

# **GENUS COMMU-TRADE LIMITED**

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**Annual Report 2010 - 11**

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Board of Directors	Registered Office	Statutory Auditors	Registrar & Share Transfer Agents
1. Mr. Hitesh Panchal 2. Mr. Keyur Modi 3. Mr. Praful Mistry 4. Mr. Ajay Jain 5. Manohar Sharma 6. Chandra Prakash Talwar	S-33, Tirupati Plaza College Road Palanpur Gujarat	M/s. Vishves A. Shah & Co. Chartered Accountants Ahmedabad	M/s. Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhoy Ind. Estate, 1 <sup>st</sup> Floor, Marol, Andheri East Mumbai 400059

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their Annual Report together with the Audited statement of Accounts of the Company for the period ended 31<sup>st</sup> March, 2011.

**OVERVIEW**

The company has accumulated losses of Rs. 2.77 Crores and has incurred losses in the financial year under review.

**DIVIDEND**

The Board of Directors expresses their inability to recommend dividend for the financial year 2010-11 due to loss incurred during the year.

**ACCEPTANCE OF DEPOSITS**

The Company has not accepted any deposits during the year under review.

**PARTICULARS REGARDING EMPLOYEES**

There is no employee in the Company whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

**DIRECTORS**

Mr. Chandra Prakash Talwar, Mr. Ajay Jain and Mr. Manohar Sharma are appointed as Directors. They are appointed by special resolution passed during the year.

Director who is liable to retire by rotation is eligible to be re-appointed.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of directors of your Company states:

1. That in the preparation of the annual accounts, the applicable accounting standards has been followed.
2. That the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of the Company at the end of the financial year and of the profit/loss of Company for that period.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors had prepared the annual accounts on a going concern basis.

**REPORT ON CORPORATE GOVERNANCE**

The Report on Corporate Governance along with Auditors Certificate on the same has been enclosed to this Annual Report.

**LISTING**

The Equity shares of the company are listed on BSE and ASE.

The trading in Equity Shares of the Company was suspended by BSE from August 23, 2010 to August 27, 2010 due to non compliance of Listing Agreement.

The trading in Equity shares of the Company is suspended by ASE.

**LEGAL ACTION AGAINST THE COMPANY**

There are several orders passed by SEBI against the Company details of which are given here in below

<b>Date of Order</b>	<b>Order No.</b>	<b>Penalty / Action</b>
February 10, 2008	WTM/VKC/ID6/139/08	Prohibited from buying, selling or otherwise dealing or associating with the securities market in any manner whatsoever for a period of 2 years
April 23, 2009	WTM/KMA/60/04/2009	Ex- Parte Interim Order directing not to buy, sell or deal in the securities market in any manner till further direction.
August 20, 2009	IVD/WOL/AO/DRK/ASC/E AD 3-45/2009	Imposed penalty of Rs. 5 lacs
September 22, 2009	VSS/AO-144/2009	Imposed penalty of Rs. 2 lacs
January 12, 2010	WTM/KMA/IVD/204/01/2010	Confirming the Ex-parte Interim order dated April 23, 2009
June 10, 2010	MC/AO-05/2010	imposed penalty of Rs. 5 lacs

The company has defaulted in filing certain compliances at ROC.

**AUDITORS**

The Auditors **M/s. Vishves A. Shah & Co., Chartered Accountants**, Statutory Auditors of the company will retire at the conclusion of the forthcoming Annual General Meeting. The Company has received an intimation to the effect that their appointment, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

**AUDITORS' REPORT**

The observations of the auditors in their report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments.

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

The particulars as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

**ACKNOWLEDGEMENTS**

Your Directors place on record their gratitude for the continuing support of Shareholders, bankers and Business associates at all levels.

**BY ORDER OF THE BOARD OF DIRECTORS  
For Genus Commu-Trade Limited**

Place: Palanpur  
Date : August 28, 2011

**Hitesh M Panchal  
Chairman**

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

As management of the company offer readers of financial statements this narrative overview and analysis of the financial activities of the company for the financial year ended March 31, 2011. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the financial statements, which follow this narrative Internal Control System and their adequacy

Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or disposition.

### **Risk and concern**

There is no identifiable risks or threats.

### **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 employees falls under it. The company continues to have cordial relations with all the employees.

### **Cautionary Statement**

Statement in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations.

The Company assumes no responsibility in respect of forward looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

**CORPORATE GOVERNANCE REPORT****1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE**

Your company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance the Stock Holders' Value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all Important Policy matters.

**2. BOARD OF DIRECTORS****COMPOSITION**

The company has a combination of executive and non-executive Directors. The company board consists of Executive Director and Independent Directors.

None of the Directors on the Board is a Director on more than 15 Companies and is a member of more than 10 committees and Chairman of more than 5 committees (as per clause 49 of the listing agreement) across all the companies in which he is a Director. All of the Directors have made requisite disclosures regarding committee positions occupied by them in other companies.

The Board met several times during the financial year 2010-2011. The maximum time gap between any two meetings was not more than 4 calendar month.

The names and categories of Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting and also the number of Directorships and committee positions held by them in other Public Limited Companies as on 31.03.2011 are given below :

Name	Category	No. of Meetings Held during the Financial Year	No. of Board Meetings attended during 2010-11	Whether attended AGM held on 30.09.10	No. of Directorship in other Public Ltd Companies	No. of Committee Positions held in other Public Limited Companies
						Chairman / Member
Hitesh M. Panchal	Chairman and ED	7	7	Yes	0	0
Keyur B. Modi	NEID	7	7	Yes	0	0
Praful V. Mistry	NEID	7	7	Yes	0	0

**3. AUDIT COMMITTEE**

An Audit Committee of the Company in terms of section 292A of the Companies Act, 1956 as introduced by the Companies (Amendment) Act, 2000 and as per requirement of clause 49 of the Listing Agreement, was duly constituted and comprises of three Directors viz. Mr. Keyur B. Modi is the Chairman, & Mr. Praful V. Mistry and Mr. Hitesh M. Panchal are the member of the Committee. The terms of reference of the Audit Committee are contained in Section 292A of the Companies Act, 1956 and also as contained in the Corporate Governance Clause 49 of the listing Agreement.

**Attendance of The Audit Committee Meeting:**

Name of the Director	Number of Meeting Held	Number of Meeting Attended
Mr. Hitesh M. Panchal	6	6
Mr. Praful V. Mistry	6	6
Mr. Keyur B. Modi	6	6

Necessary quorum was present at the meeting. Representative of Statutory Auditors were invited to the Meeting, as and when required.

**4. SHARE HOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE**

The Company has an independent Shareholders' Grievance Committee to look into the redressal of Investors' complaints like transfer of shares, non-receipt of balance sheet etc. besides complaints from SEBI, Stock Exchange etc.

The committee comprises of:

Mr. Hitesh M Panchal	Chairman
Mr. Praful V. Mistry	Member
Mr. Keyur B. Modi	Member

Mr. Hitesh M. Panchal acts as the compliance officer. The committee met four times during the financial year 2010-2011.

The committee is prompt in attending to requests received for transfer, split, consolidation as well as issue of duplicate certificates well within the stipulated time. The number of complaints received was very few and the same were dealt suitably.

**5. REMUNERATION COMMITTEE**

The company has not paid any remuneration nor paid sitting fees to any directors during the year.

There is no provision for payment of severance fees. The Company does not have any scheme for grant of stock option to its Directors or Employees nor it pay any commission to any of its Directors.

None of the Non Executive Directors of the company holds any shares of the company.

**6. GENERAL BODY MEETINGS**

Details of last 3 Annual General Meetings are as under:

Year	Day, Date & Time	Location
2007-2008	30 <sup>th</sup> September 2008 at 11.00 a.m.	310, Anand Milan Complex, Opp. Jain Derasar Navrangpura, Ahmedabad-380007
2008-2009	30 <sup>th</sup> September 2009 at 11.00 a.m.	310, Anand Milan Complex, Opp. Jain Derasar Navrangpura, Ahmedabad-380007
2009-2010	30 <sup>th</sup> September 2010 at 11.00 a.m.	S-33, Tirupati Plaza College Road, Palanpur-385001, Gujarat



## 7. DISCLOSURES

### a) RELATED PARTY TRANSACTION

Related party transactions are defined as transactions of the Company of a material nature with its Promoters, Directors or the Management, their subsidiary or relatives, etc. that may have potential conflict with the interest of the Company at large.

Among the related party transactions are contracts or arrangement made by the Company from time to time with the Companies in which Directors are interested. All those contracts or arrangements are entered in Register of Contracts under section 301 of the Companies Act, 1956 and the Register is placed before every Board Meeting.

All transaction covered under the Related Party Transactions are regularly ratified and/or approved by the Board.

There has been no transaction of the Company with its promoters, their subsidiary or the management that may have potential conflict with the interest of the Company at large.

### b) STATUTORY COMPLIANCE, PENALTIES AND STRICTURES:

There are several orders passed by SEBI against the Company details of which are given here in below :

Date of Order	Order No.	Penalty / Action
February 10, 2008	WTM/VKC/ID6/139/08	Prohibited from buying, selling or otherwise dealing or associating with the securities market in any manner whatsoever for a period of 2 years
April 23, 2009	WTM/KMA/60/04/2009	Ex- Parte Interim Order directing not to buy, sell or deal in the securities market in any manner till further direction.
August 20, 2009	IVD/VOL/AO/DRK/ASC/E AD 3-45/2009	Imposed penalty of Rs. 5 lacs
September 22, 2009	VSS/AO-144/2009	Imposed penalty of Rs. 2 lacs
January 12, 2010	WTM/KMA/VD/204/01/2010	Confirming the Ex – parte Interim order dated April 23, 2009
June 10, 2010	MC/AO-05/2010	Imposed penalty of Rs. 5 lacs

The trading in Equity Shares of the Company was suspended by BSE from August 23, 2010 to August 27, 2010 due to non compliance of Listing Agreement.

The trading in Equity shares of the Company is suspended by ASE.

The company has defaulted in filing certain compliances at ROC.

## 8. MEANS OF COMMUNICATION

The investors can send all correspondence to the Registered office of the Company at the following address:

S-33, Tirupati Plaza  
College Road  
Palanpur-385001  
Email id: [genuscommu@rediffmail.com](mailto:genuscommu@rediffmail.com)

Management discussions and analysis form part of the Annual report.

### 9. GENERAL SHAREHOLDER INFORMATION

Compliance Officer	Mr. Atul Shah*
Date and Time of AGM	30 <sup>th</sup> September, 2011, Friday, at 11.00 A.M.
Venue of AGM	Registered office
Financial Calendar	April – March
Date of Book Closure	28 <sup>th</sup> September, 2011 to 30 <sup>th</sup> September, 2011 (both days incl.)
Listing of Stock Exchanges	1. Bombay Stock Exchange Ltd., Mumbai. 2. Ahmedabad Stock Exchange Ltd., Ahmedabad
Dividend	No dividend is recommended for Financial Year ending on March 31, 2011
Stock Code	BSE – 531939 ASE – 18283

\*w.e.f. June 2011

### Market Price Data

Month	High Price (In Rs.)	Low Price (In Rs.)
April 2010	1.68	1.27
May 2010	1.49	1.15
June 2010	1.42	1.11
July 2010	1.44	1.03
August 2010	1.48	1.09
September 2010	1.69	1.15
October 2010	1.60	1.21
November 2010	1.69	1.12
December 2010	1.74	1.07
January 2011	1.75	1.16
February 2011	1.56	1.02
March 2011	1.79	0.93

### Dematerialisation Information

The shares of your Company are available in Dematerialized form with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The ISIN of the Company is INE577B01017

### Share Transfer System

Shareholders / Investors are requested to send share transfer related documents directly to our RTA whose address is given below. If the documents are in order it generally takes 15 days on receipt of documents to process the same by our RTA.

**Category of Shareholders as on March 31, 2011**

Category	No. of Shares Held	Percentage of shareholding
A. PROMOTER'S	--	--
B. INSTITUTIONAL INVESTORS (FIIs/NRIs/OCBs)	5,225	0.05
C. INDIAN FINANCIAL INSTITUTIONS/ BANKS/ MUTUAL FUNDS	--	--
D. PRIVATE BODIES CORPORATE	8,56,999	8.46
E. INDIVIDUALS	91,14,711	89.99
F. OTHERS	1,52,565	1.50
<b>Grand Total</b>	<b>101,29,500</b>	<b>100.00</b>

**Registrar And Share Transfer Agent**

Adroit Corporate Service Private Limited  
19/20 Jaferbhoy Ind. Estate,  
1<sup>st</sup> Floor, Makwana Road,  
Marol, Andheri (East),  
Mumbai - 400059.

**10. CODE OF CONDUCT**

All the members of the Board and senior management personnel have affirmed compliance with the Company's Code of Conduct.

**11. CEO/CFO CERTIFICATION**

A certificate signed by Mr. Hitesh M. Panchal, Director is attached with this report

**Declaration by the Director**

It is hereby declared that all the Board Members and Senior Management Personnel have affirmed compliance of Code of Conduct, pursuant to Corporate Governance, for the year ended March 31, 2011

By Order of the board  
For GENUS COMMU-TRADE LIMITED

Place : Palanpur  
Dated : August 28, 2011

Director

Director

**Auditors' Certificate on Corporate Governance**

To the Members of  
Genus Commu-Trade Limited

We have examined the compliance of conditions of Corporate Governance by Genus Commu-Trade Limited ('the Company'), for the year ended March 31, 2011, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We 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 **Vishves A. Shah & Co.**,  
Chartered Accountants

Place : Ahmedabad  
Dated : August 28, 2011

(Vishves A. Shah)  
Proprietor

**Chief Executive Officer (CEO) Certification**

To  
The Board of Directors of  
**Genus Commu-Trade Limited**

Dear Sir,

I have reviewed the financial statements, read with the cash flow statement of **Genus Commu-Trade Limited** for the year ended March 31, 2011 and that to the best of my knowledge and belief, I state that;

- a. i These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;  
ii. 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.
- b. 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.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors and the Audit committee
  - i. that there are no significant changes in internal control over financial reporting during the year;
  - ii. there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. there are no instances of fraud during the year.

Place: Palanpur  
Date: August 28, 2011

**Hitesh M. Panchal**  
Director

**AUDITORS' REPORT**

Annual Report 2010-11

To,  
The Members of,  
**GENUS COMMU-TRADE LIMITED,**  
Palanpur

1. We have audited the attached Balance Sheet of **GENUS COMMU-TRADE LIMITED** as at 31<sup>st</sup> March, 2011 and the related Profit and Loss Account for the year 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.
2. We conduct our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting 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 of 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 and as per the information and explanation given to us during the course of our audit, we annex hereto 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) 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 our audit.
  - b. In our opinion, proper books of accounts as required by the law have been kept by the Company so far as it appears from our examination of such books.
  - c. The Balance Sheet, Profit & Loss Account and the 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 Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except as stated in para f(i) and (ii) below.
  - e. On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the Directors of the company are disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. In our opinion and to the best of our information and according to the explanations given to us, the accounts together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and

give a true and fair view in conformity with the accounting principles generally accepted in India;

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and
- ii. In the case of Profit and Loss Account, of the Loss for the year ended on that date.

**For Vishves A. Shah & Co.  
Chartered Accountants**

**Vishves A. Shah  
Proprietor  
M. No. 109944**

Place : Ahmedabad  
Date : August 28, 2011

**ANNEXURE TO THE AUDITOR'S REPORT****Annexure referred to in paragraph 3 of our report even date:**

1.
  - a. Proper records showing full particulars including quantitative details and situation of Fixed Assets of the Company are being updated.
  - b. The Management physically verifies the fixed assets of the Company. No material discrepancies were noticed on verification.
  - c. No substantial parts of the fixed assets have been disposed off during the year
2.
  - a. At the end of the year the company has inventory of shares of Rs.15,10,87,500.
  - b. The shares are Valued at purchase cost.
  - c. Inventories have been physically verified by the management at regular intervals during the year.
3.
  - a. The Company has taken loans from Companies, Firms and other parties other than Directors. Proper records and Register is maintained under Section 301 of the Act. No amount was borrowed from the Directors of the Company during the year & other financial institution.
  - b. In our opinion, the terms and conditions, on which loans have been taken from Companies, firms and other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and from the companies under the same Management are not prima facie, prejudicial to the interest of the Company.
  - c. The Principal & Interest Repaid as stipulated.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchases of plant and machinery, equipment and other assets and with regard to the sale of goods.
5.
  - a. According to the information and explanation given to us, we are of the opinion at the transactions that need to be entered into the register maintained under section 301 of the Act, have been entered.
  - b. In our opinion and according to the information and explanation given to us, there are no any transaction more than INR 50,000 or more of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and aggregating during the year in respect of each party, so this provision is not applicable.
5. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits; hence the provision of section 58A of the



Companies Act, 1956 and Companies (acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public are not applicable.

7. In our opinion, the company has no requirement of any internal audit system commensurate with the size and nature of its business.
8. The maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 for any of its products.
9.
  - a. According to the information and explanation given to us, the Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues including Provident Fund, ESIC, Income Tax, Sales Tax, Excise Duty, Cess and any other material statutory dues applicable to it.
  - b. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and Cess were outstanding as at 31<sup>st</sup> March, 2011 for a period of more than six months from the date they became payable.
10. The Company has accumulated losses of Rs.2,77,33,495 The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
12. According to the information and explanations given to us, the Company has not granted, loans and advances on the basis of securities by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the Companies (Auditors Report) order, 2003 are not applicable to the Company.
13. In our opinion, the Company is not a Chit Fund or a NIDHI Mutual Benefit Fund / Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) order. 2003 are not applicable to the Company.
14. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
15. As informed to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term assets. No long-term funds have been used to finance short-term assets.
17. The Company has not made any preferential allotment of shares to the companies, firms or other parties listed in the register maintained u/s. 301 of the Companies Act.
18. The Company has not issued any debentures.

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19. During the period covered by our audit report, the Company has not raised any money by public issue.

20. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Vishves A. Shah & Co.  
Chartered Accountants**

**Vishves A. Shah  
Proprietor  
M. No. 109944**

Place : Ahmedabad  
Date : August 28, 2011

## BALANCE SHEET AS ON 31ST MARCH, 2011

PARTICULARS	Sch. No.	As On	
		31.03.2011	31.03.2010
		Rs.	Rs.
<b>A. SOURCES OF FUNDS</b>			
1 Share Holder's Fund			
Share Capital	1	101,295,000	101,295,000
2 Borrowed Fund			
Unsecured Loans	2	40,228,510	142,813,461
3 Deferred Tax Liability		1,604	1,604
<b>TOTAL</b>		<b>141,525,114</b>	<b>244,110,065</b>
<b>B. APPLICATION OF FUNDS</b>			
1 Fixed Assets	3		
a) Gross Block		25,000	25,000
b) Less : Depreciation		6,973	2,920
c) Net Block		<b>18,028</b>	<b>22,080</b>
2 Investments	4	<b>10,695,626</b>	<b>16,472,837</b>
3 Current Assets, Loans & Advances			
a) Inventories		151,087,500	217,331,659
b) Sundry Debtors	5	5,135,612	3,077,272
c) Cash & Bank Balance	6	2,039,072	4,351,676
e) Loans & Advances	7	25,966,278	3,743,976
		184,228,462	228,504,583
Less : Current Liabilities & Provisions	8	82,808,000	6,730,763
		82,808,000	6,730,763
<b>NET CURRENT ASSETS :</b>		<b>101,420,462</b>	<b>221,773,820</b>
4 Preliminary Expenses (to the extent not written off)	9	1,657,504	2,207,504
5 Net Loss as per Profit & Loss Account		27,733,495	3,633,824
6 Deferred Tax Assets		-	-
<b>Significant Accounting Policies &amp; Notes on Accounts Forming Part of the Financial Statement</b>	14		
<b>TOTAL</b>		<b>141,525,114</b>	<b>244,110,065</b>

Signature to Schedule 1 to 9 & 14  
For & on Behalf of Board of Directors of  
GENUS COMMU-TRADE LIMITED

As per our separate Report of Even Date  
For Vishves A. Shah & Co.  
Chartered Accountants

Director Director

Proprietor

M. No. : 109944

Place : Palanpur  
Date : August 28, 2011

Place : Ahmedabad  
Date : August 28, 2011

## PROFIT AND LOSS A/C. FOR THE YEAR ENDED ON 31ST MARCH, 2011

PARTICULARS	Sch No.	Year	
		2010-11	2009-10
		Rs.	Rs.
<b>INCOME</b>			
Sales	10	49,558,340	103,067,375
Direct and Indirect Incomes		11,611,368	1,792,081
Closing Stock		151,087,500	217,331,659
<b>TOTAL A :</b>		<b>212,257,208</b>	<b>322,191,115</b>
<b>EXPENDITURE</b>			
Opening Stock		217,331,659	82,449,500
Purchases	11	15,156,000	239,872,160
Direct Expenses		1,000,000	-
Employees Cost		284,000	455,000
Indirect Expenses	12	1,573,130	2,961,826
Preliminary Expenses (Written Off)		550,000	550,000
Depreciation		4,053	2,920
<b>TOTAL B :</b>		<b>235,898,841</b>	<b>326,291,406</b>
Net Profit (Loss) Before Tax (A - B)	13	(23,641,633)	(4,100,291)
Less : Provision for Taxation		458,038	
Profit (Loss) After Taxation		(24,099,671)	(4,100,291)
Surplus (Deficit) Carried Forward		(3,633,824)	466,467
Significant Accounting Policies & Notes on Accounts Forming Part of the Financial Statement	14		
Balance Carried to Balance Sheet		(27,733,495)	(3,633,824)

Signature to Schedule 10 to 14  
For & on Behalf of Board of Directors of  
GENUS COMMU-TRADE LIMITED

As per our separate Report of Even Date  
For Vishves A. Shah & Co.  
Chartered Accountant

Director

Director

Proprietor

Place : Palanpur

Place : Ahmedabad

Date : August 28, 2011

Date : August 28, 2011

SCHEDULES FORMING PART OF BALANCE SHEET		
	AS ON 31-03-2011	AS ON 31-03-2010
	AMOUNT IN Rs.	AMOUNT IN Rs.
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
1,10,00,000 Equity Shares of Rs. 10/- each (P.Y. 1,10,00,000 Equity Shares of Rs. 10/- each)	110,000,000	110,000,000
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP</b>		
1,01,29,500 Equity Shares of Rs. 10/- each (P.Y. 1,01,29,500 Equity Shares of Es. 10/- each Addition:NIL)	101,295,000	101,295,000
<b>TOTAL</b>	<b>101,295,000</b>	<b>101,295,000</b>
<b>SCHEDULE 2 : UNSECURED LOANS</b>		
Winter Fresh Food Pvt. Ltd.	1,656,000	1,656,000
Cemo Infotech Pvt. Ltd.	-	16,895,711
Lincone Pharmaceutical Ltd.	-	21,600,000
Nexus Software Ltd.	5,136,660	39,167,200
Shree Mahavir Enterprise	2,056,850	13,799,550
Swan Infitech Pvt. Ltd.	31,379,000	49,695,000
<b>TOTAL</b>	<b>40,228,510</b>	<b>142,813,461</b>
<b>SCHEDULE 4 : INVESTMENTS</b>		
Sevio Ceramica Pvt. Ltd.	8,500,000	8,500,000
FDR with SBI	2,195,626	7,972,837
<b>TOTAL</b>	<b>10,695,626</b>	<b>16,472,837</b>
<b>SCHEDULE 5 : SUNDRY DEBTORS</b>		
Sundry Debtors	5,135,612	3,077,272
<b>TOTAL</b>	<b>5,135,612</b>	<b>3,077,272</b>
<b>SCHEDULE 6 : CASH AND BANK BALANCES</b>		
Cash On Hand	1,967,619	3,177,205
Balance with Nationalised Bank	26,258	223,559
Balance with Co-Op. Bank	45,195	950,912
<b>TOTAL</b>	<b>2,039,072</b>	<b>4,351,676</b>
<b>SCHEDULE 7 : LOANS AND ADVANCES</b>		
Rent Deposit	-	16,500
TDS	-	458,038
TDS AY 2009-10	309,796	309,796
Adv. Recoverable in Cash or Kind	25,243,778	2,811,144
TDS 08-09	148,498	148,498
TDS AY 2010-11	264,206	-
<b>TOTAL</b>	<b>25,966,278</b>	<b>3,743,976</b>

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SCHEDULE 8 : CURRENT LIABILITIES		
Cheque on Hand	-	6,669,263
Unpaid Professional Fees	-	12,500
TDS Payable	-	12,500
Unpaid Accounting Fees	18,000	18,500
Unpaid Audit Fees	82,790,000	18,000
Sundry Creditors	82,808,000	6,730,763
<b>TOTAL</b>		
SCHEDULE 9 : MISC. ASSETS		
Preliminary Expenses to the extent not written off	1,657,504	2,207,504
<b>TOTAL</b>	1,657,504	2,207,504

SCHEDULE 3 : SCHEDULE OF FIXED ASSETS AS PER THE COMPANIES ACT FOR THE YEAR ENDED 31st MARCH, 2011									
Description	- GROSS BLOCK -			- Depreciation -			- Net Block -		
	As On 31.03.2010	Addition (Deletion)	As On 31.03.2011	As On 31.03.2010	Provided for Period	As On 31.03.2011	As On 31.03.2010	As On 31.03.2011	
Computer	25,000	-	25,000	2,920	4,053	6,973	22,080	18,027	
<b>TOTAL :</b>	25,000	-	25,000	2,920	4,053	6,973	22,080	18,027	

SCHEDULES FOR PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2011		
	For the Year 2010-11 Rs.	For the Year 2009-10 Rs.
<b>SCHEDULE 10 : DIRECT &amp; INDIRECT INCOMES</b>		
Other Income	5,436,212	-
Job Work Income	4,689,600	-
Interest Income	1,485,556	1,792,081
<b>TOTAL</b>	<b>11,611,368</b>	<b>1,792,081</b>
<b>SCHEDULE 11 : Direct Expenses</b>		
Loss on Booking of Property	1,000,000	-
<b>TOTAL</b>	<b>1,000,000</b>	<b>-</b>
<b>SCHEDULE 12 : INDIRECT EXPENSES</b>		
Audit Fees	18,000	18,000
Accounting Expenses	15,000	18,500
Donation		2,500,000
Office Expenses	62,483	66,352
Interest Expenses	-	-
Electrical Expenses	42,362	44,851
Bank Charges	12,325	37,012
Office Rent Exp.	20,500	74,200
Printing & Stationery Exp.	26,842	41,217
Professional Fees	-	125,000
BSE Listing Exp	33,421	-
CDSL Exp	268,757	-
NSDL Exp	160,796	-
RTA Exp	180,000	-
SEBI Penalty Exp	700,000	-
Telephone Exp.	32,644	36,694
<b>TOTAL</b>	<b>1,573,130</b>	<b>2,961,826</b>
<b>SCHEDULE 13 : PROVISION FOR TAXATION</b>		
For Current Tax	458,038	-
<b>TOTAL</b>	<b>458,038</b>	<b>-</b>

**SCHEDULE 14: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011.****1. SIGNIFICANT ACCOUNTING POLICIES****a. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention in accordance with Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company as adopted consistently by the company. All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

**b. REVENUE RECOGNITION**

The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except in case of significant uncertainties. The Principles of revenue recognition are given below.

- Revenue from the sale of goods is recognized when supply of goods takes place in accordance with the term of sales and on passing of title to the customers.

**c. INVENTORIES**

- Shares are valued at purchase cost.

**2. NOTES FORMING PART OF ACCOUNTS**

- The Company deals in trading in shares, securities and credit to other parties. There is closing Stock of shares of Rs. 15,10,87,500/- at the close of the year.
- Balance of cash on hand at the end is accepted as certified by the management of the company.
- Balance of sundry Debtors, Creditors, unsecured loans, Loans & advances are subject to the confirmation of parties.
- In view of the insignificant amount of Net deferred tax liability/ net deferred tax asset on the date of balance sheet, no adjustment in this regard has been made.
- The expense of electricity, telephone and maintenance include expense of properties owned by the company and occupied by the directors of the company.
- The figures of the previous year are regrouped or rearranged wherever it is necessary.

**For Vishves A. Shah & Co.  
Chartered Accountants**

**For & On Behalf of the Board  
Genus Commu-Trade Limited**

**Vishves A. Shah  
Proprietor  
M. No. : 109944  
Place : Ahmedabad  
Date : August 28, 2011**

**DIRECTOR                      DIRECTOR**  
  
**Place : Palanpur  
Date : August 28, 2011**



## Cash Flow Statement for the year ended on 31.03.2011

PARTICULARS	2010 - 11 AMOUNT (Rs)	2009-2010 AMOUNT (Rs)
<b>Cash Flow from Operating Activities</b>		
Net Profit before extra ordinary items	(23,641,633)	(4,100,291)
<b>Adjustment for :</b>		
Depreciation	4053	2,920
Amortisation of Misc. Expenditure	550000	550,000
Operating capital before working capital changed	(23,087,580)	(3,547,371)
<b>Adjustment for :</b>		
Trade and other receivables	-2058340	56,385,075
Inventories	66244159	(134,882,159)
Loans & Advances	(22,222,302)	(3,048,940)
Trade and other payables	76077237	(51,978,753)
<b>Generated from operations</b>	<b>94,953,174</b>	<b>(137,072,148)</b>
Interest Paid - Gross	458038	
Taxes (Paid) / Refund received		
<b>Cash Flow before extraordinary items</b>	<b>94,495,136</b>	<b>(137,072,148)</b>
Extra ordinary items		
Excess Depreciation reserved		
<b>Net Cash from Operating activities</b>	<b>94,495,136</b>	<b>(137,072,148)</b>
<b>Cash from Investing Activities</b>		
Purchase of fixed assets		(25,000)
Purchase of Investments		(468,586)
Sale of Investment	5777211	-
<b>Net Cash used in investing activities</b>	<b>5,777,211</b>	<b>(493,586)</b>
<b>Cash Flow from Financing Activities</b>		
Repayment of finance lease liabilities	(102,584,951)	141,157,461
<b>Net Cash used in financing activities</b>	<b>(102,584,951)</b>	<b>141,157,461</b>
Net (Decrease) / Increase in cash & cash equivalent	(2,312,604)	3,591,727
Opening Balance Cash & Cash equivalents	4,351,676	759,949
Closing Balance Cash & Cash Equivalents	2,039,072	4,351,676

For & on Behalf of Board of Directors of  
GENUS COMMU-TRADE LIMITED

As per our separate Report of Even Date  
For Vishves A. Shah & Co.  
Chartered Accountants

Director

Director

Proprietor  
M. No. : 109944

Place : Palanpur  
Date : 28th August, 2011

Place : Ahmedabad  
Date : 28th August, 2011

**BALANCE SHEET ABSTRACT & COMPANIES GENERAL BUSINESS PROFILE**

As per Schedule VI of the Companies Act, 1956

**1. REGISTRATION DETAILS :**

Registration No.	State Code	Balance Sheet Date
25715	04	31 <sup>st</sup> March, 2011

**2. CAPITAL RAISED DURING THE YEAR :**

Public Issue	Rights Issue	Bonus Issue	Private Placement
NIL	NIL	NIL	NIL

**3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS :**

		(Amount in Rs.)	
<b>TOTAL LIABILITIES</b>	14,15,25,114	<b>TOTAL ASSETS</b>	14,15,25,114
<b>Sources of Funds</b>			
Paid Up Capital	10,12,95,000	Reserves & Surplus	0
Secured Loans	0	Unsecured Loans	402,28,510
		Deferred Tax Liability	1,604
<b>Application of Funds</b>			
Net Fixed Assets	18,028	Investments	1,06,95,626
		Misc. Expenditure	16,57,504
Net Current Assets	10,14,20,462	Profit & Loss Account	27,733,495

**4. PERFORMANCE OF THE COMPANY :**

		(Amount in Rs.)	
Turnover (including other income)	21,22,57,208	Total Expenditure	23,58,98,842
Profit / Loss Before Tax	(236,41,634)	Profit / Loss After Tax	(2,40,99,672)
Earning Per Share (Rs.)	-	Dividend Rate	NIL

**5. GENERIC NAME OF THREE PRINCIPAL PRODUCTS OF THE COMPANY:**

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

For Vishves A. Shah & Co.  
Chartered Accountants

For & On Behalf of the Board  
Genus Commu Trade Limited

Vishves A. Shah  
Proprietor  
M. No. : 109944  
Place : Ahmedabad  
Date : 28<sup>th</sup> August, 2011

DIRECTOR                      DIRECTOR



**BOOK - POST**

**To,**

If undelivered, please return to

Registrar And Share Transfer Agent

**M/s. Adroit Corporate Services Pvt. Ltd.**  
19/20, Jaferbhoy Ind. Estate, 1<sup>st</sup> Floor,  
Marol, Andheri East,  
Mumbai 400059