

BOARD OF DIRECTORS	: Shri Ashok H Shah- : Rakesh Yagnesh Bhatt : Navneet Singh
AUDITORS	: Y. D. & Co. Flat No. 4, Khurana Complex, Kochar Market Chowk, Model Gram, Ludhiana.
REGISTERED OFFICE	: 20, Western Prabhadevi Building, Near Kismat Cinema, Prabhadevi, Mumbai-400004
REGISTRAR & SHARE TRANSFER AGENT	: Purva Sharegistry (India) P. Ltd 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (E) Mumbai- 400 011.

NOTICE

Notice is hereby Given That The Annual General Meeting of the Exdon Trading Company limited Will be held on Wednesday, 15th June, 2011 at 11:30 a.m. at the Registered Office of the Company At 20,Western Prabhadevi Building, Nr. Kismat Cinema, Prabhadevi, Mumbai – 400 004 To Transact The Following Businesses:

ORDINARY BUSINESS :

1. To receive and adopt Audited profit and Loss Account for the year ended 31st March, 2011 and the balance Sheet as on that date along with Directors' and Auditors' Report thereon.
2. To Appoint a Director in place of Mr. Navneet Singh, who retires by rotation and, being eligible offers himself for re-appointment.
3. To reappoint M/s. Y. D. & Co., Chartered Accountants, Ludhiana, Auditors of the company to hold office from the conclusion of this meeting until the conclusion of next annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

Date: 12.05.2011

Registered Office:

20, Western Prabhadevi Building,
Nr. Kismat Cinema,
Prabhadevi
Mumbai – 400 004

By order of the Board

For Exdon Trading Company Limited

**SD/-
Director**

NOTES:

- 1 Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business is annexed herewith.
- 2 **A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and on a poll, to vote instead of himself. A proxy need not be member of the company. A proxy may be sent in the Form enclosed and in order to be effective must reach the Registered Office of the company at least 48 hours before the commencement of the meeting.**
- 3 Members/ proxies should bring attendance slip, duly filled in, for attending the meeting.
- 4 Members / proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting. As Copies of Annual Report will not be distributed at the Annual General Meeting.
- 5 The Register of Members and Share Transfer Books of the Company was closed from 8th June, 2011 to 14th June, 2011 (both days inclusive).
- 6 Members desirous of obtaining any information concerning the accounts and operations of the company are requested to address their questions to the company so as to reach at least 7 days before the date of the meeting, so that the information required will be made available at the meeting, to the best extent possible.

DIRECTOR'S REPORT

To,
The Members,
Exdon Trading Company Ltd

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS:

(Rs In Lacs)

Financial Result	2010-2011	2009-2010
Profit/(Loss) before Tax	(4,41,629)	(501,002)
Less: SEBI penalty	1,200,000	0
Profit/(Loss) for the year after Taxation	(1,641,629)	(5,01,002)
Excess / (Short) Provision of Tax	0	0
Add : Balance B/f from the Previous Year	0	0
Transfer to reseve	(1,641,629)	(5,01,002)

OPERATIONS:

During the year under review, your Company has earned net loss of Rs.1, 641,629 as against the net loss Rs. 5,01,002 during the previous year. Your Directors strive hard and expect that your company will achieve significant growth in the coming years.

DIVIDEND:

Directors do not recommend any dividend on equity shares of the company.

Directors:

In accordance with the Companies Act, 1956 and Article of Association of the Company, Navneet Singh, director of the company, retire by rotation at the forthcoming Annual General Meeting and are eligible for reappointment.

PUBLIC DEPOSITS:

Your company has not accepted any deposits from public during the year under review.

PARTICULARS OF EMPLOYEES:

There is no employee having remuneration in accordance with the provisions of section 217(2A) of the companies Act 1956 read with the companies (Particulars of employee) Rules 1975 as amended.

LISTING AND TRADING APPROVAL OF TOAL 2,17,65,000 EQUITY SHARES:

The company has issued total 2,17,65,000 convertible warrants which were converted into equity shares and during the year company get the listing approval and trading approval for 1st preferential issue of 37,65,000 and 2nd Preferential issue of 1,80,00,000 equity shares of the Company during the year

DIRECTOR RESPONSIBILITY STATEMENT:

As required u/s 217(2AA) of the companies Act 1956 your director confirms that in the preparation of the annual accounts:

The applicable accounting standards have been followed along with proper explanation relating to material departures.

Such accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates made, so as to give a true and fair view of the state of affairs of the company at the

end of the financial year and the profit/loss of the company for that period.

Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The annual accounts have been prepared on a going concern basis.

LISTING AGREEMENT:

The securities of the company are listed with the Stock Exchange, Mumbai. The company has paid the annual listing fees.

APPOINTMENT OF AUDITORS:

M/s. Y. D. & Co., Chartered Accountants, Ludhiana, are proposed to be re-appoint as auditor of the company for the financial year 2011-2012. The auditors of the Company retire at the forthcoming Annual General Meeting. The board will fix the remuneration of newly appointed auditors of the company. The necessary certificate under section 224(1B) of the Companies Act, 1956 has been received from the auditor.

The Statutory Auditors of the Company have submitted auditor's report on the accounts of the Company for the accounting year ended 31st March, 2011 which is self-explanatory and needs no comments.

ACKNOWLEDGEMENT:

The management is grateful to the government authorities, Bankers, Vendors, for their continued assistance and co-operation. The directors also wish to place on record the confidence of members in the company.

For & on behalf of the Board of Directors

Place: Mumbai

Date: 12.05. 2011

Director

REPORT ON CORPORATE GOVERNANCE**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of operations and in all inter-actions with its shareholders, employees, and the Government Company is committed to achieve the highest standards of corporate governance.

Company believes that all its operations and actions must serve the underlying goal of enhancing the overall shareholder value, over a sustained period of time.

BOARD OF DIRECTORS:

The Board of Directors of the company is comprised of optimum number of Executive, non-executives and independent directors. The Board met 6 times during the year on the following dates.

During the year, Board Meetings were held on 10.05.2010, 10.06.2010, 19.07.2010, 30.07.2010, 13.11.2010, 02.02.2011

S. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Attendance at Last AGM	No. of Other Committee Memberships
1	Ashok Hiralal Shah	Non- Executive Director and Independent Director	6	Yes	3
2	Rakesh Yagnesh Bhatt	Non- Executive Director and Professional Director	6	Yes	3
3	Navneet Singh (A.P.25/03/2010)	Non- Executive Director and Independent Director	6	Yes	3

AUDIT COMMITTEE:

The Audit committee was reconstituted by the board and the present members of the audit committee are Ashok Hiralal Shah, Rakesh Yagnesh Bhatt, and Navneet Singh.

The Committee has appointed Ashok Hiralal Shah as chairman.

The terms of reference and powers of Audit Committee are as per Clause 49 of the Listing Agreement. The functions of the Audit Committee are as per Listing Agreement with the Stock Exchanges. This includes review of accounting and financial policies and procedures, review of financial reporting system and internal control procedure. The Committee met four times during the year i.e. 10th May, 2010, 30th July.2010, 13th Nov.2010, 2nd Feb.2011.

S. No.	Name of Audit committee member	No of meetings attended
1	Ashok Hiralal Shah	4
2	Rakesh Yagnesh Bhatt	4
3	Navneet Singh(a.p.25/03/2010)	4

REMUNERATION COMMITTEE:

No Remuneration Committee meeting was held during the year.

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

The present members of Shareholders/Investors Grievance committee are Ashok Hiralal Shah, Rakesh Yagnesh Bhatt, And Navneet Singh.

The role and functions of the said Committee are the effective redressed of the complaints of the shareholders regarding dematerialization, transfers, non-receipt of balance-sheet etc, The Committee will also recommend the steps to be taken for further improvement in the quality of services to the Investors.

The company has received no complaints during the year

GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Address of A.G.M held
2009-10	19.08.2010	11:30 A.M	20, United Western Building, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 069.
2008-09	30.09.2009	10:30 A.M	20, United Western Building, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 069.
2007-08	30.08.2008	03:00 P.M	20, Western, Prabhadevi Building, Nr. Kismat Cinema, SVS Marg, Mumbai – 400 004.

No special Resolutions were put through postal ballot as recommended under clause 49 of the Listing Agreement of the Stock Exchanges, are placed for shareholders' approval at the forthcoming Annual General Meeting. There is no non-compliance nor any penalty or stricture imposed on the company by stock Exchanges, SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

MEANS OF COMMUNICATION:

A. quarterly Results: : the company has published quarterly results in The Western Times (English) and The Western Times (Marathi), both at Mumbai.

B. Management Discussion And Analysis : Appended to this Report.

GENERAL SHAREHOLDER INFORMATION :

Financial Calendar 2011 -12 (tentative) : Results for the quarter ended June 30, 2011:
Last week of July 2011.

Results for the quarter ended September 30, 2011.
Last week of October 2011

Results for the quarter ended December 31, 2011,
Last week of January 2012

Results for the quarter ended March 31, 2012,
Last week of April 2012

Book closure date : 8th June, 2011 to 14th June, 2011
(Both days inclusive)

Registered Office : 20, Western Prabhadevi Building,
Nr. Kismat Cinema, Prabhadevi, Mumbai,
Maharashtra 400004
Tele: (022) 24312561, 09824019596
Email: exdontrading@yahoo.co.in

Equity shares Listed on Stock Exchanges at: the Bombay Stock Exchange Ltd, Mumbai

Disclosures:

1. All related party transactions have been entered into the ordinary course of business and were placed periodically before the audit committee in summary form. There were no material individual transactions with related parties were not in the normal course of business to be placed before the audit committed and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis.

2. All Accounting standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
3. Risk assessment and its minimizations procedures have been laid down by the Company and the same have been informed to Board Members. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.
4. The company has raised money through preferential allotment basis during the year.
5. The Company duly complies with all mandatory requirements of clause 49 of Listing Agreement with the Stock Exchange. However, the company has not adopted the non – mandatory requirement defined therein.
6. Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement with Stock Exchanges.
7. No Penalties or strictures have been imposed on the Company by Stock Exchanges or any statutory authority on any matter related to capital markets during the last three years but SEBI has imposed penalty of Rs. 12,00,000 during the year against the consent orders filed by the Company.

Stock Code**a. Trading Symbol at**

The Bombay Stock Exchange Ltd, Mumbai
Scrip Code 512017

b. Demat ISIN Numbers

: INE204I01013

Stock Market Data

: Not Available (as infrequently traded)

Registrar and Transfer Agents

: Purva Share registry (India) Pvt. Ltd.

(Share transfer and Communication

No-9, Shiv Shakti Industrial Estate, Ground Floor,

Regarding Share certificates Dividends and change of Address)

J. R. Boricha Marg, Opp. Kasturba Hospital,

Lower Parel, Mumbai - 400 011

Tele No. : 022-2301 6761 / 2301 8261

Fax No. : 022-2301 2517

E-mail: busicomp@vsnl.com

Website: www.purvashare.com

SHARE TRANSFER SYSTEM:

Transfer of Shares in Physical form are registered and dispatched within 3 weeks from the date of their receipts, subject to the documents being valid and complete in all respects. Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 30 days from the date of receipt, if the relevant documents are complete in all respect.

Dematerialization of shares and liquidity

The Equity Shares of your company are traded in compulsory dematerialization form by all investors. The company has entered into agreements with existing Depositories, National Securities Depository Limited (NSDL) enabling the investors to hold shares of the company in electronic form through the depository of their choice. As on 31st March 2011 22,388,325 Equity Shares of the Company was held in dematerialized form

Distribution of Shareholding as on 31st March, 2011**a.**

Shareholding of nominal value as on 31st March, 2011	No. of Shareholders	% of Shares	No. of Shares holders	% of Shares holders
Up to 5000	12	28.57	19300	0.09
5001- 10000	3	7.14	2600	0.01
10001- 20000	3	7.14	0	0
20001- 30000	3	7.14	158250	0.70
30001- 40000	1	2.38	3925	0.02
40001- 50000	1	2.38	4500	0.02
100001 and above	19	45.24	22311425	99.16
Total	42	100	22500000	100

Category of shareholders as on 31st March 2011

Category	No. of Shares holders	% of Shareholding
Promoters	1	2.07
Mutual Funds and UTI	0	0
Public Shareholding		
· Institutions	0	0
· Non-Institutions	26	97.44
· individual(up to 1 Lacs)	11	0.02
· individual (excess 1 Lacs)	31	0.35
· others(H.U.F)	1	0.12
Total	42	100.00

Impact on Equity: None**Address for correspondence: AT REGISTERED OFFICE:**

20, Western Prabhadevi Bulding,
Nr. Kismat Cinema,
Prabhadevi,
Mumbai
Maharashtra 400 004

Compliance Officer:

Mr. Ashok H. Shah

Declaration:

None of the Director of the Company is a Director of more than 15 companies and member of more than 10 committees or chairman of more than five committees across all companies in which he is a Director

ANNEXURE TO REPORT**DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

The company has framed a specific code of conduct for the members of the Board of Directors of the Company pursuant to clause 49 of the listing agreement with Stock Exchanges to further strengthen corporate governance practices in the company.

All the members of the Board of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year 31st March, 2011.

Ashok H. Shah

Place: Mumbai

Date: 12.05.2011

Director

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

**To,
The Members,**

Exdon Trading Company Limited
20, Western Prabhadevi Bulding,
Nr. Kismat Cinema,
Prabhadevi,
Mumbai
Maharashtra 400004

We have examined the relevant records pertaining to compliance conditions of Corporate Governance by Exdon Trading Company Limited ("the Company"), for the year ended 31st March, 2011 as stipulated clause 49 of the Listing Agreement of the said Company which the stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We have to state that no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Company which were presented to the Investor Grievance Committee.

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

**Y.D. & Co.
Chartered Accountant**

Place: Ludhiana

Date: 12.05.2011

**Partner
Rakesh Puri
M.No. 092728**

AUDITOR'S REPORT

To

The Members of **M/s Exdon Trading Company Limited**

We have audited the attached Balance Sheet of **M/s Exdon Trading Company Limited** as at 31st March 2011 and also the Profit & Loss Account and Cash Flow Statement of the company for the year ended on that date annexed there to. 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.

1. 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 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 (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 Annexure a statement on the matters specified in the paragraph 4 and 5 of the said order .

Further to our comments in the Annexure refer to in paragraph 2 above, we report that:

- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of accounts as required by law has been kept by the company so far as it appears from our examination of the books of accounts.
- c. The balance sheet and Profit & Loss account and Cash Flow Statement dealt by 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 Sub-section 3 C of Section 211 of the Companies Act 1956.
- e. In our opinion and on the basis of the information and explanations given to us and on the basis of the written representations received from the Directors and taken on record none of the directors of the company 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. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and notes on the accounts thereon give 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 the case of balance Sheet of the state of affairs of the company as at 31st March 2011
 - ii. in the case of the Profit & Loss Account of the profit for the year ended on that date and
 - iii. in the case of the cash flow statement, of the cash flow for the year ended on that date.

For, Y. D. & Co.
Chartered Accountants
Firm Reg. No. 018846N
(Rakesh Puri)
Partner
M. No. 092728

Place : Ludhiana.
Date : 12th May, 2011

ANNEXURE REFERRED TO IN PARAGRAPH-2 OF OUR REPORT OF EVEN DATE

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
(b) As explained to us, All the assets have been physically verified by the management at reasonable intervals during the year. According to information and explanations given to us, no material discrepancies have been noticed on such verification.
(c) In our opinion, the company has not disposed off substantial part of fixed assets during the year and the going concern status of the company is not affected.
2. (a) The inventories have been physically verified by the management at reasonable intervals during the year.
(b) The Procedures of physical verification followed by the Management as explained to us are, in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.
(c) As per information and explanation given to us, the discrepancies noticed on physical verification of inventories have been properly dealt with in the books of accounts.
3. (a) As per information and explanation given to us, the company has not granted loans to parties covered in the register maintained under section 301 of the Companies Act, 1956. hence, clause (iii) (a), (b), (c) & (d) are not applicable to the company
(b) As per information and explanation given to us, the company has not taken loans from parties covered in the register maintained under section 301 of the Companies Act, 1956. hence, clause (iii) (e) , (iii) (f) and (iii) (g) are not applicable to the company.
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 for the purchase of inventory and fixed assets and also for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weakness in internal controls.
5. As per information & according to explanation given to us, the company has not entered into any transaction that need to be entered into the register maintained under section 301 of the Act.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of clause (iv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. The central government has not prescribed maintenance of cost record under section 209(1) (d) of the Companies' Act 1956 in respect of products of the company.
9. In respect of Statutory dues:
 - a) As per information & according to explanation given to us, the company is generally regular in depositing statutory dues with the appropriate authorities during the year.
 - b) As per information & according to explanation given to us, there are no cases of non deposit with the appropriate authorities of disputed dues of Income-tax, and any other statutory dues with the appropriate authorities during the year.
10. The company does not have any accumulated losses at the end of the financial year. The Company has incurred cash losses of Rs.1492476/-during the financial year covered by the audit and also in the immediately preceding financial year.

11. Based on our audit procedures and according to the information and explanations given to us, there are no loans taken from financial institution, Banks or debenture-holders therefore the question of payments does not arise.
12. In our opinion and according to the information and explanations given to us and based on the information available, 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. There fore the provisions of clauses (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. The Company is dealing / or trading in shares, securities, debentures and other investments
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from Banks or financial institutions.
16. The company has not raised any term loans during the year.
17. According to the information and explanations given to us and on overall examination of the balance sheet of the Company, we are of the opinion that no funds raised short term basis that have been used for long term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the registered maintained under section 301 of the Companies Act 1956.
19. The company has not created any securities in respect of any outstanding at the year-end.
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 explanations given to us, no material fraud on or by the company, has been noticed or reported, during the course of our audit.

For, Y. D. & Co.
Chartered Accountants
Firm Reg. No. 018846N

(Rakesh Puri)
Partner
M. No. 092728

Place : Ludhiana.

Date : 12th May, 2011

BALANCE SHEET AS AT 31st MARCH 2011

PARTICULARS	SCHD. NO.	AMOUNT IN RS. 31st March 2011	AMOUNT IN RS. 31st March 2010
SOURCES OF FUNDS			
Shareholder's Funds			
Share Capital	1	225,000,000	7,350,000
Preferential Warrants	2	-	186,885,000
Reserves & Surplus	3	493,549	2,135,178
Loan Funds			
Unsecured Loan	4	1,500,000	1,500,000
Deferred Tax Liability		91,007	91,007
TOTAL RS.		227,084,556	197,961,185
APPLICATION OF FUNDS			
Fixed Assets			
Gross block	5	1,022,500	1,000,000
Less: Depreciation		791,125	641,972
Net Block		231,375	358,028
Investments	6	39,287,818	38,200,318
Current Assets, Loans and Advances:	7	187,178,129	160,697,170
Less: Current Liab. & Provisions :	8	1,038,051	1,488,750
Net Current Assets		186,140,078	159,208,420
Miscellaneous Exp. (To the extent not written off or adjusted)		1,425,285	194,419
TOTAL RS.		227,084,556	197,961,185

Significant Accounting Policies and notes
annexed to and forming part of the accounts

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**In terms of our report of even date
FOR, Y. D. & CO.
Chartered Accountants
Firm Reg. No. 018846N**

For and on behalf of the Board of Directors

Director

**Rakesh Puri
Partner
M. No. 092728
Place : Ludhiana
Date : 12th May, 2011**

Director

Place : Mumbai
Date : 12th May, 2011

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

PARTICULARS	SCHD. NO.	AMOUNT IN RS. 31st March 2011	AMOUNT IN RS. 31st March 2010
INCOME :			
Sales		232,207,714	-
Kasar Vatav		501	-
		<u>232,208,215</u>	<u>-</u>
EXPENDITURE :			
Cost of Goods sold	9	231,539,097	-
Administrative Expense	10	961,594	262,317
Depreciation		149,153	238,685
		<u>232,649,844</u>	<u>501,002</u>
PROFIT/(LOSS) BEFORE TAX		<u>(441,629)</u>	<u>(501,002)</u>
Extra ordinary Item			
Sebi Penalty		1,200,000	-
Less Provision for Taxation		-	-
Less: Deferred Tax Liability		-	-
PROFIT/(LOSS) AFTER TAX		<u>(1,641,629)</u>	<u>(501,002)</u>
Trs to General Reserve		<u>1,641,629</u>	<u>501,002</u>
Balance brought Forward(after trs to Gen. Res. For bonus)		<u>(0)</u>	<u>-</u>
Significant Accounting Policies and notes annexed to and forming part of the accounts			
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In terms of our report of even date

FOR, Y. D. & CO.

Chartered Accountants

Firm Reg. No. 018846N

Rakesh Puri

Partner

M. No. 092728

Place : Ludhiana

Date : 12th May, 2011

For and on behalf of the Board of Directors

Director

Director

Place : Mumbai

Date : 12th May, 2011

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

PARTICULARS	AMOUNT IN RS. 31st March 2011	AMOUNT IN RS. 31st March 2010
SCHEDULE 1 - SHARE CAPITAL		
AUTHORISED CAPITAL		
2,27,50,000(7,50,000) Equity Shares of Rs. 10/- each	22,75,00,000	7,500,000
	<u>22,75,00,000</u>	<u>7,500,000</u>
Issued, Subscribed & Paid-up Share Capital		
7,35,000 (7,35,000) Equity Shares of Rs.10/- each fully paid-up	7,350,000	7,350,000
21765000 E.s. converted from Preferential warrants	217,650,000	-
	<u>225,000,000</u>	<u>7,350,000</u>
SCHEDULE 2 - PREFERENTIAL WARRANT		
Preferential Warrants of Rs 10 (18000000 Warrants) partly paid(8.50/-)	-	153,000,000
Preferential Warrants of Rs 10 (3765000 Warrants) partly paid(9/-)	-	33,885,000
TOTAL	<u>-</u>	<u>186,885,000</u>
SCHEDULE 3 - RESERVES & SURPLUS		
General Reserve	2,135,178	2,636,180
Balance b/d from Profit and Loss Account	(1,641,629)	(501,002)
	<u>493,549</u>	<u>2,135,178</u>
SCHEDULE 4 - UNSECURED LOANS		
Inter corporate loans	1,500,000	1,500,000
	<u>1,500,000</u>	<u>1,500,000</u>
SCHEDULE 6- INVESTMENTS - AT COST		
Long Term Investments Traded and quoted		
1000000 Es of Rs 10 each of Xo infotech Ltd	10,000,000	10,000,000
Long Term Investments Non Trade and Unquoted		
15000 Equity Share Of Corp. St. Alli.P. L.	1,500,000	1,500,000
80262 Equity Shares of Gayatri Lease Finance P. Ltd.	802,618	802,618
30050 Equity Share Of North Pole Finance Ltd	300,500	300,500
3625 shares of Shanti Tradelink P.Ltd	1,087,500	-
Kareena Shares & Stocks Pvt. Ltd.	25,587,200	25,587,200
	<u>29,277,818</u>	<u>28,190,318</u>
Investment in Govt. Securities		
National Saving Certificate	10,000	10,000
	<u>39,287,818</u>	<u>38,200,318</u>
SCHEDULE 7 - CURRENT ASSETS, LOANS & ADVANCES		
Current Assets		
Inventories	9,022,760	9,022,760
A	<u>9,022,760</u>	<u>9,022,760</u>
Sundry Debtors		
(Unsecured and considered good)		
Outstanding for more than six months	972,500	972,500
Other	-	-
B	<u>972,500</u>	<u>972,500</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

PARTICULARS	AMOUNT IN RS. 31st March 2011	AMOUNT IN RS. 31st March 2010
Cash and bank balances		
Cash on Hand	100,966	145,216
Bank of India - 2323	5,479	7,553
HDFC	-	179
C	<u>106,445</u>	<u>152,948</u>
LOANS AND ADVANCES		
Loans & Advances	176,966,124	150,548,961
Advances recoverable in cash or kind or for value to be received		
Prepaid Expenses	110,300	-
D	<u>177,076,424</u>	<u>150,548,961</u>
TOTAL CURRENT ASSETS (A+B+C+D)	<u>187,178,129</u>	<u>160,697,170</u>
SCHEDULE 8 - CURRENT LIABILITIES & PROVISIONS		
Current liabilities		
Sundry Creditors	1,000,000	1,476,250
Other Liabilities	38,051	12,500
	<u>1,038,051</u>	<u>1,488,750</u>
SCHEDULE 9 - COST OF GOODS SOLD		
Opening Stock	9,022,760	9,022,760
Add : Purchases	231539097	-
TOTAL COST	<u>240561857</u>	<u>9,022,760</u>
Less : Closing Stock	9,022,760	9,022,760
Cost of Goods Sold	<u>231539097</u>	<u>-</u>
SCHEDULE 10 - ADMINISTRATIVE EXPENSES		
Auditor's Remuneration	10,000	10,000
Bank charges	1,092	270
Custody Fees	52,372	1,124
Demat Charges	-	982
Filing fees	16,500	8,000
Listing fees	11,030	11,030
Priliminary Exp.	373,948	52,985
Printing & Stationery	2,500	2,500
Processing Fees	77,210	-
Professional Fees	164,710	14,750
Registrar Transfer Agent Charges	20,004	18,998
Repairing Expenses	6,000	-
Salary Expense	185,750	141,660
Transaction Charges	33,000	-
Misc. Exp.	7,478	18
	<u>961,594</u>	<u>262,317</u>

SCHEDULE : 11 NOTES FORMING PART OF THE ACCOUNTS**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****a) General:**

- i) Accounting policies not specifically referred to otherwise are in consistence with earlier year and in consonance with generally accepted accounting principles.
- ii) Expenses and income considered payable and receivable respectively are accounted for on accrual basis.

b) Sales:

Sales are accounted on mercantile basis, when the sale of goods is completed.

c) Valuation of Inventories:

Inventories are valued at cost .

d) Fixed assets and depreciation:

- a. Fixed assets are capitalized at cost inclusive of interest, freight, duties, taxes and all incidental expenses related thereto.
- b. Depreciation on assets has been provided on Written Down Value Method at the rates prescribed by schedule XIV to the Companies Act 1956 depreciation in respect of additions to / and deletion from assets has been charged on pro-rata basis to the month of addition or deletion.

e) Investments:

Investments are valued at cost.

f) Foreign currency Transactions:

There is no foreign currency transaction.

g) Retirement Benefits:

Provident fund and employees state insurance scheme contribution is not applicable to the company.

h) Taxes on Income:

Current Tax : Provision for Income-Tax is determined in accordance with the provisions of Income-tax Act 1961.

Deferred Tax Provision: Deferred tax is recognized, on timing difference, being the difference between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2. Balances of Sundry Debtors, Creditors, Loans and Advances are subject to confirmation and reconciliation.

3. In the opinion of the Board of directors, the current assets, Loans & advances are approximately of the value stated if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

4. a) The computation of net profit for the purpose of calculation of director's remuneration u/s 349 of the companies Act 1956 is not enumerated since no commission has been paid to any director.

	2010-11	2009-10
b) Director's remuneration:	Nil	Nil

Related Party Transaction.

No related party transaction were carried out during the year

5. Segment Information:

The are no reportable segment as per the contention of the management.

6. Basic and Diluted Earning per share (EPS) computed in accordance with Accounting Standard (AS).20 "Earning Per Share"

Particulars	31.03.2011	31.03.2010
a. Numerator		
Profit / (Loss) after Tax	Rs-1641629	Rs. -501002
b. Denominator		
Weighted average number of Nos Equity shares	21987250	735000
c. EPS (Basic & Diluted)	Rs.(0.07)	Rs.(0.68)
Numerator/Denominator		

8. Payment to Auditor's

	2010-11	2009-10
For Audit	Rs. 10,000	Rs 10,000

9. Quantitative Information in respect of Sales, Opening Stock and Closing Stock:

Item	Sales			
	Qty.	Value	Qty.	Value
Opening Stock	2890700	9022760	2890700	9,022,760
Purchases	1188550	231539097	0	0
Sales	1188550	232207714	0	0
Closing Stock	2890700	9022760	2,890,700	9,022,760

	2010-11	2009-10
10. A. Value of import (on CIF basis)	Nil	Nil
B. Expenditure in foreign Currency	Nil	Nil
C. Remittance in Foreign Currency	Nil	Nil
D. Earnings in foreign Exchange	Nil	Nil
E. Exports of Goods on FOB basis	Nil	Nil
F. Value of Imports & Indigenous	Nil	Nil
G. Material Consumption	Nil	Nil

11. Previous years figures have been regrouped and recasted wherever necessary.

For, Y. D. & Co.

Exdon Trading Company Limited

Chartered Accountants

Firm Reg. No. 018846N

(Rakesh Puri)

Director

Director

Partner

M. No. 092728

Place : Ludhiana.

Place : Mumbai.

Date : 12th May, 2011

Date : 12th May, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rupees in Lacs)

	2010-11	2009-10
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT & LOSS BEFORE TAX AND EXTRA ORDINARY ITEMS	(1,641,629)	(501,002)
Adjustments For		
Depreciation	149,153	238,685
Dividend	(501)	0
Operating Profit Before Working Capital changes	(1,492,977)	(262,317)
Adjustment For		
Trade & Other Receivables	0	0
Other Current Assets	(26,527,463)	(148,148,961)
Trade Payables & Provisions	(450,699)	(2,677,790)
Miscellaneous Expenditure	(1,230,866)	(124,327)
Cash Generated From Operations	(28,209,028)	(150,951,078)
Net Cash From Operating Activities	(29,702,005)	(151,213,395)
Taxes Paid	0	0
	(29,702,005)	(151,213,395)
B. Cash Flow From Investing Activities		
Purchase Of Fixed Assets	(22,500)	-
Purchases of Investment	(1,087,500)	(32,087,200)
Dividend received	501	-
Net Cash Used In Investing Activities	(1,109,499)	(32,087,200)
C. Cash Flow From Financing Activities		
Taken/Repayment of borrowings	-	(3,441,952)
Proceeds From Issue of Shares	217,650,000	186,885,000
Warrant converted to equity	(186,885,000)	-
Net Cash Received From Financing Activities	30,765,000	183,443,048
Net Increase in Cash And Cash Equivalents	(46,504)	142,453
Opening Balances of Cash And Cash Equivalents	152,948	10,496
Closing Balances of Cash And Cash Equivalents	106,445	152,948

Notes :

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash flow Statements" Issued by the ICAI.
- Previous Year's figures have been reclassified to confirm with current year's presentation, where applicable

This is the Cash Flow Statement referred to in our report of even date.

FOR, Y. D. & Co.

Chartered Accountants

Firm Reg. No. 018846N

For and on behalf of the Board

Directors

Rakesh Puri

(Partner)

M.No. 092728

Directors

Date : 12th May, 2011

Place: Ludhiana

Date : 12th May, 2011

Place: Mumbai.

AUDITOR'S CERTIFICATE

We have verified the above cash flow statement of Exdon Trading Company Limited derived from the audited financial statement for the year ended on 31st March 2011 and found to be drawn in accordance there with and also with the requirement of clause 32 of the Listing agreements with the stock exchange.

& Co.**FOR, Y. D.**

Chartered Accountants
Firm Reg. No. 018846N

Rakesh Puri
(Partner)
M.No. 092728

Place : Ludhiana
Date : 12th May, 2011

EXDON TRADING COMPANY LIMITED			
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE			
I. REGISTRATION DETAILS			
Registration No.			: 39616
State code			: 11
Balance Sheet Date			: 31/03/2011
II. CAPITAL RAISED DURING THE YEAR			
Public Issue	NIL	Rights Issue	: NIL
Private Placement	NIL	Bonus Issue	: NIL
Preferential issues	217650		
(Rs. In thousand)			
III. POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS			
(Rs. In thousand)			
Total Liabilities	: 227,085	Total Assets	: 227,085
Sources of funds			
Paid up Capital			: 225000
Reserves & Surplus			: 494
Secured Loans			: Nil
Unsecured Loans			: 1,500
Differed Tax Liability			: 91
Application of Funds :			
Net Fixed Assets			: 231
Investments			: 39,288
Net Current Assets			: 186,140
Miscellaneous Expenditure			: 1,425
Accumulated Losses			: Nil
Preoperative Expenses			: Nil
IV. PERFORMANCE OF THE COMPANY :			
Turnover			: 232,208
Total Expenditure			: 232,650
Profit before tax			: (442)
Profit after tax			: (1,642)
Earning per Share			: (0.07)
GENERIC NAME OF THE PRINCIPLE PRODUCT & SERVICES OF THE COMPANY.			
Item Code No.			: N.A.
(ITC Code)			: N.A.
Product Description			:
For, Y. D. & CO.		For, Exdon Trading company Limited	
Chartered Accountants			
Firm Reg. No. 018846N			
		Directors	
Rakesh Puri			
Partner			
M. NO. 092728			
		Directors	
Place : Ludhiana		Place : Mumbai	
Date : 12th May, 2011		Date : 12th May, 2011	

EXDON TRADING COMPANY LIMITED

20,Western Prabhadevi Building,
Nr. Kismat Cinema, Prabhadevi, Mumbai – 400 004

ATTENDANCE SLIP

(to be handed over at the entrance of the meeting hall)

I, Shri / Smt.....of Being a member / proxy of **Exdon Trading Company limited** do hereby record my presence at the Annual General Meeting of the members of the company held on Wednesday 15th June 2011 at 11.30 A.M. at the registered office of the Company at 20,Western Prabhadevi Building, Nr. Kismat Cinema, Prabhadevi, Mumbai – 400 004

FOLOI NO / CLIENT I.D.	
D.P. ID.	
D.P. NAME.	
NAME OF SHAREHOLDER	
NUMBER OF SHARE HELD	

Member's/ Proxy Signature

(To be signed at the time of handing over this slip)

NOTE: Please carry with you this attendance slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.

CUT HERE

EXDON TRADING COMPANY LIMITED

20,Western Prabhadevi Building, Nr. Kismat Cinema, Prabhadevi, Mumbai – 400 004

FORM OF PROXY

FOLOI NO / CLIENT I.D.	
D.P. ID.	
D.P. NAME.	
NAME OF SHAREHOLDER	
NUMBER OF SHARE HELD	

I, Shri / Smt.....of Being a member / proxy of **Exdon Trading Company limited** do hereby record my presence at the Annual General Meeting of the members of the company held on Wednesday 15th June 2011 at 11.00 A.M. at the registered office of the Company at 20,Western Prabhadevi Building, Nr. Kismat Cinema, Prabhadevi, Mumbai – 400 004

Signed _____ day of _____ 2011.

Signed by the said _____.

Affix Re. 1 Revenue Stamp

NOTE: The proxy to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

Proxy form duly stamped, signed and completed in all respect should be deposited 48 hours before the time fixed for the meeting at the registered office of the company.