

SHARP TRADING & FINANCE LIMITED

25TH ANNUAL REPORT

2009-2010

DIRECTOR'S REPORT

To,
The Members.
M/s SHARP TRADING & FINANCE LTD.
Mumbai.

The Directors Present their 25th Annual Report and audited financial statement of Accounts of the Company for the year ended 31st March, 2010.

PERFORMANCE & HIGHLIGHTS

	31/03/2010 <u>Rs. In Lacs</u>	31/03/2009 <u>Rs. In Lacs</u>
Sales Including other receipts	789.39	948.69
Profit / (Loss) before tax	-2.85	2.80
Provision for Tax	0.15	1.03
Profit / (Loss) after tax	-2.84	1.77

DIVIDEND

In view of loss, your directors do not recommend any dividend.

DIRECTORS

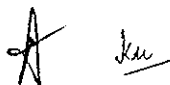
There were no change in the Directors during the year.

DEMATERIALISATION OF SHARES

Your Company has connectivity with the CDSL. For dematerialization of its Equity Shars. The ISIN No.INE567D01014 has been allotted for the comapy's Shares. Therefore the members and/or investors may keep their shareholdings in the electronic mode with their Depository Participant.

DEPOSITS

The Company has not accepted any Deposit from the public within the meaning of Section 58A & 58AA of the Companies Act, 1956.



AUDITORS

Mr. Rajesh Mayekar Chartered Accountants, The Present auditors of the Company shall retire at the conclusion of the Annual General Meeting and being eligible, have offered themselves for reappointment till the conclusion of the next annual general meeting. You are requested to appoint auditors for the current year and fix their remuneration.

AUDITORS REPORT

As regards the Auditors observations in their report, the Directors wish to inform that the necessary explanations are incorporated in the respective Notes to the Accounts, which are self explanatory.

REQUIREMENT OF SEC.217 (2A) OF THE COMPANIES ACT, 1956

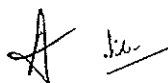
There were no employees in receipt of remuneration as specified u/s 217(2A) of the companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT :

The Companies Act, 1956 requires the Board of Directors of the Company to prepare accounts for each financial year giving a true and fair view of the state of affairs of the Company and the Profit or Loss of the Company for the Period.

The Directors state that

- A) In preparing the annual accounts, the applicable accounting standard have been followed.
- B) The accounting policies adopted have been consistently applied and wherever necessary made judgements and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year.
- C) Proper and sufficient care has been taken for maintaining adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities ; and



D) The annual accounts have been prepared on going concern basis.

INFORMATION UNDER SECTION 217 (1) (c)

A. CONSERVATION OF ENERGY AND TECHNICAL ABSORPTION

The activities of the Company do not require any energy and / or import of technical expertise and as such, these particulars are not given.

B. RESEARCH AND DEVELOPMENT (R & D) :- Not Applicable.

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :- Not Applicable

D FOREIGN EXCHANGE EARNINGS / OUTGO

During the year under review there was no earnings and No outgo of foreign exchange.

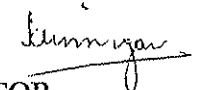
ACKNOWLEDGEMENT

Yours Directors are thankful to Auditors to the Company , Share holders and staff for their continued co-operation and support.

For and on behalf of the Board.

Mumbai, 2nd AUGUST, 2010.




DIRECTOR.

Registered Office :
Shreya House, 4th Floor,
301/A, Pereira Hill Road,
Andheri (East),
Mumbai – 400 099.

RAJESH MAYEKAR
Chartered Accountant

C-43, Saujanya, I.C.Colony Road,
Borivli (W), Mumbai - 400 103.
Tel.: 2891 1925
Mobile : 98211 65964
E-mail : rajesh_mayekar@rediffmail.com

AUDITORS REPORT

To,
The Members,
SHARP TRADING & FINANCE LIMITED.

I have audited the attached Balance Sheet of the M/S. SHARP TRADING & FINANCE LIMITED., (herein after referred to as "the Company") as at 31st March, 2010 and also the Profit and Loss Account and the cash flow statement for the year ended on that date annexed thereto. These financial statement are the responsibility of the Company's management. My responsibility is to express an opinion on these statement based on my audit.

I conducted my 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 statement are free of material misstatement. An audit includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principal used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides reasonable basis for my opinion.

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditors' Report) Amendment Order, 2004 ("the order") issued by the Central Government of India in terms of sub - section 227 (4 A) of the Companies Act, 1956 ("the Act"), I annexed hereto a statement on the matters specified in Paragraph 4 and 5 of the said order.

2. Further to my comment in the Annexure referred to above, I report that :

- a.. I have obtained all the information and explanation which to the best of my knowledge and belief were necessary for the purpose of my audit.
- b. In my opinion proper books of accounts as required by law have kept by the Company so as it appears from the examinations of these books.
- c. The Balance Sheet, Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.



- d. In my opinion, the Balance Sheet and the Profit & Loss Account and cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e. On the basis of the written representation received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, I report that none of the directors are disqualified as on 31st March, 2010 from being appointed as a director in terms of Clause (g) of the sub-section (1) of Section 274 of the Companies Act, 1956; and
- f. In my opinion and to the best of my information and according to the explanation given to me and subject to the notes thereon the said accounts give all the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
- i) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010.
- ii) In the case of Profit and Loss Account of the Loss for the year ended on that date.
- iii) In the case of cash flow statement, of the cash flow for the year ended on that date



RAJESH MAYEKAR
Chartered Accountant



Place : Mumbai.
Date : 2/8/2010

Annexure referred to in my report to the members of Sharp Trading & Finance Ltd. ("the Company") for the year ended.

1. (a) The company has maintained proper records to showing full particulars, including quantitative details and situation of Fixed Assets.

(b) The Fixed Assets have been physically verified by the management at regular Intervals having regard to the size of the Company and the nature of its assets. and there are no discrepancies between the book records and physical verification of assets.

(c) None of the fixed assets has been sold or revalued during the year.
- 2 The Company does not carry any stock of Raw Material, Finish Goods, Stores and Spares. As Per the practice consistently followed by the company, purchase of stationery etc. are charged to the revenue directly and no stock is carried by the Company. In view of the above no comments are offered on (i) procedure of physical verification (ii) reasonable and adequate I relation to the size of the company and (iii) discrepancies on physical verification if any.

The Company has not taken any loans secured or unsecured from Companies, firms and other parties listed in the register maintained under section 301 and / or from companies under the same management as defined under section 370 (1B) of the Companies Act, 1956. In view of this sub-clause (b), (c), and (d) of the clause (iii) of the Companies (Auditors' Report) order is not applicable.

4. In my opinion and according the information and explanation given to us there are adequate internal control procedure commensurate with the size of the Company.
5. In my opinion and according to the information and explanation given to me the Company has not done any transaction that needs to be entered in the register maintained under section 301 of the Act.
6. The Company has not accepted any deposits within the meaning of Section 58 A of the Companies Act, 1956 and rules framed thereunder.
7. In my opinion, the Company has Internal audit system commensurate with its size and nature of its business. the clause relating to the Internal Audit does not arise.
8. As informed to me the maintenance of cost records has not been prescribed by the Government under section 209 (1) (d) of the Companies Act, 1956 for the period under review.
9. According to the records of the company, there were no undisputed amounts payable in respect of Provident Fund, Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty, Service Tax Entry Tax, Cess and any other applicable statutory dues with the appropriate authority.



10. The company does not have any accumulated losses at the end of the financial year.
11. The Company has not taken any loans from banks or financial institutions.
12. In my opinion and according the information and explanation given to me by the management, the Company has not granted loans and advances on the basis of the security by way of pledge of shares, debentures and other securities.
13. In my opinion and according the information and explanation given to me, the Company is not a chit fund / nidhi / mutual benefit fund / society.
14. In my opinion and according the information and explanation given to me, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. In my opinion and according the information and explanation given to me, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not taken any term loan during the year.
17. The Company has not raised any fund, long term or short term during the year.
18. The company has not made any preferential allotment of shares to the parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures during the year.
20. The company has not raised any money through a public issue during the year.
21. According to the information and explanation given to me, we report that no material fraud on or by the Company has been noticed or reported during the year.



RAJESH MAYEKAR
Chartered Accountant



Place : Mumbai
Date : 2/8/2010

SHARP TRADING & FINANCE LTD.

BALANCE SHEET AS ON 31ST MARCH, 2010

PARTICULARS	SCH.	AS AT 31-03-2010	AS AT 31-03-2009
SOURCES OF FUNDS			
SHAREHOLDERS FUND			
AUTHORISED CAPITAL	A	2,500,000	2,500,000
2,50,000 Equity Shares of Rs.10/- each (Previous Year 2,50,000)			
ISSUED . SUBSCRIBED & PAID UP CAPITAL	A	2,450,000	2,450,000
2,45,000 Equity Shares of Rs.10/- each			
RESERVES & SURPLUS	B	153,332	436,943
Reserves & Surplus			
TOTAL		2,603,332	2,886,943
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	C	9,451	9,451
Less :- Depreciation		5,254	4,265
Net Block		4,197	5,186
INVESTMENTS	D	300,000	300,000
CURRENT ASSETS, LOANS & ADVANCES	E	83,226,464	51,080,437
Sundry Debtors		40,086	11,829
Cash & Bank Balance		5,117	5,117
Loans & Advances		83,271,667	51,097,383
LESS :- CURRENT LIABILITIES & PROVISIONS	F	79,702,087	47,779,054
Sundry Creditors		1,270,445	736,572
Provisions		80,972,532	48,515,626
NET CURRENT ASSETS		2,299,135	2,581,757
PROFIT & LOSS A/C	B	-	-
TOTAL		2,603,332	2,881,757

As per our Audit Report of Even date Attached

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FOR SHARP TRADING & FINANCE LTD

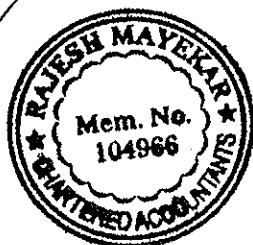
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DIRECTOR

PLACE :- MUMBAI
DATE :- 2/8/2010



PLACE :- MUMBAI
DATE :- 2/8/2010

SHARP TRADING & FINANCE LTD.
PROFIT & LOSS A/C FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	SCH.	AS AT 31-03-2010	AS AT 31-03-2009
INCOME			
Sales		78,938,533	94,620,293
Transport Service Charges		-	248,360
		78,938,533	94,868,653
TOTAL EXPENDITURE			
Purchases		78,723,733	94,129,315
		78,723,733	94,129,315
GROSS PROFIT		214,800	739,339
Administrative Expenses	G	498,892	457,924
PROFIT BEFORE TAX & DEPRECIATION		(284,092)	281,415
Depreciation		989	1,146
PROFIT BEFORE TAX & DEPRECIATION		(285,081)	280,269
Provision for Tax		-	99,500
Provision for FBT		-	3,628
Excess Provision of Tax of Previous Years		(1,750)	-
Short Provision of FBT of Previous Years		280	-
PROFIT AFTER TAX		(283,611)	177,141
ADD :- Balance B/f from previous year		436,943	259,802
Balance Carried to Balance Sheet		153,332	436,943
No. of Shares		245,000	245,000
Earning Per Share		(1.16)	0.72

As per our Audit Report of Even date Attached

H
FOR SHARP TRADING & FINANCE LTD

AM

Kunnigar
DIRECTOR

PLACE :- MUMBAI
DATE :- 2/8/2010



PLACE :- MUMBAI
DATE :- 2/8/2010

SHARP TRADING & FINANCE LTD.

SCHEDULE FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010

	AS AT 31-03-2010	AS AT 31-03-2009
SCHEDULE A SHARE CAPITAL		
Authorised Capital		
2,50,000 (P.Y.2,50,000) Equity Shares of Rs.10/- each	2,500,000	2,500,000
Issued, Subscribed & Paid Up Capital		
2,45,000 (P.Y.2,45,000) Equity Shares of Rs.10/- each	2,450,000	2,450,000
SCHEDULE B RESERVES & SURPLUS		
(Deficit)/Surplus as per annexed Profit & Loss Account	153,332	436,943
	153,332	436,943
SCHEDULE D INVESTMENTS		
Vamotiwala Chemical Ind. Ltd.	300,000	300,000
	300,000	300,000
SCHEDULE E CURRENT ASSETS, LOANS & ADVANCES		
Cash & Bank Balance		
Cash in Hand	454	454
Canara Bank	32,457	3,772
Central Bank of India	6,334	6,762
Union Bank of India	841	841
A	40,086	11,829
LOANS & ADVANCES		
TDS AY 2009-2010	5,117	5,117
B	5,117	5,117
SUNDRY DEBTORS		
Outstanding Less than Six Months		
Arvind Remedies Ltd.	-	20,803,074
Orizon Pharma Pvt. Ltd.	-	104,519
Parshi Ltd.	-	5,362,407
Surya Pharmaceuticals Ltd.	-	420,161
C	-	26,690,161
Outstanding More than Six Months		
Arvind Remedies Ltd.	1,093,334	-
Surya Pharmaceuticals Ltd.	420,161	-
Parshi Ltd.	15,605,500	-
Secunderabad Healthcare Ltd.	1,653,816	-
Chlore Chem Industries	2,169,230	2,169,230
E mil Pharmaceuticals Pvt. Ltd.	40,063,378	-
Jurong Labs Pvt Ltd.	11,751,544	11,751,544
Kekule Pharma Ltd.	39,135	39,135
Ortin Laboratories Ltd.	48	48
VSN Plastics Pvt. Ltd.	10,430,319	10,430,319
D	83,226,464	24,390,276
E = A + B + C + D	83,271,667	51,097,383
SCHEDULE-F CURRENT LIABILITIES & PROVISIONS		
SUNDRY CREDITORS		
Bafna Pharmaceuticals Ltd.	2,709,186	20,786,252
Discovery Intermediates Pvt Ltd.	29,496	29,496
Emerald Alchymicus Pvt Ltd.	506,286	506,286
Jasmine Healthcare	15,868,229	15,868,229
SMS Pharmaceuticals Ltd.	10,588,791	10,588,791
Aegis Ampoules & Vials Ltd.	40,030,474	-
Orizon Pharma Pvt. Ltd.	9,969,025	-
Survival Technologies Pvt. Ltd.	600	-
A	79,702,087	47,779,054

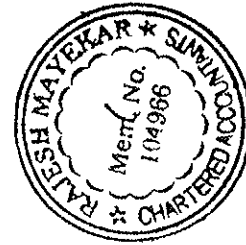
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SHARP TRADING & FINANCE LTD.

SCHEDULE - C FIXED ASSETS FOR THE YEAR ENDED 31/03/2010

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As At 31.03.09	Addition/ (Deletions) 31.03.10	As At 31.03.09	For the year	As At 31.03.10	As At 31.03.09
Type Writer	620	-	278	62	340	342
Franking Machine	122	-	55	12	67	67
Furniture	6,634	-	2,976	659	3,635	3,658
Airconditioner	1,657	-	744	164	908	913
Computer	345	-	155	76	231	190
Truck	73	-	57	16	73	16
TOTAL	9,451	-	4,265	989	5,254	5,186



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SHARP TRADING & FINANCE LTD.

SCHEDULE FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010

PROVISIONS

Provisions for Expenses	63,521	63,521
Salary Payable	178,000	20,000
Provision for Income Tax	-	156,000
Provision for Fringe Benefit Tax	-	3,628
Audit Fees Payable	60,000	30,000
Shreya Life Sciences Pvt Ltd.	10,000	10,000
Sujit Kumar Singh	930,000	430,000
H Shetye & Associates	18,792	2,247
VAT Payable	10,132	21,176
	B	
	<u>1,270,445</u>	<u>736,572</u>
	C = A + B	
	<u>80,972,532</u>	<u>48,515,626</u>

Schedule forming part of Profit & Loss A/c for the year ended 31st March, 2010

SCHEDULE - G ADMINISTRATIVE EXPENSES

Advertisement Expenses	7,248	15,808
Audit Fees	30,000	30,000
Bank Charges	1,729	1,750
Conveyance Expenses	-	33,967
Custodian Fees	14,851	13,484
Listing Fees	11,750	11,084
Printing & Stationary	-	48,988
Professional Charges	18,751	87,721
Relisting Fees	157,269	-
Salary	240,000	180,000
Share Transfer Agent Fees	17,294	12,642
Staff Welfare	-	22,480
	<u>498,892</u>	<u>457,924</u>

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Schedule Forming Part of Balance Sheet

NOTES TO ACCOUNTS

1. Significant Accounting Policies

a.) Basis of Preparation of Financial Statement :

The Financial statement are prepared under the historic cost convention , on the accrual basis of accounting and in accordance with the applicable accounting standards issue by the Institute of Chartered Accountants of India.

The Preparation of financial statements in conformity with the generally accepted accounting principal requires that management makes estimates and assumptions that effects the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates.

b.) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. The cost of fixed assets includes incidental expenditure incurred until the assets are ready to be put to use.

c.) Depreciation

Fixed assets have been depreciated on the written down value method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

d.) Investments

Investments made in Vamotiwala Chemical Ind. Ltd. Of Rs.3,00,000/- is taken at cost the market value of the same is negligible.

e.) Revenue Recognition

Income is recognized on accrual basis of accounting.

f.) Provisions and contingent Liabilities

Provisions are recognized in the accounts in respect of present obligations, the amounts of which can be reliably estimated.

Contingent Liability are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company.

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2. In the opinion of the board of directors the Current Assets, Loans and Advances are approximately of the value stated , if realizable in the ordinary course of business. The provision for depreciation on fixed assets and for all, know liabilities are adequate and is not in excess of amounts considered reasonably necessary.

3. Expenditure in Foreign Currency – Nil.

4. Auditors Remuneration

Particulars	Amount
Audit Fees	17,500/-
Taxation Matter	12,500/-

5. It was explained to us by the management that there are no transactions during the year with Related Parties.

6. Information with regard Schedule VI Part IV are given in the enclosed statement.

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<u>Cash Flow Statement for the year 2009-2010</u>		
<u>PARTICULARS</u>	<u>31/03/2010</u>	<u>31/03/2009</u>
CASH FLOW FROM OPERATING ACTIVITIES	-2,85,081.00	2,59,786.00
Net Profit Before Tax and Extra Ordinary Items		
Add : Adjusted for		
Depreciation	989.00	1,186.00
Provision for Taxation	-1,470.00	99,500.00
Misc. Expenditure written off.	0.00	0.00
Operating Profit Before Working Capital Changes	-2,85,562.00	3,60,472.00
Less :- Changed in		
Trades and Other Receivable	3,21,46,027.00	1,52,99,161.00
Trade Payable	-3,19,23,033.00	-1,47,88,350.00
Cash generated from Operation	-62,568.00	-1,50,339.00
CASH FLOW FROM INVESTING ACTIVITIES	0.00	0.00
Net Changes in Cash and Cash Equivalents	-62,568.00	-1,50,339.00
Cash & Cash equivalents (Closing) as at 31-03-2010	40,086.00	11,829.00
Cash & Cash equivalents (Closing) as at 31-03-2009	11,829.00	13,526.00

AUDITORS CERTIFICATE

I have verified the above cash flow statement of Sharp Trading & Finance Ltd. Derived from the auditing annual financial statement for the year ended 31st March, 2009 and 31st March, 2010 and found them to drawn in accordance therewith and also with requirements of clause 32 of the listing agreements with Stock Exchange.




 Rajesh Mayekar
 Chartered Accountant
 Membership No.104966

Place :- Mumbai
 Date :- 2/8/2010

SHARP TRADING & FINANCE LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE Information Pursuant to Part IV, Schedule VI as per Companies Act, 1956.

I. REGISTRATION DETAILS

REGISTRATION NO. STATE CODE
BALANCE SHEET DATE

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSAND)

PUBLIC ISSUE RIGHTS ISSUE
BONUS ISSUE PRIVATE PLACEMENT

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN THOUSAND)

TOTAL LIABILITIES TOTAL ASSETS

SOURCES OF FUNDS

PAID UP CAPITAL RESERVES & SURPLUS
SECURED LOANS UNSECURED LOANS

APPLICATION OF FUNDS

NET FIXED ASSETS INVESTMENTS
NET CURRENT ASSETS MISC. EXPENDITURE
ACCUMULATED LOSSES

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

TURNOVER TOTAL EXPENDITURE

+ PROFIT BEFORE TAX

PROFIT AFTER TAX

EARNINGS PER SHARE IN RS. DIVIDEND RATE %

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY (AS PER MONETARY TERMS)

a. ITEM CODE NO. (ITC CODE)
PRODUCT DESCRIPTION
b. ITEM CODE NO. (ITC CODE)
PRODUCT DESCRIPTION
c. ITEM CODE NO. (ITC CODE)
PRODUCT DESCRIPTION

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