

2010
2011

SUCHAK TRADING LIMITED

ANNUAL REPORT

TABLE OF CONTENTS

01	Directors Report
03	Management Discussion and Analysis
05	Corporate Governance
11	Auditors' Report
14	Balance Sheet
15	Profit & Loss Account
16	Schedules
21	Cash Flow Statement
22	Balance Sheet Extract

Board of Directors
Mr. N.K. Patel
Mr. Anand Pardesi
Mr. Ketan Sorathiya

Registered Office
29/A,
Nalanda Shopping Centre
Station Road, Goregaon West
Mumbai - 400062

Statutory Auditors
S.Chandulal & Co.
Mumbai

Registrar & Transfer Agent
Adroit Corporate Services
Private Limited
19/20 Jaferbhoy Ind. Estate
1st Floor, Makwana Road
Marol, Andheri (E)
Mumbai 400059

DIRECTORS' REPORT

Dear Members,

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

1. FINANCIAL RESULTS

Your Company financial performance during the year 2010-11 is summarized below:

(Rs. in Lacs)

Particulars	2010-2011	2009-2010
Profit Before Depreciation	8.09	11.72
Less: Depreciation	5.39	6.15
Profit Before Tax	2.70	5.57
Less: Taxation	0.83	1.88
Profit After Tax	1.87	3.69

2. OPERATIONS

The Company's revenue for the Financial year ended March 31, 2011 stood at Rs. 27.37 lacs as compared to Rs. 19.24 lacs in the previous year i.e. approximately 42% increase in comparison to last year. The Net Profit for the Financial Year ended March 31, 2011 stood at Rs.1.87 lacs as against Rs.3.69 lacs in the previous year.

3. DIVIDEND

Your Directors have considered it prudent not to recommend any dividend on equity shares for the year ended March 31, 2011 in order to conserve the resources for future.

4. PUBLIC DEPOSITS

During the year, the Company has not accepted any deposit u/s. 58A of the Companies Act, 1956.

5. AUDITORS

M/s. S. Chandulal & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received confirmation that their appointment, if made, would be within the prescribed limit specified u/s. 224(1B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956. Your Directors recommend re-appointment of M/s. S. Chandulal & Co. as the Statutory Auditors of the Company for the current financial year and fixation of their remuneration.

6. AUDITORS' REPORT

The Auditors' Report on the financial statement for the year 2010-11 is self-explanatory, therefore does not require any further explanation.

7. DIRECTORS

In accordance with the Companies Act, 1956, Mr. N.K Patel, who is liable to retire by rotation and being eligible, have offered himself for re-appointment.

The proposal regarding re-appointment of Mr. N.K Patel, as Director is placed for your approval.

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

The Company has no activities relating to conservation of energy and technology absorption. There are no foreign exchange transactions during the year.

9. PARTICULARS OF EMPLOYEES

The Company does not have any employee who is in receipt of remuneration aggregating to the sum prescribed u/s. 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended till date.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements u/s. 217(2AA) of the Companies Act, 1956, your Directors hereby state and confirm that:

- i) In preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any
- ii) They have selected the 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 financial year under review and for the profit of the Company for the same period.
- iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) They have prepared the Annual Accounts on "GOING CONCERN" basis.

11. LISTING

The equity Shares of the Company is listed at the Bombay Stock Exchange Limited (BSE). Trading in the Equity shares of the Company is resumed at BSE on 1st June, 2010 vide BSE Notice No. 20100526-14 dated 26th May, 2010.

12. CORPORATE GOVERNANCE

Clause 49 of the Listing Agreement is not mandatory for your Company. The Company is persistent in following best practices and hence has voluntarily adopted most of the provisions of Clause 49 of the Listing agreement. A report on Corporate Governance along with a certificate from the Auditors of the Company regarding the compliance of conditions of Corporate Governance and also the Management Discussion and Analysis Report are annexed to this report.

13. ACKNOWLEDGEMENTS

Your Directors takes opportunity to show gratitude towards the assistance and co-operation received from Banks and other Agencies and Shareholders resulting in good performance during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the dedicated services rendered by Executives, staff and workers of the Company.

For and on Behalf of the Board of Directors of
SUCHAK TRADING LIMITED

Place: Mumbai
Date: September 01, 2011

Ketan Sorathiya
Director

N.K Patel
Director

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian warehousing and logistic market is undoubtedly a key sector for propelling the growth of Indian economy, on one end Government expenditure is rising and on other end public & private entities are forging relationships to make things happen. The private sector is likely to play an increasingly important role in India's transportation and logistics industry in the future.

Government of India released its much awaited Economic Outlook for 2011-12 that pegs India's GDP growth rate for 2011-12 at 8.2% as compared to 8.5% registered last year. Given the current adverse global circumstances and high Inflation to boot, the expected growth rate is 8.2%.

2. OPPORTUNITIES AND THREATS

The Indian logistics and warehousing industry is likely to continue its growth momentum in 2011-12 as in the previous year and the sector is forecast to witness a consolidation wave in the coming months in view of the reviving fortunes of the sector with booming end-user industries. India spends approximately 11%-12% of its GDP as logistics cost against the international average of 7%. While this can be seen as a hurdle in industrial growth, it also represents a massive opportunity that needs to be tapped at the earliest.

It is estimated that the Indian logistics market is likely to witness consistent annual growth of around 8-9% during the next decade and reach the revenue level of about \$200 billion by 2020. This growth, fuelled by the central government's renewed thrust on infrastructure development, which is proven by the phenomenal budget increase from about \$10 billion in 2003 to \$30 billion in 2010, is poised to attract significant investment in the logistics sector. For the period 2010-2020, the Indian logistics market is likely to witness consistent annual growth of around 8-9 per cent and reach to the revenue level of about \$190-200 billion by 2020. This will be fuelled by the consistent growth of the economy and key industries such as automotive, engineering, pharmaceuticals, food processing, logistics, among others.

The strategic location of our warehouse is one of its core benefits. It is important for any Industrial unit to have hassle free connectivity to commercial centers, ports, raw materials, man power and technology. Our warehouses enjoy few benefits for its location:

- a. The warehouses is connected through State Highway called Palanpur – Ahmedabad Highway which is a 4 Lane Highway matching with the features of an express Highway.
- b. Our warehouses are well connected with major cities and business hubs of India, key amongst them is Ahmedabad City. The commercial hub – Unjha is only 35 km. from our warehouses. Unjha is known for its world famous spice “jeera” (cumin-seed) and “isabghol” (ispaghula – an Indian Herb) market. Unjha has a strong export and local distribution network of its products. Our warehouses acts as a transit storage shed for these products both in the case of export and domestic market.
- c. Our warehouses in Palanpur are centrally located around various small villages. The requirement of cattle feed is met by the Cattle feed vendors of Palanpur. Our warehouses are also used as a storage house of Cattle feed.
- d. The nearest sea Port is Kandla Sea Port which gives a boost to the export market. The closest railway station is Palanpur Junction. The Junction has its own container Depot .The proximity to the railway station helps our clients to use the container facility for the transportation of its goods from one city to another.
- e. Deesa Airport, the proposed Airport which is closest to our warehouses and we have a firm belief that our Company will be benefited by it. Most of the products are seasonal and its harvesting depends upon

the behavior of nature. Shortage of rainfall adversely affects the farming as well as production of various herbs etc. Also certain part of the year, especially during the month of monsoon, the market experiences a slump in export sales, hence affecting the usability of our warehouses. The change in Export Policy by the Government and non completion of infrastructural projects by the Government as expected might hamper the connectivity and hence future growth of the company, to some extent.

Despite the long term positive growth and prospects in the Indian Economy, there have been signs of tightening of interest rates, increasing inflation, political uncertainties, and rising commodity and oil prices. These along with the frequent changes in regulations, cost pressures and market uncertainties have made the business environment very challenging for the year and years ahead

3. SEGMENT WISE PERFORMANCE

The Company is engaged in the business of warehousing and logistics. The revenue from warehousing is mainly through the storage of various spices, bi-products of castor oil, cattle feed etc. In future, Company's focus area would be to enhance its income by adding up more warehouses.

4. OUTLOOK

The outlook for the warehousing & logistics looks positive. The Company is also proposing to raise funds for investment in warehouses and expand the business. In view of the strengths and initiative discussed above, the outlook for the Company's business is positive.

5. RISK AND CONCERNS

The recessionary trend and tight liquidity position across the globe is a concern.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year, there was marginal improvement in the performance of the Company compared to previous year. Income from Operations has also increased substantially. As there is substantial growth in the industry sector, your Directors are of confidence of achieving good turnover and profitability during the year 2011-12.

8. DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not required to be given as no employee falls under it. The Company continued to have cordial relations with all the employees.

CORPORATE GOVERNANCE

Clause 49 of the Listing Agreement is not mandatory to your company; however, the company has voluntarily adopted the same to the extent possible. The Company firmly believes that Corporate Governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved with the Company.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of highest levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders, including shareholders, employees, the government and lenders.

2. BOARD OF DIRECTORS

The Board of Directors along with its Committees provides leadership and vision to the management and supervises the functioning of the Company. In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before Board to enable it to discharge its responsibilities of strategic supervision of the Company as trustees of stakeholders.

The Composition of the Board of Directors of the Company and their attendance is as follows:

Sr. No.	Name of the Director	Category	Attendance in Board Meeting		Attendance at last AGM	No. of Directorship and Committee memberships / Chairmanships in other Listed Co.	
			Held	Attended		Directorships	Committee Member / Chairman
1	Mr. N. K. Patel	ED	8	8	YES	0	0
2	Mr. Anand Pardesi	NEID	8	8	YES	2	2
3	Mr. Ketan Sorathiya	NEID	8	8	YES	4	4

ED=Executive Director, NEID = Non-executive Independent Director

Note: None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director.

During the accounting year 2010-2011, eight (8) Board Meetings were held. The Annual General Meeting of the Company was held on September 30, 2010.

3. AUDIT COMMITTEE

The terms of reference of the Audit committee include the matters specified under Clause 49(II) (D) and (E) of the Listing Agreement as well as in Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee, inter alia, include the following:

- a. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Reviewing with the management the financial statements at the end of the quarter, half year and the annual statements before submission to the Board for approval with reference to :
 - i. Matters required being included in the Director's responsibility statement which form part of the Board's Report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.

- ii. Changes, if any, in the accounting policies and practices and reason for the same.
 - iii. Major accounting policies and practices and reason for the same.
 - iv. Significant adjustments made in the financial statements arising out of audit findings.
 - v. Compliance with the listing and other legal requirements relating to financial statements.
 - vi. Disclosure of any related party transactions.
 - vii. Qualifications, in the draft audit report.
- c. Recommending the appointment and removal of external auditors, fixation of audit fees and also approval for payment of any other expenses.

The Audit Committee presently comprises of Mr. Anand Pardeshi as Chairman, Mr N.K Patel and Mr Ketan Sorathiya as Member.

The Audit Committee met six times during the year ended March 31, 2011. Meetings and attendance of each member for Audit Committee are as follows:

Name of the Member	No. of Meeting	
	Held	Attended
Mr. Anand Pardeshi	6	6
Mr. Ketan Sorathiya	6	6
Mr. N. K. Patel	6	6

4. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

- a. The Committee looks into issues relating to shareholders / investors, including complaints relating to transfer / transmission of shares, issue of duplicate share certificates, non-receipt of annual report etc. and their redressal.
- b. The Shareholders' / Investors' Grievance Committee presently comprises of three Members, namely:
 - a) Mr. N. K. Patel - Member
 - b) Mr. Ketan Sorathiya - Chairman
 - c) Mr. Anand Pardeshi - Member
- c. The Board has delegated power of approving transfer of shares to RTA.
- d. During the year under review, no complaints were received from Shareholders / Investors.

5. GENERAL BODY MEETINGS

The details of Annual General Meetings (AGM) of the Company held in last 3 years are as under:

AGM	Date	Time	Venue
2007-08	29/09/2008	11 a.m.	Registered Office
2008-09	29/09/2009	11 a.m.	Registered Office
2009-10	30/09/2010	11 a.m.	Registered Office

During the year under review, one EGM was held on August 09, 2010. In the EGM, the resolution was passed to increase the Authorised Share Capital of the Company to Rs. 12 Crore.

6. DISCLOSURES

- a. No transaction of material nature has been entered into by the Company with its Directors or Management and their relatives, etc. that may have a potential conflict with the interest of the Company.
- b. The Register of Contracts/ Statement of related party transactions is placed before the Board / Audit Committee regularly.
- c. The Company has implemented all the applicable mandatory requirement of Clause 49 of the Listing Agreement.
- d. There has been no instance of non compliance by the Company of any matter related to capital markets. Hence, the question of penalties being imposed by SEBI or the Stock exchanges or any other authority does not arise.
- e. Listing Fees for the financial year 2011-12 have been paid to the Stock Exchange on which the shares of the company are listed.
- f. The Clause 49 states that the non-mandatory requirement may be implemented as per the discretion of the Company. The disclosure of compliance with non-mandatory requirement and adoption (and compliance) / non adoption of the non-mandatory requirement shall be need based.

7. MEANS OF COMMUNICATION

- a. The financial results of the Company are faxed / sent to the Bombay Stock Exchange Limited on which the Company's shares are listed.
- b. The results and official news are generally available on www.bseindia.com.

8. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report forms part of the Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Date : September 30, 2011

Time : 11 a.m

Venue: 29/A Nalanda Shopping Centre,
Station Road, Goregaon West, Mumbai – 400062

b. Financial Calendar (tentative dates of declaration of Quarterly results)

1st Quarter : Within one month from end of respective quarter

2nd Quarter : Within one month from end of respective quarter

3rd Quarter : Within one month from end of respective quarter

4th Quarter : Within 45 Days from end of respective quarter

c. Date of Book Closure: 29th September, 2011 to 30th September, 2011 (both days inclusive)

d. Dividend: No dividend is recommended for the financial year ended on 31st March, 2011.

e. Listing on Stock Exchange: The equity Shares of the Company is listed at the Bombay Stock Exchange Limited (BSE).

- f. Stock Code (Equity Shares): 512075
- g. ISIN No. for Dematerialization of Equity Shares: INE035G01015
- h. Market Price Data: The trading in equity shares resumed from June 1, 2010. The trading in the scrip has been infrequent and there is only one market price data available for the year under review i.e. Rs. 2.75 on July 27, 2010. There was only one trade of 50 shares.
- i. Registrar and Transfer Agent
Adroit Corporate Services Private Limited
19/20 Jaferbhoy Ind. Estate,
1st Floor, Makwana Road,
Marol, Andheri (E) Mumbai 400 059.
- j. Share Transfer System: Share Transfer in physical form are generally registered and returned within 15 days from the date of receipt in case documents are complete in all respects.
- k. Distribution of shareholding as on March 31, 2011.

No of Shares Held	No of Shareholders	% of Total	No. of Shares	% of Total
Upto 500	116	46.96	12550	0.84
501 to 1000	3	1.21	2400	0.16
1001 to 3000	8	3.24	13850	0.93
3001 to 4000	1	0.40	4000	0.27
4001 to 5000	10	4.05	49500	3.32
5001 to 10000	57	23.08	517950	34.71
10001 and above	52	21.05	892100	59.78
Total	247	100.00	1492350	100.00

- l. Dematerialization of shares: 83.04% of the shares are held in physical form. Company has DMAT connectivity with CDSL & NSDL.
- m. Categories of Shareholding as on March 31, 2011

Category	No. of Shares	% of Total
Promoters/Persons Acting in Concert	182800	12.25
Bodies Corporate	332450	22.28
Individuals	977100	65.47
Total	1492350	100.00

- n. Address for communication:

The Investors can send all correspondence to the Registered Office of the company at the following address

29/A Nalanda Shopping Centre
Station Road
Goregaon West
Mumbai – 400062
Email id: suchaktrading@rediffmail.com

10. COMPLIANCE CERTIFICATE BY AUDITORS

The Company has obtained a certificate from the Statutory Auditors regarding compliances of conditions of Corporate Governance which is annexed herewith.

11. CODE OF CONDUCT

The Company's Board of Directors has adopted the code of conduct which governs the conduct of all Directors / Employees. All Directors and senior management personnel have affirmed compliance with respective codes for the year ended on March 31, 2011. The Declaration by Board of Directors to this effect is reproduced below.

12. CEO/CFO CERTIFICATION

A certificate signed by Mr. N. K. Patel, Director is attached with this report.

DECLARATION

It is hereby declared that all the Board Members and Senior Managerial Personnel have affirmed compliance of code of conduct, pursuant to Corporate Governance, for the year ended 31st March 2011.

For and on Behalf of the Board of Directors of
SUCHAK TRADING LIMITED

Place: Mumbai
Date: September 01, 2011

Ketan Sorathiya
Director

N.K.Patel
Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members

1. We have examined the compliance of the conditions of Corporate Governance by SUCHAK TRADING LIMITED for the financial year ended 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchange(s).
2. The compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
3. In our opinion & to the best of our information & according to the explanation given to us, we certify that the Company has voluntarily adopted Clause 49 as a good management practice inspite of the same not mandatory for the Company. The Company has complied with all the conditions of Corporate Governance.

For **S. Chandulal & Co.**
Chartered Accountants
Firm Registration No.:101701W

Place: Mumbai
Date: September 01, 2011

Suresh C. Shah
Proprietor
M. No.: 037266

CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

To
The Board of Directors

I, N. K. Patel, Director of the Company, do hereby certify that:

1. I have reviewed the financial statements and the cash flow statement for the year 2010 - 11 and to the best of my knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b. These statements present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the auditors and the Audit committee:
 - a. Significant changes in internal control over financial reporting during the year;
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting

Place : Mumbai
Date : September 01, 2011

N K Patel
Director

AUDITORS' REPORT

To,
The Members

1. We have audited the attached Balance Sheet of SUCHAK TRADING LIMITED ('the Company') as at 31st March, 2011 and the related Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) amendment Order, 2004 (together with the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex here to a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred in paragraph (3) The Management Discussion and Analysis Report forms part of the Annual report as above and information and explanations provided to us, 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 the audit;
- b. In our opinion, proper books of accounts as required by law have been kept by the Company as far as it appears from our examination of those books.
- c. The Balance Sheet, Profit and Loss account and Cash Flow statement referred to in this report are in agreement with the books of account of the Company.
- d. In our opinion, these financial statements comply with the Accounting Standard referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e. On the basis of the written representation received from the Directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as Director in term 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 accounts together with the notes thereon of schedule 11 and in particular 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 the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. In the case of the Profit and Loss account, of the Profit for the year ended on 31st March, 2011; and
 - iii. In the case of the Cash Flow Statement, of the Cash Flow for the year ended on 31st March, 2011.

For S. Chandulal & Co.
Chartered Accountants
Firm Registration No.:101701W

Place: Mumbai
Date: September 01, 2011

Suresh C. Shah
Proprietor
M. No. : 37266

Annexure referred to in paragraph 3 of our report even date:

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in term of Section 227(4A) of the Companies Act, 1956 and in our opinion and on the basis of such checks as we considered appropriate, we further report that:

1. a. The Company has maintained proper records showing full particulars including quantitative details & situation of fixed assets.
 - b. As explained to us, Fixed Assets have been physically verified during the year by the Management at the reasonable interval and no material discrepancies were noticed on such verification as compared with the available records.
 - c. During the year, the Company has not disposed off any substantial part of its fixed assets which has affected going concern status of the Company.
2. As the Company does not have stock of inventory, paragraph 4(ii) of the said Order is not applicable.
3. According to the information & explanation given to us, the Company has not granted or taken loans, secured or unsecured to/from companies or other parties listed in the register maintained u/s. 301 of the Companies' act 1956. According, sub-clause 4(iii) (b), (c), (d), (e), (f) & (g) are not applicable to the Company.
4. According to the information & explanations given to us, there is generally adequate internal control procedure commensurate with the size of the Company and the nature of its business with regard to the purchase of fixed assets, inventories & sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
5. The Company has not entered into any transaction covered by section 297 and 299 of the Act and so paragraphs 4(v) (a) and (b) of the said Order is not applicable.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 58A and 58AA or any other provision of the Companies Act, 1956.
7. The Company has neither formal internal audit department nor internal auditors. However, Company's control procedure ensures reasonable internal checking of its financial and other records.
8. In our opinion and according to the information and explanation given to us, maintenance of cost records has not been prescribed by the Central Government under clause (d) of the Section 209(1) of the Companies Act, 1956, hence the question of reporting under clause 4(viii) of the said Order does not arise.
9. a. In our opinion and according to the records of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess & other material statutory dues applicable to it. We have been informed by the Company, provision of Provident Fund, Employees State Insurance Scheme is not applicable and also provisions of Investor Education & Protection Fund are not applicable.
 - b. As per records of the Company and according to the information & explanation given to us, generally no undisputed amount payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty, Cess were outstanding as at 31.03.2011 for a period more than six months from the date they become payable.
 - c. According to the information & explanation given to us there are no dues of Sales Tax, Income Tax, Customs duty, Service Tax, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses at the end of the financial year and in the immediate preceding financial year.
11. According to information & explanations given to us, the Company has not defaulted in the repayment of dues to financial institution & Banks. The Company has not borrowed any sums through Debentures.
12. Based on our examination of the records and information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause 4 (xiii) of the said Order, 2003 is not applicable to the Company.
14. In respect of dealing in Shares, Securities, Debentures and other Investments, in our opinion and according to information and explanations given to us, proper records have been maintained of the transaction and contracts and timely entries have been made therein. The Shares, Securities, Debentures and other Investments have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from a Bank or Financial Institutions.
16. The Company has not obtained any term loans. Accordingly, the question of reporting on its applications does not arise.
17. According to the information and explanation given to us and on overall examination of the Balance Sheet of the Company, we report that generally no funds raised on short term basis have been used during the year for the long term investment.
18. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained u/s. 301 of the Companies Act, 1956.
19. There are no debentures issued or outstanding during the year.
20. The Company has not raised any money by public issue during the year, accordingly paragraph 4(xx) of the said Order is not applicable.
21. According to the information & explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our Audit.

For **S. Chandulal & Co.**
Chartered Accountants Firm
Registration No.: 101701W

Place: Mumbai
Date: September 01, 2011

Suresh C. Shah
Proprietor
M. No. : 37266

BALANCE SHEET AS ON 31st MARCH, 2011			
PARTICULARS	SCH. NO.	AS AT 31-Mar-11 Amount (Rs.)	AS AT 31-Mar-10 Amount (Rs.)
SOURCES OF FUNDS			
Share Holder's Fund			
Share Capital	1	1,49,23,500	1,49,23,500
Reserves & Surplus	2	30,65,194	28,78,494
Loan Funds			
Unsecured Loan	3	5,82,66,570	2,46,06,570
Deferred Tax Liability	4	6,57,912	6,23,573
Total		7,69,13,176	4,30,32,137
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	1,74,54,578	1,74,54,578
Less: Depreciation		51,09,811	45,71,151
Net Block		1,23,44,767	1,28,83,427
Investments			
	6	6,39,70,907	2,89,70,907
Current Assets, Loans & Advances			
Sundry Debtors	7	34,500	25,500
Cash & Bank Balance		2,51,096	9,18,712
Loans and Advances		8,46,945	7,50,000
		11,32,541	16,94,212
Less: Current Liabilities & Provisions			
Current Liabilities	8	73,492	1,04,012
Provisions		4,61,547	4,12,397
		5,35,039	5,16,409
Net Current Assets		5,97,502	11,77,803
Total		7,69,13,176	4,30,32,137
Significant Accounting Policies & Notes on Accounts Forming Part of the Financial Statements	11		
Schedules referred to herein form an integral part of the Financial Statements			

As Per Our Report Of Even Date Annexed

For S.Chandulal & Co.
Chartered Accountants
Firm Regt No: 101701W

For & On Behalf of Board of Directors

Suresh C.Shah
Proprietor
M.No: 037266

Ketan Sorathiya
Director

N.K Patel
Director

Place : Mumbai
Date: September 01, 2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011			
PARTICULARS	SCH. NO.	For the Year Ended 31-Mar-11 Amount (Rs.)	For the Year Ended 31-Mar-10 Amount (Rs.)
INCOME			
Income From Operation / Other Income	9	2,737,100	1,923,985
EXPENDITURE			
Administrative & Other Expenses	10	1,928,251	752,195
PROFIT BEFORE DEPRECIATION		808,849	11,71,790
Less : Depreciation	5	538,660	614,527
PROFIT/(LOSS) BEFORE TAX		270,189	557,263
Less: Provision for Tax			
- Current Tax / MAT		49,150	151,000
- Deferred Tax Liability		34,339	37,615
Add: Short / Excess Tax of Earlier year now written off.		-	
PROFIT/(LOSS) AFTER TAX		186,700	368,648
Add : Balance carried from last year		2,630,624	2,261,976
Balance carried forward to Balance Sheet		2,817,324	2,630,624
Significant Accounting Policies & Notes on Accounts Forming Part of the Financial Statements	11	-	-
Schedules referred to herein form an integral part of the Financial Statements			
Basic & Diluted Earning Per Share		0.13	0.25

As Per Our Report Of Even Date Annexed

For S.Chandulal & Co.
Chartered Accountants
Firm Regt No: 101701W

For & On Behalf of Board of Directors

Suresh C.Shah
Proprietor
M.No: 037266

Ketan Sorathiya
Director

N.K Patel
Director

Place : Mumbai
Date: September 01, 2011

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS		
PARTICULARS	AS AT 31-Mar-11 Amount (Rs.)	AS AT 31-Mar-10 Amount (Rs.)
SCHEDULE 1 : SHARE CAPITAL		
Authorised Share Capital 120,00,000 [Previous year 15,00,000] Equity Shares of Rs 10/- each	12,00,00,000	1,50,00,000
Issued, Subscribed & Paid Up Capital 14,92,350 [Previous year 14,92,350] Equity Shares of Rs. 10/- each fully paid up	1,49,23,500	1,49,23,500
	1,49,23,500	1,49,23,500
SCHEDULE 2: RESERVES & SURPLUS		
Balance in Profit & Loss Account	28,17,324	26,30,624
Statutory Reserves	2,47,870	2,47,870
Total	30,65,194	28,78,494
SCHEDULE 3: UNSECURED LOAN		
From Companies	2,54,06,570	2,46,06,570
From Other	3,28,60,000	-
Total	5,82,66,570	2,46,06,570
SCHEDULE 4: DEFERRED TAX LIABILITY		
Opening Balance	6,23,573	5,85,958
Add: Provision made during year	34,339	37,615
Total	6,57,912	6,23,573

SCHEDULE 5 : FIXED ASSETS								
PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As At	Addition /	Total As At	As At	During the	Total As At	As At	As At
	01.04.2010	Deletion	31.03.2011	01.04.2010	Year	31.03.2011	31.03.2011	31.03.2010
PLOT OF LAND	45,76,500	-	45,76,500	-	-	-	45,76,500	45,76,500
COMPUTERS	3,19,500	-	3,19,500	2,66,640	21,144	2,87,784	31,716	52,860
CORPORATE OFFICE	20,12,340	-	20,12,340	3,00,954	85,569	3,86,523	16,25,817	17,11,386
FURNITURE & FIXTURE	4,37,330	-	4,37,330	2,10,527	41,051	2,51,578	1,85,752	2,26,803
WAREHOUSES	92,32,358	-	92,32,358	32,75,997	2,97,817	35,73,814	56,58,544	59,56,361
MOTOR CAR	8,76,550	-	8,76,550	5,17,033	93,079	6,10,112	2,66,438	3,59,517
TOTAL	1,74,54,578	-	1,74,54,578	45,71,151	5,38,660	51,09,811	1,23,44,767	1,28,83,427
PREVIOUS YEAR	1,65,04,578	9,50,000	1,74,54,578	39,56,624	6,14,527	45,71,151	1,28,83,427	1,25,47,954

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS			
PARTICULARS		AS AT 31-Mar-11 Amount (Rs.)	AS AT 31-Mar-10 Amount (Rs.)
SCHEDULE 6: INVESTMENTS			
Shares - Quoted (at cost & fully paid-up)			
	No. of Units		
	Current Year	Previous Year	
Amradeep Industries Ltd. of Re.1/- each	27,19,000	27,19,000	2,71,900
Amraworld Agrico Ltd. of Re.1/- each	49,54,000	49,54,000	4,95,400
Simplex Trading & Agency Ltd. of Rs.10/- each	1,14,000	1,14,000	37,97,112
Sun and Shine Worldwide Ltd. of Rs.10/- each	2,04,700	2,04,700	44,06,495
Well Worth Overseas Ltd. of Re.1/- each	3,50,00,000	-	3,50,00,000
XO Infotech Ltd. of Rs.10/- each	20,00,000	20,00,000	2,00,00,000
TOTAL			6,39,70,907
Note : Aggregate Market Value of Quoted Investment is Rs. 7,18,75,385			
SCHEDULE 7 : CURRENT ASSETS, LOANS & ADVANCES			
A) Sundry Debtors			
Others [Unsecured, considered good]		34,500	25,500
		34,500	25,500
B) Cash And Bank Balance			
Cash & Bank balance		251,096	918,712
		251,096	918,712
C) Loans And Advances			
Advance For Capital Assets		600,000	600,000
Advance Tax		96,945	-
Deposits		1,50,000	1,50,000
		846,945	750,000
Total (A+B+C)		1,132,541	1,694,212
SCHEDULE 8 : CURRENT LIABILITIES & PROVISIONS			
A) Current Liabilities			
Sundry Creditors:			
For Expenses & Others		73,492	1,04,012
		73,492	1,04,012
B) Provision For Taxation			
For Income Tax		415,142	365,992
For Fringe Benefit Tax		46,405	46,405
		461,547	412,397
Total (A+B)		535,039	516,409

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS		
PARTICULARS	For the Year Ended 31-Mar-11 Amount (Rs.)	For the Year Ended 31-Mar-10 Amount (Rs.)
SCHEDULE 9: INCOME FROM OPERATION / OTHER INCOME		
Warehousing Income	24,16,800	19,23,985
Miscellaneous Income	3,20,300	-
Total	27,37,100	19,23,985
SCHEDULE 10: ADMINISTRATIVE & OTHER EXPENSES		
Audit Fees	19,500	19,500
Bank Charges & Demat Charges	1,450	110
Books & Periodicals	10,078	10,314
Conveyance Expenses	52,755	49,521
Electricity Expenses	36,000	48,000
Legal & Professional Fees	52,100	49,314
Listing Fees	11,030	11,030
Motor Car Hire Charges	20,757	37,150
Motor Car Petrol Expenses	12,800	32,086
Office Maintenance	18,000	12,000
Office Rent	60,000	-
Postage & Courier	15,706	5,720
Printing & Stationary	21,268	29,625
Repairs & Maintenance	21,930	8,785
Reinstatement Fees	3,60,000	-
ROC Fees (for increase in authorised capital)	7,35,500	-
Salary, Bonus & Perquisites	3,48,000	2,90,000
Share Transfer Department Expenses	69,651	57,557
Staff Welfare	18,735	16,055
Sundry Expenses	22,259	21,428
Telephone Expenses	20,732	54,000
TOTAL	19,28,251	7,52,195

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS**SCHEDULES 11:****A. SIGNIFICANT ACCOUNTING POLICIES****1. ACCOUNTING CONVENTIONS**

I. The accompanying financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 1956.

II. All Income & Expenditure items having material bearing on the financial statements are recognized on accrual basis except material uncertainty

2. FIXED ASSETS

Fixed Assets are stated on cost less depreciation.

3. DEPRECIATION

Depreciation on fixed assets is provided on written down value method at the rates prescribed in schedule XIV to the Companies Act, 1956. Depreciation on additions during the years have been provided on pro-rata basis

4. VALUATION OF INVESTMENTS

Long Term Investment is quoted at cost. No provision has been made for diminution in the value of the investments as all the investments are long-term & in the opinion of the management diminution in the value of the shares, if any, is not of a permanent nature hence no provision has been made for such diminution.

5. RETIREMENT BENEFITS

Liability on account of gratuity & other retirement benefits is accounted when paid.

6. TAXATION

The provision for taxation is ascertained profit computed in accordance with the provisions of Income Tax Act, 1961. Deferred tax is recognized subject to the consideration of prudence, on timing difference, being the difference taxable income & accounting income that originate in one period and are capable of reversal in one or more subsequent period.

B. NOTES ON ACCOUNTS

1. There are no creditors as defined under the Micro, Small and Medium Enterprises Development Act, 2006.
2. In our opinion the current assets, Loans & Advances are approximately of the value stated, if realized in the ordinary course of business. Investment is valued at cost of acquisition.
3. Provision for all known liabilities are adequate and are not in excess of the amount considered reasonably necessary.
4. Expenditure incurred in foreign currency is NIL.
5. Additional information pursuant to part IV of the Schedule VI of Companies Act, 1956 are as per annexure enclosed.
6. As per AS-18, notified in the Companies (Accounting Standards) Rules 2006, there is no related party transaction during the year.

7. Claim against the Company not acknowledge as debts : Nil
8. The Deferred Tax (Assets)/ Liability- Comprises of followings:

(Rs. in Lacs)

Particulars	31/03/2011	31/03/2010
Deferred Tax Liability / (Assets)		
Opening:		
Depreciation on Fixed Assets	6.23	5.86
Add: During the year	0.34	0.38
Net Deferred Tax Liability	6.57	6.24

9. Earning Per Share:

Particulars	31/03/2011	31/03/2010
Average Number of Equity Shares outstanding	1,492,350	1,492,350
Net Profit After Tax for the Year (In Rs.)	186,700	368,648
Basic & Diluted Earning Per Share (In Rs.)	0.13	0.25

10. The disclosure requirements under Part II of Schedule VI of the Companies Act, 1956 are given to the extent applicable to the Company.
11. As the Company is not a manufacturing company, information required under Paragraphs 3 and 4 of Part II of the Schedule VI of the Companies Act, 1956 is not given.
12. Previous year figures have been re-grouped and re-arranged if required making them comparable with current year figures.

Signature to Schedule 1 to 11
As Per Our Report of Even Date Annexed

For **S. Chandulal & Co.**
Chartered Accountant

For & On Behalf of Board of Directors

Suresh C. Shah
Proprietor
M.No:37266

Ketan Sorathiya
Director

N. K. Patel
Director

Place: Mumbai
Date: September 01, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2011		
PARTICULARS	2010-11 Amount (Rs.)	2009-10 Amount (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit /(Loss) before tax	270,189	557,263
Adjustment for :		
Depreciation	538,660	614,527
Operating Profit before working Capital Changes	808,849	1,171,790
Adjustment For:		
Increase in Loans (Liabilities)	33,660,000	12,619,200
Loans & Advances	-	-
Trade Receivable	(9,000)	
Trade Payables	(30,520)	151,197
Cash Generation From Operations	34,429,329	13,942,187
Direct taxes Paid or Tax Provisions	(96,945)	(151,000)
Net Cash Flow From Operating Activities	34,332,384	13,791,187
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(950,000)
Purchase of Investment	(350,00,000)	(126,19,200)
Net Cash Flow From Investing Activities	(350,00,000)	(135,69,200)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Repayment of Finance & Lease Liabilities	-	-
Net Cash Flow From Financial Activities	-	-
Net Increase (Decrease) in cash & cash equivalent (A+B+C)	(667,616)	221,987
Opening Cash & Cash equivalents	918,712	696,725
Closing Cash & Cash equivalents	251,096	918,712

As per our report of even date attached

For S. Chandulal & Co.
Chartered Accountant

For & On Behalf of Board of Directors

Suresh C. Shah
Proprietor
M.No:37266

Ketan Sorathiya
Director

N. K. Patel
Director

Place: Mumbai
Date: September 01, 2011

**Balance Sheet Abstract and Company's General Business Profile
(Pursuant to Part IV of the Companies ACT, 1956)**

1 Registration Details	:				
Registered No.	:	34089	State Code	:	11
Balance Sheet Date	:	31st March, 2011			
2 Capital Raised During The Year					
Public Issue	:	Nil	Right Issue	:	Nil
Bonus Issue	:	Nil	Private placement	:	Nil
3 Position of Mobilisation and Deployment Funds					
		Amount in Rs.			Amount in Rs.
Total Liabilities	:	7,69,13,176	Total Assets	:	7,69,13,176
Paid up Capital	:	1,49,23,500	Net Fixed Assets	:	1,23,44,767
Reserves and Surplus	:	30,65,194	Investments	:	6,39,70,907
Secured Loans	:	-	Net Current Assets	:	5,97,502
Unsecured Loans	:	5,82,66,570	Miscellaneous Expenses	:	-
Deferred tax Liability	:	6,57,912	Deferred tax Assets	:	-
4 Performance of Company	:				
Turnover / Other Income	:	27,37,100			
Total Expenditure	:	24,66,911			
Profit / (Loss) Before Tax	:	2,70,189			
Profit / (Loss) After Tax	:	1,86,700			
Basic Earning per Share in Rs.	:	0.13			
Diluted Earning per Share	:	0.13			
Dividend Rate	:	-			
5 Generic name of Principal Products of the Company					
Item Code No. (ITC Code)	:	N.A.			
Product Description	:	N.A.			

