

**CHANDRIKA TRADERS LIMITED**

**CHANDRIKA**

**THE  
ANNUAL REPORT  
2010-2011**

## **BOARD OF DIRECTORS**

RAJIV BANSAL  
ANINDO BANERJI  
SARABJEET SINGH  
AJEET KUMAR

## **AUDITORS**

MEHRA & COMPANY  
7 - RAJESHWARI PALACE  
NEAR COMMISSIONER RESIDENCE  
CIVIL LINES, MEERUT- 110 055.

## **REGISTERED OFFICE**

A-308, LGF, DEFENCE COLONY  
NEW DELHI – 110 024.

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## NOTICE

NOTICE is hereby given that the Annual General Meeting of the Company will be held on Thursday, the 29<sup>th</sup> day of September, 2011 at 10.00 A.M. at B-612, Vasant Kunj Enclave, New Delhi-110 070 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2011 and Profit & Loss Account for the period ended on that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Rajiv Bansal who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting up to the conclusion of next Annual General Meeting and to fix their remuneration.  
M/s Mehra & Co., have offered to be re-appointed as Statutory Auditors of the Company. The members may consider and, if thought fit, to pass, with or without modification, the following resolution, as an Ordinary Resolution:  
"Resolved that M/s Mehra & Co. Chartered Accountants be and are hereby appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting up to the conclusion of next Annual General Meeting at remuneration to be fixed by the Board of Directors in consultation with M/s Mehra & Co. Statutory Auditors"

### **SPECIAL BUSINESS**

4. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"Resolved that the appointment of Mr. Ajeet Kumar as a Director of the Company, whose term of office as an Additional Director of the company expires at this Annual General Meeting and in respect of whom the company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. Ajeet Kumar whose term of office will be liable to determination by retirement by rotation be and is hereby approved".

Place: New Delhi  
Date : 27.08.2011

By Order of the Board  
For Chandrika Traders Limited  
Sd/-  
(Anindo Banerji)  
Managing Director

### **Notes:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member. The proxy in order to be effective must be received by the Company not less than 48 hours before the meeting. The blank proxy form is enclosed.**
2. The information pursuant to Corporate Governance Clause of the Listing Agreement regarding the Directors seeking reappointment/appointment in the Annual General Meeting as proposed in item Nos.2 & 4 of the Notice is annexed hereto and forms part of the Notice.
3. Shareholders are requested to intimate the change of address, if any, immediately for updating of records.
4. The Register of Members and Share Transfer Books will remain closed from 28<sup>th</sup> to 29<sup>th</sup> September 2011.
5. Members are requested to bring their copy of Annual Report along with them at the Annual General Meeting.
6. Share holders are requested to send their e-mail ID at your Company e-mail i.e. - [amgf@rediffmail.com](mailto:amgf@rediffmail.com), so that in future annual report/ information's or any other information's could be sent through e-mail.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**

#### **ITEM NO. 4**

Mr. Ajeet Kumar was appointed Additional Director on 19.01.2011. His term of office is up to the date of Annual General Meeting. Pursuant to Section 257 of the Companies Act, 1956 a member has proposed his appointment as a Director of the company liable to retire by rotation. A brief profile of Mr. Ajeet Kumar is given at the end of this Explanatory Statement and the Board recommends the resolution for your approval.

None of the Directors except Mr. Ajeet Kumar is interested in the resolution.

### **ANNEXURE TO THE NOTICE**

#### **INFORMATION PURSUANT TO CORPORATE GOVERNANCE CLAUSE OF THE LISTING AGREEMENT REGARDING THE DIRECTORS SEEKING RE-APPOINTMENT/APPOINTMENT IN THE ANNUAL GENERAL MEETING**

Name of the Director	Sh. Rajiv Bansal	Sh. Ajeet Kumar
Date of Birth	30.01.1976	01.07.1976
Qualification	C.A.	Undergraduate
Date of Appointment	14.01.2008	19.01.2011
Expertise in specific functional area	Finance	Administration
Directorship of other public limited companies	No	No
Chairman/Member of committee of other companies	No	No
Shareholding in the Company (%)	Nil	Nil

## DIRECTORS' REPORT

To  
The Members

Your Directors hereby present their twenty-seventh Annual Report on the business and operations of the Company together with the Audited Financial Accounts for the year ended 31<sup>st</sup> March 2011.

### **FINANCIAL RESULTS**

The financial results of the Company for the year under report are given below:

Particulars	Year ended 31 <sup>st</sup> March, 2011 (Rs in lacs)	Year ended 31 <sup>st</sup> March, 2010 (Rs in lacs)
1. Operative & Other Income	5.05	34.92
2. Depreciation	12.10	17.99
3. Profit/loss before tax	-18.10	-13.13
4. Profit after tax	-13.16	7.18
5. Add previous year's balance	- 1.46	-7.35
6. Add excess provisions of the previous year	0	- 1.30
7. Balance carried to balance sheet	- 14.63	- 1.46

### **FINANCIAL REVIEW**

Your Company is a private sector Non Banking Financial Company primarily involved in the business of investment in securities. Since the capital market in India and abroad has passed through a difficult phase it has affected the operations of your company also.

### **MANAGEMENT DISCUSSION & ANALYSIS (MD&A)**

#### **BUSINESS REVIEW**

The company earned its income mainly from making investments/ trading in securities. The Board has earlier decided to start the project of Trading, Export and Commission Agent in India and Abroad but so far it could not become operational.

#### **OPPORTUNITIES**

The economic development is the main agenda of the Government and that will provide very positive environment for making investment in securities market and we are hopeful for better performance of the company in the coming years.

#### **RISKS AND CONCERNS**

Your Company is exposed to business and environmental risks in which it operates including interest rate volatility, economic cycles, market risks and credit policy of government and capital market at the world level. We are managing these risks by maintaining a conservative financial profile and by following prudent business and management practices.

#### **ADEQUATE INTERNAL CONTROL**

Your Company has a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any unauthorized use or disposition of assets and that the transactions are authorized, recorded and reported correctly.

#### **PROJECT OF TRADING, EXPORT AND COMMISSION AGENT**

In order to avail the opportunities of fast economic growth in our country the Board has decided to start the Project of Trading, Export and Commission Agent for about Rs 65 crores and raised Rs 20 crores through preferential allotment. However, company could not raise Rs 45 crores from public issue/ADR/GDR etc. due to market conditions and the project could not be started except the giving of some advances. Money raised through preferential allotment has been given as advance for goods and invested in securities. As and when market conditions improve the Board will review the project.

#### **DIVIDEND**

Keeping in view the performance we are unable to recommend dividend for the year under review.

#### **DIRECTORS**

Sh. Ajeet Kumar was appointed Additional Directors w.e.f. 19.01.2011 and his appointment is up to the date of Annual General Meeting. Pursuant to Section 257 of the Companies Act, 1956 Company has received request for his appointment as Director and item has been included in the Notice of Annual General Meeting for your approval.

Sh. Dinesh Pareekh, Director resigned w.e.f.14.10.2010 and Sh. Alok Kumar, Director resigned w.e.f.19.01.2011. The Board places on record the appreciation of the services rendered by Sh. Dinesh Pareekh and Sh. Alok Kumar during the tenure of their Directorship of the company.

Sh. Rajiv Bansal, Director retires by rotation at the Annual General Meeting and being eligible has offered himself for re-appointment.

## **CORPORATE GOVERNANCE**

The Company has in place a system of Corporate Governance. A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated under Corporate Governance Clause of the Listing Agreement is annexed to the report on Corporate Governance. As on now there is no Chief Financial Officer in the company.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) Appropriate accounting policies have been selected and applied consistently and have 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 as at March 31, 2011 and of the profits of the Company for the period from April, 2010 to 31<sup>st</sup> March, 2011;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.

## **FIXED DEPOSITS**

During the period under review, the Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

## **AUDITORS**

M/s Mehra & Co., Chartered Accountants, Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and they have offered themselves for re-appointment. The Company has obtained necessary certificate u/s. 224 (1B) of the Act from M/s Mehra & Co., Chartered Accountants.

## **AUDITORS' REPORT**

The Auditors' Report on the Accounts of the Company for the period under review is self – explanatory and requires no comments.

## **PARTICULARS OF EMPLOYEES**

During the period under review, no employee received salary more than Rs. 24.00 lac per annum or Rs.2.00 lac per month. Accordingly no particulars of employees are being given pursuant to the provisions of Section 217(2A) of the Companies Act, 1956.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable because there are no manufacturing activities in the Company. However the Company has taken every possible measure to conserve the use of energy in the office. The Company has neither earned nor spent any foreign exchange during the year.

## **ACKNOWLEDGEMENT**

Your Directors are pleased to place on record their sincere gratitude to the Government, Bankers and business constituents for their continued and valuable co-operation and support to the Company. The Board also takes this opportunity to express their appreciation for the devoted and sincere services rendered by the employees of the Company during the year.

**For and on behalf of the Board**

Place : New Delhi  
Date : 27.08.2011

Sd/-	Sd/-
(Anindo Banerji) Mg Director	(Rajiv Bansal) Director

## CORPORATE GOVERNANCE REPORT

### **A. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company is committed to good corporate governance. The Company respects the right of its shareholders to information on the performance of the Company and it is its endeavor to maximize the long-term value of the shareholders of the Company.

### **B. BOARD OF DIRECTORS**

The Company is managed and controlled by the Board of Directors. The present composition of Directors is as follows:

a. Promoter Directors	Nil
b. Independent non-executive Directors	Three
c. Executive Director	One
d. Total	Four

### **C. MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors met 6 times during the financial year 2010-11 on 30.04.2010, 16.06.2010, 30.07.2010, 09.09.2010, 14.10.2010 and 16.01.2011. The attendance of Directors in the Board meetings was as under:

S No.	Name of Director	Attendance Particulars		
		No. of Board meetings held during their tenure	No. of Board meetings attended	Attendance at the last AGM
1	Sh. Rajiv Bansal	6	6	Yes
2	Sh. Anindo Banerji	4	3	Yes
3	Sh. Sarabjeet Singh	4	3	No
4	Sh. Ajeet Kumar	-	-	No
5.	Sh. Alok Kumar	5	4	No
6	Sh. Ajai Kumar	1	1	No
7	Sh. Dinesh Pareekh	4	1	No

### **D. AUDIT COMMITTEE**

The Audit Committee has been re-constituted with Sh Anindo Banerji, Sh. Rajiv Bansal and Sh. Ajeet Kumar, Directors as the Members of the Committee. Sh. Rajiv Bansal, Director is the Chairman of the Committee. With the resignation of Sh. Alok Kumar, Director w.e.f. 19.01.2011 in his place Sh. Ajeet Kumar, Director has been appointed as Member of the Committee. The Committee discharges such duties and functions generally indicated in Clause 49 of the Listing Agreement with the Stock Exchanges and such other functions as may be specifically delegated to the Committee by the Board from time to time. The Committee met five times on 30.04.2010, 16.06.2010, 30.07.2010, 14.10.2010 and 16.01.2011.

### **E. SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE**

The Company has a Shareholders/Investors Grievance Committee, which is headed by independent Director Sh. Rajiv Bansal to attend and address the grievances of shareholders/investors as and when received. Earlier Sh. Ajai Kumar was the Compliance Officer and on 16.07.2010 Sh. Rajiv Bansal has been appointed as the Compliance Officer.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review were nine. All the complaints were disposed off and there were no complaints pending as on March 31,2011.

### **F. INFORMATION ABOUT DIRECTORS TO BE APPOINTED/RE-APPOINTED**

Name of Director	Sh. Rajiv Bansal	Sh. Ajeet Kumar
Date of Birth	30.01.1976	01.07.1976
Date of Initial Appointment	14.01.2008	19.01.2011
Expertise in specific functional areas	Finance	Administration
Qualifications	C.A.	Under Graduate
Directorships held in Public Companies	No	No
Chairman/Member of Committees in other Public Ltd Companies	No	No

### **G. GENERAL BODY MEETINGS**

The details of last three Annual General Meetings are given below:

YEAR	LOCATION	DATE	DAY	TIME
2010	40/56, 2 <sup>nd</sup> Floor, C.R. Park, New Delhi-110 019	10.07.2010	Friday	10.00 A.M
2009	K-1/77,LGF, C. R. Park, New Dellhi-110 019.	30.09.2009	Wednesday	10.00 A.M
2008	K-1/77, LGF, C. R. Park, New Dellhi-110 019.	30.09.2008	Tuesday	10.00 A.M

<b>Date of AGM</b>	<b>Special Resolution passed</b>
10.7.2010	1. Consolidation of Shares and amendment in Memorandum and Articles 2. Increase in authorized capital and amendment in Memorandum and Articles 3. Issue of Shares on Preferential basis 4. Further Issue of Securities
30.9.2009	1. Splitting of Equity Shares from Rs. 10/- to Rs. 1/-. 2. Change of objects of the Company. 3. Change of Name of the Company. Note: - These resolutions were not implemented and shareholders were informed.
30.9.2008	NIL

#### **H. DISCLOSURES**

- The Company has not entered into any transaction of material nature with promoters, Directors or the management or their relatives etc. that may have any potential conflict with the interest of the Company except few transactions mentioned in schedules.
- The Company has complied with the requirement of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital market during the year. There were no penalties imposed nor any strictures passed on the Company by any statutory authority relating to above.

#### **I. CODE OF CONDUCT**

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and the senior management.

#### **J. MEANS OF COMMUNICATION**

The quarterly results are published in the newspapers and are not being sent to each household of shareholders. The results are usually published in Rastriya Sahara/Veer Arjun (in Hindi) and Pioneer (in English).  
The website of Company is under construction & will be operational shortly.

#### **K. GENERAL SHAREHOLDERS INFORMATION**

<b>Date, Time and Venue of AGM</b>	29th September 2011, 10.00AM At- B-612, Vasant Kunj Enclave, New Delhi-110 070
<b>Financial Calendar</b>	April to March every year
<b>Adoption of quarterly results</b>	6 <sup>th</sup> week from the close of quarter
<b>For the quarter ending</b>	
30 <sup>th</sup> June 2011	August 2011
30 <sup>th</sup> September, 2011	November 2011
31 <sup>st</sup> December, 2011	February, 2012
31 <sup>st</sup> March, 2012	May, 2012
<b>Date of Book Closure</b>	28 <sup>th</sup> and 29 September 2011
<b>ISIN number of NSDL/CDSL</b>	INE769D01016
<b>Address for Correspondence</b>	
Registrar and Share Transfer Agent	RCMC Share Registry Private Ltd., B-106, Sector 2, Noida (UP)
Registered Office (Company)	A-308, LGF, Defence Colony, New Delhi-110 024.
<b>Stock Code</b>	
Delhi Stock Exchange	03164
Bombay Stock Exchange	512624

A Committee of Directors has been constituted to approve the transfer, transmission, dematerialization & re-materialization of shares, issue of duplicate share certificates and allied matters. The Company's Registrars and Share Transfer Agent M/s RCMC Share Registry Private Limited have adequate infrastructure to process share transfer and dematerialization/rematerialization of shares.

A predetermined process cycle at regular interval ensures transfer of shares expeditiously and thereafter an option letter is issued to the transferee(s) for dematerialization.

The shares of the Company are listed at Delhi Stock Exchange Association Limited and Bombay Stock Exchange Limited. The Company has paid the listing fee of both the Stock Exchanges. After the amalgamation of AMGF Intercorp Ltd. and Akhand Bharat Agro Limited with the company the new shares have been listed on Bombay Stock Exchange Ltd. and trading approval granted but on Delhi Stock Exchange Association Ltd. shares have been listed but trading approval is yet to be granted. The shares of preferential allotment have been listed on Bombay Stock Exchange Ltd. and Delhi Stock Exchange Limited but trading approval is yet to be granted.

**Market Price Data**

There was no trading on Delhi Stock Exchange due to the reason that the stock exchange is not in operation. Monthwise high, low and average prices from April 2010 to March 2011 on Bombay Stock Exchange Ltd. are given below:

Month	High (Rs.)	Low (Rs.)	Average (Rs.)
April, 2010	3.30	2.74	3.02
May, 2010	3.42	2.70	3.06
June, 2010	5.79	3.25	4.52
July, 2010	7.36	4.27	5.82
August, 2010	5.74	4.07	4.91
September, 2010	6.06	4.36	5.21
October, 2010	5.47	3.98	4.73
November, 2010	5.71	4.40	5.06
December, 2010	6.72	4.67	5.70
January, 2011	5.00	4.10	4.55
February, 2011	4.79	4.04	4.42
March, 2011	4.95	4.05	4.50

**SHAREHOLDING PATTERN AS ON 31<sup>st</sup> MARCH, 2011**

Category	No. of Shares	% of Shareholding
Promoters & Promoter Group	79,69,905	23.82
Public	2,54,86,443	76.18
<b>Total</b>	<b>3,34,56,348</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>st</sup> MARCH, 2011**

Shareholding of value in Rupees.	No. of Shareholders	% to Total Shareholders	No. of Shares	% of Total Shares
1-5000	3342	77.20	5,32,514	1.59
5001-10000	420	9.70	3,16,476	0.95
10001-20000	220	5.08	3,34,178	1.00
20001-30000	71	1.64	1,87,922	0.56
30001-40000	46	1.06	1,59,373	0.48
40001-50000	37	.85	1,77,663	0.53
50001-100000	73	1.69	4,98,640	1.49
100001 and above	120	2.77	3,12,49,582	93.40
<b>G. TOTAL</b>	<b>4329</b>	<b>100.00</b>	<b>3,34,56,348</b>	<b>100.00</b>

**DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and Senior Management have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2011.

For **Chandrika Traders Limited**

Sd/-  
(Anindo Banerji)  
Managing Director

Sd/-  
(Rajiv Bansal)  
Director



**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members  
**Chandrika Traders Limited**  
A-308, LGF, Defence Colony  
New Delhi-110 024

We have examined the compliance of conditions of corporate governance by Chandrika Traders Limited for the year ended 31<sup>st</sup> March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with The Delhi Stock Exchange Association Limited and Bombay Stock Exchange Limited.

The compliance of the conditions of the corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company ensuring the compliance of the corporate governance. It 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 explanation given to us we certify that the Company has complied with the conditions of corporate governance as stipulated in the above listing agreement.

We further state that such compliance is 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.

For Mehra & Co.  
Chartered Accountants

Place : New Delhi  
Dated: 27.08.2011

Sd/-  
(Chander Mehra)  
Membership No. - 014242

## AUDITORS' REPORT

From-  
**MEHRA & COMPANY**  
7 RAJESHWARI PALACE  
NEAR COMMISSIONER RESIDENCE,  
CIVIL LINES, MEERUT- 110 055

To  
The Shareholders  
**CHANDRIKA TRADERS LIMITED**  
**A-308, LGF, Defence Colony, NEW DELHI- 110 024**

Ladies and Gentlemen,

We have audited the attached Balance Sheet of CHANDRIKA TRADERS LIMITED as at 31<sup>st</sup> March, 2011, the Profit & Loss Account and the Cash Flow Statement of the Company for the period ended on that date annexed thereto, 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.

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

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 (The Act) and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, in terms of the matters specified in paragraph 4 and 5 of the said Order, we state that

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.  
(b) All tangible fixed assets of the company have been physically verified by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification.  
(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable and
  - i) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
  - ii) The company has maintained proper records of inventories. No discrepancy has been noticed on physical verification of stock as compared to books records.
3. The company has not granted or taken loans, secured or unsecured to/ from the companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956
4. There is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.
5. The transactions that need to be entered into register in pursuance of Section 301 of the Act have been so entered in the register. Each of these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanation given to us, the company has not accepted any deposits from the public and accordingly, the provisions of Sections 58 and 58 A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public 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 company is not engaged in production, processing, manufacturing or mining activities. Therefore, the provisions of clause 4 (viii) of paragraph 4 of the Order are not applicable.
9. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales- tax, Wealth tax, Custom Duty, Excise duty, cess and any other statutory dues have generally been deposited regularly during the year with the appropriate authorities.  
(b) Further, there are no dues of income tax, wealth tax, custom duty and cess which have been deposited on account of any dispute.
10. The Company has accumulated losses of Rs.14, 62,876/- as at year end. The company has not incurred cash loss during the current financial year under audit, however incurred cash loss of Rs. 13, 13,047/- during the preceding financial year.
11. According to the information and explanations given to us, the company has not defaulted in the repayment of dues to the financial institutions or banks. Further, there are no debenture holders.
12. According to the information and explanation 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. The company is not a chit fund or a nidhi / mutual benefit fund /society. Therefore provisions of clause 4 (xiii) of paragraph 4 of the Order are not applicable.
14. The company has kept adequate records of its transactions and contract in shares, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and other investments are held in the name of company or are in process of being transferred in the company's name.
15. The company has not given any guarantee for loans taken by others from banks or financial institutions.
16. We have been informed that no term loans obtained during the year by the Company.
17. According to the records examined by us and the information and explanation given to us, on an overall basis, funds raised on short term basis have not, prima facie, been used during the year for long term investments and vice versa.
18. According to the information and explanation given to us, the company has made preferential allotment of shares to persons other than Promoters and Promoter Group on cash basis.
19. The company has no Secured Debentures during the year.
20. The company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Further to our comments referred to in paragraph above, we report that:

- i) We have obtained all the information and explanation which to the best of our knowledge and belief are necessary for the purpose of our audit.
- ii) In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books.
- iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
- iv) In our opinion , the Balance Sheet and Profit & Loss Account dealt with by this report have been prepared in compliance with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act,1956.
- v) On the basis of written representations received from the Directors, as on March 31, 2011 and taken on record by the Board of Directors of the Company, none of the directors is disqualified as on March 31, 2011 from being appointed as director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our knowledge and according to the explanation given to us, the said accounts together with the notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act,1956 and give a true and fair view in conformity with the accounting principles generally accepted in India ;
  - a) in the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup>March,2011
  - b) in the case of the Profit & Loss Account, of the loss for the year ended on that date.
  - c) In the case of cash flow statement, of the cash flow for the year ended on that date.

For Mehra & Co.  
Chartered Accountants  
Sd/-

Place : New Delhi  
Date : 27.08.2011

( CHANDER MEHRA)  
Membership No. - 014242

<b>CHANDRIKA TRADERS</b>			
<b>LIMITED</b>			
<b>BALANCE SHEET AS AT 31ST</b>			
<b>MARCH,2011</b>			
	<b>Schedule</b>	<b>AMOUNT (RS.) 31.03.2011</b>	<b>AMOUNT (RS.) 31.03.2010</b>
<b>SOURCES OF FUNDS</b>			
<b>Share Holders' Fund</b>			
Capital	1	334,563,480	134,563,480
Reserve & Surplus	2	53,132,744	53,132,744
		<b>387,696,224</b>	<b>187,696,224</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block		17,714,929	17,714,929
Less: Depreciation		11,518,739	10,308,391
Net Block	3	<b>6,196,190</b>	<b>7,406,538</b>
<b>Current Assets</b>			
Investment	4	137,528,345	112,728,345
Cash & Bank Balances	5	395,880	102,157
Sundry Advances	6	230,255,952	59,087,352
Goodwill		9,735,480	9,735,480
Deferred Tax Assets		435,157	
		<b>378,350,814</b>	<b>181,653,334</b>
<b>Less: Current Liabilities &amp; Provisions</b>			
Current Liabilities & Provisions	7	1,433,000	1,451,090
Deferred Tax Liabilities		-	59,308
		<b>376,917,814</b>	<b>180,142,936</b>
<b>Misc. Expenditure</b>	8	4,582,220	146,750
		<b>387,696,224</b>	<b>187,696,224</b>
<b>NOTES ON ACCOUNTS</b>	13		
		<b>Sd/- MANAGING DIRECTOR</b>	<b>Sd/- DIRECTOR</b>
In terms of our report of even date annexed hereto.			
<b>For Mehra &amp; Co.</b>			
Chartered Accountants			
<b>(CHANDER MEHRA)</b>			
Membership No. – 014242			
Place: New Delhi			
Date: 27.08.2011			

<b>CHANDRIKA TRADERS LIMITED</b>			
<b>PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH,2011</b>			
	<b>Schedule</b>	<b>AMOUNT(Rs.) 31.03.2011</b>	<b>AMOUNT(Rs.) 31.03.2010</b>
Sales & other Income	9	505,000	3,461,592
Profit on sale of Fixed Assets		-	30,128
		<b>505,000</b>	<b>3,491,720</b>
Operating Expenses	10	-	2,706,211
Administration Expenses	11	323,765	294,852
Financial expenses	12	1,642	4,686
Depreciation		1,210,348	1,799,018
Preliminary Expenses W/off		779,836	-
		<b>2,315,591</b>	<b>4,804,767</b>
Profit (+) Loss (-) for the year		-1,810,591	-1,313,047
Add : Excess (Short ) Provision for Taxation		-	-129,552
Less: Provision for Income tax		-	-
Less: Provision for FBT		-	-
Less: Deferred Tax Liabilities		-494,465	-2,030,916
		<b>-1,316,126</b>	<b>588,317</b>
<b>NOTES ON ACCOUNTS</b>	13		
		Sd/- <b>MANAGING DIRECTOR</b>	Sd/- <b>DIRECTOR</b>
In terms of our report of even date annexed hereto.			
For Mehra & Co.			
Chartered Accountants			
(CHANDER MEHRA)			
Membership No. - 014242			
Place: New Delhi			
Date : 27.08.2011			

<b>CHANDRIKA TRADERS LIMITED</b>			
<b>SCHEDULE 1 TO 13 FORMING PART OF BALANCE SHEET AND PROFIT &amp; LOSS ACCOUNT</b>			
<b>FOR THE YEAR ENDED AS AT 31ST MARCH,2011</b>			
<b>Previous Year Amount (Rs.)</b>			<b>Current Year Amount (Rs.)</b>
	<b>SCHEDULE-1</b>		
	<b>SHARE CAPITAL</b>		
	<b>Authorized</b>		
	8,00,00,000 Equity shares of Rs.10/-each		
<b>211,000,000</b>	(Previous Year 2,11,00,000 Equity shares)		<b>800,000,000</b>
	<b>Issued, Subscribed &amp; Paid up</b>		
	33,456,348 Equity shares of Rs.10/- each Out of the		
	above during the year 20,000,000 Equity shares have		
	been issued @ Rs.10/-each on preferential basis to		
	persons other than Promoters and Promoter Group on		
	Cash basis.		
	(Previous Year 13,456,348 Equity shares)		
	Of the above shares 9,438,748 equity shares are		
	allotted as fully paid up pursuant to merger scheme		
	without payment being received in cash)		
134,563,480			334,563,480
<b>134,563,480</b>			<b>334,563,480</b>
	<b>SCHEDULE- 2</b>		
	<b>RESERVE &amp; SURPLUS</b>		
24,300,000	Share Premium Account		24,300,000
17,908,644	General Reserve		17,908,644
10,924,100	Capital Reserve		10,924,100
<b>53,132,744</b>			<b>53,132,744</b>
	<b>SCHEDULE- 4</b>		
75,557,250	<b>INVESTMENT (Unquoted - At Cost )</b>		101,457,250
	(Unconfirmed and as certified by Management)		
36,071,095	<b>Quoted - At Cost</b>		36,071,095
	(Unconfirmed and as certified by Management)		
1,100,000	Investment in land (Rangpuri )		-
<b>112,728,345</b>			<b>137,528,345</b>
	<b>SCHEDULE-5</b>		
	<b>Cash &amp; Bank Balances</b>		
28,912	Cash in hand	320,615	
73,244	Balances with Scheduled Bank in Current Account	75,265	395,880
<b>102,156</b>			<b>395,880</b>
	<b>SCHEDULE-6</b>		
	<b>Sundry Advances</b>		
	(Advances recoverable in cash or in kind		
	considered good as certified by management )		
59,087,352			230,255,952
<b>59,087,352</b>			<b>230,255,952</b>

Previous Year Amount (Rs.)	CHANDRIKA TRADERS LIMITED		Current Year Amount (Rs.)
	<b>SCHEDULE-7</b>		
	<b>Current Liabilities &amp; Provisions</b>		
	<b>Current Liabilities</b>		
33,090	Auditor Fee-Mehra And Company		15,000
1,258,000	Sundry Creditors:		1,258,000
	<b>Provisions</b>		
	<b>Provision for Taxation</b>		
	Balance as per last year	160,000	
		160,000	
160,000	Less: Adjusted	-	160,000
<b>1,451,090</b>			<b>1,433,000</b>
	<b>SCHEDULE-8</b>		
	<b>Misc. Expenditure</b>		
	<b>Preliminary Expenses</b>		
	Amount spent on increase of Auth. Capital	3,899,180	
	Less : 1/5 Written off during the year	779,836	3,119,344
146,750	<b>Profit &amp; Loss Account</b>		
	Balance as per last year	146,750	
	Add: Loss during the year	1,316,126	1,462,876
<b>146,750</b>			<b>4,582,220</b>
	<b>SCHEDULE-9</b>		
	<b>Sales &amp; Other Income</b>		
2,700,322	Sale of Shares		
760,000	Income from operation		505,000
1,270	Other Income		-
<b>3,461,592</b>			<b>505,000</b>
	<b>SCHEDULE-10</b>		
	<b>Operating Expenses</b>		
	Opening Stock	-	
2,706,211	Add: Purchases	-	
	Less: Closing Stock	-	-
<b>2,706,211</b>			<b>-</b>

<b>Previous Year Amount (Rs.)</b>	<b>CHANDRIKA TRADERS LIMITED</b>	<b>Current Year Amount (Rs.)</b>
	<b>SCHEDULE-11</b>	
	<b>Administrative Expenses</b>	
24,000	Salaries & Allowances	36,000
-	Printing Stationery & Advertisement	24,552
33,090	Auditor's Remuneration	15,000
22,397	Car Insurance	14,304
3,000	Filing & Listing Fee	-
161,256	Depository Charges, Listing, Legal & Filing Fee	228,383
6,400	Fee & Taxes	-
21,934	Postage, Telephone & Internet Exp.	5,526
22,775	Insurance	-
<b>294,852</b>		<b>323,765</b>
	<b>SCHEDULE-12</b>	
	<b>Financial Expenses</b>	
3,658	Interest Paid	-
1,028	Bank Charges	1,642
<b>4,686</b>		<b>1,642</b>



<b>SCHEDULE-3</b>											
<b>CHANDRIKA TRADERS LIMITED</b>											
<b>Schedule of "FIXED ASSETS " as 31st March 2011</b>		<b>Lines should not here -it is heading</b>									
<b>S.No.</b>	<b>ASSETS</b>	<b>COST</b>				<b>DEPRECIATION</b>				<b>W.D.V.</b>	
		<b>As on 01.04.10</b>	<b>Additions</b>	<b>Sale/Transfer</b>	<b>Total 31.03.2011</b>	<b>Up to 31.03.10</b>	<b>For the Year</b>	<b>Sale/Transfer</b>	<b>Total</b>	<b>As on 31.03.11</b>	<b>As on 31.03.10</b>
1	Building	7,524,600	-		7,524,600	2,890,886	231,686		3,122,572	4,402,028	4,633,714
2	Computers	6,855,973	-		6,855,973	5,195,084	664,356		5,859,440	996,533	1,660,889
3	Software	1,660,000	-		1,660,000	1,472,715	74,914		1,547,629	112,371	187,285
4	Cars	1,674,356	-		1,674,356	749,706	239,392		989,098	685,258	924,650
		<b>17,714,929</b>	-		<b>17,714,929</b>	<b>10,308.391</b>	<b>1,210,348</b>	-	<b>11,518,739</b>	<b>6,196,190</b>	<b>7,406,538</b>
	<b>Previous Year</b>	<b>21,857,804</b>	-	<b>4,142,875</b>	<b>17,714,929</b>	<b>10,702,376</b>	<b>1,799,018</b>	<b>2,193,003</b>	<b>10,308,391</b>	<b>7,406,538</b>	<b>11,155,428</b>

**SCHEDULE 13 (NOTES TO ACCOUNTS)**  
**SIGNIFICANT ACCOUNTING POLICIES**

1. ACCOUNTING CONVENTIONS :

- The financial statements are prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provision of the Companies Act, 1956
- The company generally follows mercantile system of accounting and recognizes significant items of income & expenditure on actual basis.

2. FIXED ASSETS AND DEPRECIATION :

Fixed assets are recorded at their actual cost, freight and incidental expenses related thereto. Depreciation on fixed assets is charged from the date of installation in accordance with the rates specified under Schedule XIV to the Companies Act, 1956, on W.D.V. method.

3. INVESTMENTS:

Investment in shares, securities are valued at cost. The market value of quoted investment is not ascertained.

4. DEFERRED REVENUE EXPENSES:

Preliminary expenses are written off over a period of ten year from the year of payment.

5. INVENTORIES:

Inventories are valued at cost or market price whichever is less .

6. STAFF BENEFITS:

- The payment of Gratuity Act is not applicable to the company as the number of persons employed or were employed is below the limit fixed under the Act.
- Liability for leave is treated as a short term liability and is accounted for as and when earned by the employee.
- Provisions of Employees Provident Fund & Miscellaneous Act, 1952 and Provisions of ESI Act, 1948 are not applicable to the company.

**NOTES ON ACCOUNTS**

1. Director Remuneration

	31.03.2010	31.03.2011
Salary	NIL	NIL

2. Investments have been verified and certified by the management. Investments of the company in the form of shares and Govt. securities are either lodged or transferred or held with valid transfer forms as certified.

3. No provision has been made of interest on short term loans and advances given.

4. No deposit has been accepted from the public under Section 58 (A) of the Companies Act 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

5. Previous year figures have been regrouped or rearranged wherever necessary.

6. Figures are rounded off to nearest rupee.

7. Accounting for Taxes on income -

In accordance with the requirements under the Accounting Standard 22-“Accounting for taxes on income”, the Company has created Deferred Tax Assets of Rs. 4,94,465/-- during the year.

Deferred Tax Assets & Liabilities as on 31st March, 2011 are as under	2010-11	2009-10
<b>Deferred Tax Liability</b>		
Accumulated Depreciation	9,687	2,21,092
<b>Deferred Tax Assets</b>		
Unabsorbed depreciation	1,02,446	Nil
Business Losses	3,42,398	1,61,784
<b>Net deferred Tax Assets/(Liabilities)</b>	<b>4,35,157</b>	<b>59,308</b>

8. The deferred tax assets arisen on account of unabsorbed depreciation and Carry Forward Losses have been recognized and carried forward only to the extent where there is reasonable extent & where there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be adjusted. The deferred tax liability has arisen principally on account of the time difference between the depreciation admissible under the Income Tax Act and the depreciation adjusted in the accounts.

9. There was no due as at 31.03.2011 under Micro Small and Medium Enterprises Act. 2006

Sd/-

Sd/-

**MANAGING DIRECTOR**

**DIRECTOR**

In terms of our report of even date annexed hereto  
 For Mehra & Co.  
 Chartered Accountants

(Chander Mehra)  
 Membership No. – 014242  
 Place : New Delhi  
 Dated : 27.08.2011

**CHANDRIKA TRADERS LTD**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011 (AS PER LISTING AGREEMENT)**

	<b>PARTICULARS</b>	<b>AMOUNT</b>
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
	Net Profit before tax and extraordinary items	-1,810,591
	Adjustments for Depreciation	1,210,348
	Adjustments for Preliminary Expenses/Deferred Revenue Expenses	-
		-600,243
	Less Adjustments for tax provision	-
	Operating profit before working capital changes	-
	Adjustment for (Increase)/decrease of working capital	-171,186,690
	Cash generation from operations or	
	Net cash flow from operating activities	-171,786,933
	Less : Repayment of Secured Loan	-
	<b>NET CASH GENERATION FROM BUSINESS</b>	<b>-171,786,933</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
	Inflow	
	Sale of Fixed Assets-Acquisition of Fixed Assets	-
	Sale of Investments- Purchase of Investments	-24,800,000
	<b>NET CASH RECEIVED FROM INVESTING ACTIVITIES</b>	<b>-24,800,000</b>
	<b>TOTAL (A+B)</b>	<b>-196,586,933</b>
<b>C</b>	<b>CASH FLOW FROM IFINANCING ACTIVITIES</b>	
	Increase In Capital	200,000,000
	Less-Preliminary Expenses	-3,899,180
		<b>196,100,820</b>
	<b>TOTAL A+B+C</b>	<b>-486,113</b>
	<b>NET CASH INCREASED (USED)</b>	
	CASH OR CASH EQUIVALENT OPENING	102,157
	CASH OR CASH EQUIVALENT CLOSING	395,880
	<b>NET DECREASE IN CASH OR CASH EQUIVALENT</b>	<b>-293,723</b>

We have examined the attached Cash Flow of M/s Chandrika Traders Ltd for the ended on 31.03.2011. The statement has been prepared by the Company in accordance with the requirements of the Listing Agreement with stock exchanges and is in agreement with the corresponding Profit And Loss Account and the Balance Sheet of the company covered by our report of even date to the members of the company.

In terms of our report of even date annexed hereto.  
For Mehra & Co.  
Chartered Accountants

**Sd/-**  
(CHANDER MEHRA)  
Membership No. – 014242  
Place: New Delhi  
Date: 27.08.2011

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE-**

CIN No. L151900DL1994PLC153183 State Code : 55  
Balance Sheet Date 31<sup>st</sup> March 2011

**Capital raised during the year (Amount of Rs. Thousand)**

Public Issue Nil Pref. Issue call Money : Nil  
Bonus Issue Nil Preferential Allotment : 200000

**Position of Mobilisation and deployment of funds (Amt in Rs. Thousand)**

Total Liabilities 387696 Total Asset : 387696  
Source of Funds  
Paid-up Capital 334563 Reserve & Surplus : 53133  
Secured loans Nil Unsecured Loans : Nil  
Application of Funds  
Net Fixed Assets 6196 Investments : 137528  
Net Current Assets 376918 Misc. Expenditure : 3119  
Accumulated Losses 1463

**Performance of Company (Amount in Rs. Thousand)**

Turn Over 505 Total Expenditure : 2315  
Profit/(loss) Before tax (1811) Profit (loss) after Tax : 1316  
Earning per share in Rs. 0.00 Dividend rate % : Nil

**Generic Name of Three Principal Products/ Service of Company (as per Monetary terms)**

Product Description Investment  
Item Code No. N.A  
(ITC Code) N.A



**BOOK POST / UPC**

If undelivered, please return to:  
**CHANDRIKA TRADERS LIMITED**  
A-308, LGF, Defence Colony  
New Delhi-110 024



**ATTENDANCE SLIP**

**CHANDRIKA TRADERS LIMITED**  
Regd. Office: A-308, LGF,  
Defence Colony, New Delhi - 110 024

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.**  
I hereby record my attendance at the Annual General Meeting held on Thursday, 29<sup>th</sup> September 2011 at 10.00 A.M. at **B-612, Vasant Kunj Enclave, New Delhi-110 070.**

**NAME OF THE SHAREHOLDER (IN CAPITAL LETTERS):** \_\_\_\_\_

**NAME OF PROXY HOLDER (IN CAPITAL LETTERS ) :** \_\_\_\_\_

**SIGNATURE OF THE SHAREHOLDER OR PROXY:** \_\_\_\_\_

Reference folio: \_\_\_\_\_ DP ID : \_\_\_\_\_ Client ID : \_\_\_\_\_

Members may kindly note that no provision for the Gifts is made for distribution at Annual General Meeting.

----- X ----- X -----

**PROXY FORM**

**CHANDRIKA TRADERS LIMITED**

**Registered Office: A-308, LGF, Defence Colony, New Delhi- 110 024**

I/ We \_\_\_\_\_

Of \_\_\_\_\_

being a Member/Members of Chandrika Traders Limited hereby appoint \_\_\_\_\_

of \_\_\_\_\_ or failing him \_\_\_\_\_

of \_\_\_\_\_ as my/our proxy to attend and vote for me / us on

my / our behalf at the Annual General Meeting of the company to be held on Thursday, 29<sup>th</sup> September, 2011 at 10.00 A.M.

and any adjournment thereof.

AS WITNESS my hand / our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2011



Signed by the said

**REFERENCE FOLIO** \_\_\_\_\_ **DP ID** \_\_\_\_\_ **Client ID** \_\_\_\_\_

Name of the Shareholder (s): \_\_\_\_\_

Note: The proxy form must reach at the registered office of the company not less than 48 hours before the time of holding the Meeting. The proxy need not be a member of the company.