Income tax -TDS	2,597,496	1,960,091
	409,684,747	223,585,659
Less : Provision for Doubtful Advances	0	1,075,000
	409,684,747	222,510,659
SCHEDULE - 9 - CURRENT LIABILITIES :		
Sundry Creditors	302,546,134	49,439,034
Other Liabilities	3,000	37,643,518
	302,549,134	87,082,552
SCHEDULE - 10 - PROVISIONS :		
Audit Fees Payable	62,044	0
Service tax payable	392,291	0
Taxation	402,000	83,935
	856,335	83,935
SCHEDULE - 11 - DECREASE/(INCREASE) IN STOCK :		
Closing Stock	0	35,614,112
Opening Stock	35,614,112	110,674,496
	35,614,112	(75,060,384)
SCHEDULE - 12 - STAFF COST :		
Salaries, H.R.A, Bonus etc.	330,740	238,608
Staff Welfare Expenses	12,543	0
	343,283	238,608

SCHEDULES FORMING PART OF THE BALANCE SHEET

	AS AT 31ST MARCH 2011 Rupees	AS AT 31ST MARCH 2010 Rupees
SCHEDULE - 13 - ADMINISTRATION EXPENSES AND PROVISIONS :		
Conveyance and Travelling	24,624	401,632
Legal & Professional Charges	1,712,155	5,023,359
Brokerage	0	1,018,200
Auditors Remuneration :		
Audit fees	41,363	9,927
Tax Audit	20,681	5,515
	<u>1,798,823</u>	<u>6,458,633</u>
Bank & Demat Charges	35,214	13,854
Listing Fees	17,714	39,708
Miscellaneous Expenses	49,917	40,106
Postage	6,812	39
Service tax	0	84
Security Transaction Tax	0	3,279
Stamp Fees	0	55,574
Office expenses	0	179,498
Sales Promotion	0	371,429
Gardening expenses	50,500	0
Repair & Maintainance	382,583	0
Travelling Expenses	6,250	
Advertisement	165,698	19,328
Custodian Charges	6,618	6,618
Telephone exps.	15,078	58,000
Sundry Bal. Written Off	254,040	164,513
	<u>2,789,247</u>	<u>7,410,663</u>
SCHEDULE - 14 - OTHER INCOME :		
Dividend (Long Term)	86,472	1,856,868
Profit on Sale of Investments	525,222	100,271,286
Income on Investment	-	44,431,578
Interest Received	5,324,396	7,545,484
Business Income Future trading in shares	-	64,446
Surrender of Rights	-	27,000,000
Speculation Business Income	-	596,142
Misc. Income	4,808,651	-
Other Income	-	2,883
Diminution invalue of investment	-	3,116,650
	<u>10,744,741</u>	<u>184,885,337</u>

SCHEDULE 15 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31.03.2011**A. SIGNIFICANT ACCOUNTING POLICIES :****1. Method of Accounting :**

The accounts are prepared on historical cost basis and income and expenditure are recognized on accrual basis except as stated otherwise.

2. Investments :

a) Long Term Investments are stated at cost, which is inclusive of brokerage and fees. The cost in respect of bonus shares is arrived at by allocating cost of original shares on proportionate basis. Provision is made in respect of permanent fall (if any) in the value of investments as required by RBI guideline for NBFC. Unquoted equity shares, forming part of investments, are stated at cost or break-up value, whichever is lower.

b) Dividend is accounted on cash basis, which is in accordance with the guidelines issued by RBI for NBFCs in this behalf.

c) Investment on Loan purchased is accounted on cost of purchase and proportionate income less amount received.

3. Taxation :

a) Income-tax expense comprise current tax and deferred tax charge or credit.

b) The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax loss that have been enacted or substantially enacted by the Balance Sheet date.

c) Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. Hence Provision for Deferred Tax Asset has not been made.

4. Fixed Assets :

Fixed Assets are stated at cost of acquisition less accumulated depreciation.

5. Depreciation :

Depreciation on fixed assets is provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Depreciation on Computers & Cylinders is not taken into consideration as per the decision taken by the management due to mounting losses.

6. Stock in trade :

Stock in trade is valued at cost or market value whichever is lower.

7. Contingent Liability :

Contingent Liabilities are not provided for, if material, are disclosed by way of notes.

9. Earning Per Share :

In accordance with the Accounting Standard - 20 (AS-20) "Earning Per Share " issued by Institute of Chartered Accountants of India, basic earning per share is computed using the weighted average number of shares outstanding during the year.

B. NOTES TO ACCOUNTS :

1. Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 could not be furnished as none of the suppliers of the Company have provided the details of their registration under the said Act.

2. As stipulated in AS-28, the Company assessed potential generation of economic benefits from its business units and is of the view that the assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business, there is no indication to the contrary and accordingly the management is of the view that no impairment provision is called for in these accounts.

3. Interest on outstanding loans has been accounted only if there is stipulation to that effect.

4. Some of the loans, advances, debit and credit balances are subject to confirmation and reconciliation.

5. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated in the balance sheet if realised in the ordinary course of business. The provision for all known and determined liabilities are adequate and not in excess of the amount reasonably required.

6. Related Party Disclosure pursuant to Accounting Standard - 18 :

A) List of Related Parties

1. Party where control exists

a) Subsidiary Company : NIL

b) Key Management Personnel :
Mr. VIPUL V. BHATT - Director
Mr. BIJAL V. BHATT - Director

1) Other Parties where the Company has entered into transactions during the year

i) Enterprises over which Individuals (having substantial interest in the Company) and/or their relatives, exercise significant

Claridge Moulded Fibre Ltd.
Svaraj Trading & Agencies Ltd.
Kopran Laboratories Ltd.
Parijat Shipping & Finale Ltd.
Kopran Ltd.
S.V.Trading & Agencies Ltd.
Sarvamangal Mercantile Co. Ltd.
G. Claridge & Company Ltd.
Oricon Enterprises Ltd.

Note : Related Party Relationships have been identified by the management and relied upon by the Auditors.

B) Related Party Transactions :

(Rupees)

Nature of Transactions	Subsidiaries	Other Related Parties (refer 2(i) above)	Total
Dividend Received	-	-	-
Unsecured Loan			
Aggregate Loans Repaid	-	196643433	-
Aggregate of Loans Taken	-	26407433	-
Loans & Advances	-	-	-
Aggregate of Loan Given	-	206648331	-
Aggregate of Loan Repayment	-	257802116	-
Outstanding Balance :			
Loans Taken		1000000	-
Loans & Advances given	-	103667185	-
Sale of Investment		72498688	
Sale of Shares		-	

8. Earnings per share :

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Net (Loss) attributable to share holders (in Rs.)	1851363	543420
Weighted average number of equity shares (in No.)	4980000	4980000
Basic earning per share of Rs.10/- each	0.37	0.11

The company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the company remain the same.

9. In view of time limitations on carry forward of losses and as a matter of prudence Deferred Tax Assets arising on account of brought forward losses and unabsorbed Depreciation under tax laws has not been recognised.

10. Figures of previous period have been regrouped and reclassified wherever necessary to make them comparable with the figures of current year.

For S. G. Kabra & Co.
CHARTERED ACCOUNTANTS

Malavika P. Mitra
(Partner)
Membership No. 44105

Place : Mumbai
Date : 15th August, 2011

For and on behalf of the Board

VIPUL V. BHATT - Director

BIJAL V. BHATT - Director

HORAM SINGH - Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :**1. REGISTRATION DETAILS :**

Registration No.	:	29381
State Code	:	11
Balance Sheet Date	:	31-03-2011

2. CAPITAL RAISED DURING THE YEAR :

Public Issue	:	Rs. NIL
Right Issue	:	Rs. NIL
Bonus Issue	:	Rs. NIL
Private Placement	:	Rs. NIL

3. POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS : (Amount in Thousands)

Total Liabilities	:	
Total Assets	:	

a) Sources of Funds :

Paid - up Capital	:	49800
Reserves & Surplus	:	49126
Secured Loans	:	NIL
Unsecured Loans	:	1000
*Deferred Tax Liability	:	-

b) Application of Funds :

Net Fixed Assets	:	NIL
Investments	:	15000
Net Current Assets	:	84926
Miscellaneous Expenditure	:	-
Accumulated Losses	:	-

4. PERFORMANCE OF COMPANY :

Turnover	:	417578
Total Expenditure	:	415341
Profit Before Tax	:	2253
Profit after Tax	:	1851
Earning Per Share (Rs.)	:	0.37
Dividend Rates	:	NIL

5. GENERIC NAME OF THREE PRINCIPAL PRODUCTS OF THE COMPANY : (As per monetary terms)

Item Code	:	N.A.
Product	:	N.A.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For S. G. Kabra & Co.
CHARTERED ACCOUNTANTS

Malavika P. Mitra
(Partner)
Membership No. 44105

Place : Mumbai
Date : 15th August, 2011

VIPUL V. BHATT - Director

BIJAL V. BHATT - Director

HORAM SINGH - Director

CASH FLOW STATEMENT

PARTICULARS	FOR THE YEAR ENDED 31.03.2011 Rupees	FOR THE YEAR ENDED 31.03.2010 Rupees
CASH FLOW FROM OPERATING ACTIVITIES :		
Adjustments for :		
Net Profit Before Tax and Extra Ordinary Items	1,851,363	543,420
Depreciation	1,062	2,124
Interest Received	(4,111,428)	49,077,750
Loss on Future Trading in Shares	(20,415)	-
Speculation Business Income	92,469	(400,081)
Profit on sale of investment	(525,222)	-
Dividend Income	(86,472)	(1,856,868)
Diminution on Investment	0	(3,116,650)
Operating Profit Before Working Capital Charges	(2,798,643)	44,249,695
Working Capital Charges :		
Trade and Other Receivables	(231,068,916)	(60,300,000)
Trade Payables	216,238,982	25,744,411
Inventories	35,614,112	158,577,349
Cash generated from operations	17,985,535	168,271,455 (49,077,750)
Direct Tax Paid / TDS	-	-
Net Cash Flow from Operating Activities (A)	17,985,535	119,193,705
CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Investment	73,023,911	518,119,639
Sale mutual fund	-	21,961,767
Speculation Business	(72,054)	400,081
Sale of Fixed Assets	64,574	(19,000,000)
Dividend Received	86,472	1,856,868
Cash Generated from Investing Activities (B)	73,102,903	523,338,355
CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Received	4,111,428	-
Loans Taken	-	174,025,000
Loans Repaid	(169,236,000)	(712,087,696)
Loans Given	-	(111,761,749)
Repayment of Loans Given	43,894,828	-
Cash Generated from Financing Activities (C)	(121,229,744)	(649,824,445)
Net (Decrease) / Increase in Cash and Cash Equivalent (A+B+C)	(30,141,306)	(7,292,385)
Cash & Cash Equivalent as at the Beginning of the year	8,402,615	15,695,000
Cash & Cash Equivalent as at the End of the year	(21,738,691)	8,402,615

For and on Behalf of the Board
VIPUL V. BHATT - Director
BIJAL V. BHATT - Director
HORAM SINGH - Director

AUDITOR'S CERTIFICATE

We have examined the above Cash Flow Statement of M/S. Sampada Chemicals Ltd. for the year ended 31.3.2011. The statement has been prepared by the Company in accordance with the requirement of Clause 32 of Listing agreement with the 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.

For S.G.KABRA & CO.
Chartered Accountants
Malvika P. Mitra
(Partner)
Membership No.44105

Place : Mumbai
Dated : 15th August 2011

SAMPADA CHEMICALS LIMITED

REGD. OFFICE : 519, NAVJIVAN COMMERCIAL SOCIETY, BLDG. NO.: 3, LAMINGTON ROAD, MUMBAI-400 008.

PROXY FORM

28TH ANNUAL GENERAL MEETING

Regd. Folio No.: _____ Shares held : _____

I/We _____ of _____

Being a Member/ Members of Sampada Chemicals Limited hereby appoint _____

_____ of failing him/ her _____

of _____ as my/ our Proxy to attend and vote for me/us on my/ our behalf at the 28th Annual General Meeting of the Company to be held on Friday, 30th September, 2011 at 4.00 p.m. at Rusi Mehta Hall, Tulsiwadi, Tardeo, Mumbai-400004 and at any adjournment thereof.

Signed on this _____ day of _____ 2011.

Affix
Revenue
Stampe

Signature of the Shareholder(s) : _____

- The Proxy form should be signed by the member across the stamp.
- A member intending to appoint a Proxy should complete the Proxy Form and deposit it at the Company's Regd. Office, at least 48 hours before the commencement of the meeting.

----- Tear Here -----

SAMPADA CHEMICALS LIMITED

REGD. OFFICE : 519, NAVJIVAN COMMERCIAL SOCIETY, BLDG. NO.: 3, LAMINGTON ROAD, MUMBAI-400 008.

ATTENDANCE SLIP

28TH ANNUAL GENERAL MEETING

[To be handed over at the entrance of the meeting hall]

Regd. Folio No.: _____ No. of Shares held : _____

DP ID No.*: _____ Client ID No.*: _____

Name of the attending Member/ Proxy : _____

[IN BLOCK LETTER]

I hereby record my presence at this 28th Annual General Meeting held at Rusi Mehta Hall, Tulsiwadi, Tardeo, Mumbai-400004 on Friday, 30th September, 2011 at 4.00 p.m.

Member's/ Proxy's Signature

- Applicable for investors holding shares in electronic form only.
- A member or his duly appointed Proxy willing to attend the meeting must bring this Attendance Slip to the meeting and handover at the entrance duly filled in.

Book Post

To

If Undelivered please return to :

SAMPADA CHEMICALS LIMITED

REGD. OFFICE : 519, NAVJIVAN COMMERCIAL SOCIETY,

BLDG. NO.: 3, LAMINGTON ROAD, MUMBAI-400 008.