

AUDITOR'S REPORT

To
The
Members of
AMRADEEP INDUSTRIES LIMITED
AHMEDABAD

1. We have audited the attached Balance Sheet of **M/S. AMRADEEP INDUSTRIES LIMITED, AHMEDABAD**, as at 31st March, 2008 and also the profit and loss account for the year ended on that date annexed thereto. These financial statements are responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the 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 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we enclose in Annexure - A a statement on the matter specified in paragraph 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of books ;
 - (c) The balance sheet and the profit and loss Account referred to in this report are in agreement with the books of accounts;
 - (d) in our opinion, the profit and loss account and balance sheet comply with the accounting standards referred in section 211(3C) of the Companies Act, 1956.
 - (e) on the basis of written representations received from the directors of the company as at 31st March 2008 and taken on record by the board of directors, we report that no director is disqualified from being appointed as director of the company under clause (g) of sub-section (1) of the section 274 of the Companies Act, 1956.

CERTIFIED TRUE COPY

AMRADEEP INDUSTRIES LTD.

Respa. R. Patel

DIRECTOR/AUTHORISED SIGNATURE



(f) in our opinion and to the best of our information and according to the explanations given to us, the said balance sheet and profit and loss account read together with the notes thereon, give the information required under the Companies Act, 1956 in the manner so required and give a true and fair view:

- (i) in the case of Balance Sheet, of the state of the affairs of the company as on 31st March, 2008 and
- (ii) in the case of Profit and Loss Account, of the loss for the year ended on that date.

PLACE : AHMEDABAD

DATE : 21/072008

For MEHUL THAKKER & CO.
CHARTERED ACCOUNTANTS


(S.P. THAKKER)
PARTNER



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITOR'S REPORT

(i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed Assets.

(b) All the assets have not been physically verified by the management during the year but there is a regular Programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The company has not disposed of a substantial part of fixed assets during the previous year.

(ii) In the absence of inventory, the question of reporting clause no. (ii) of Companies (Auditor's Report) Order, 2003 does not arise.

(iii) According to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(iv) 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 inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

(v) According to the information and explanation given to us, the company has not indulged into the transactions which need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(vi) The company has not accepted any deposits from the public.

(vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

(viii) In our opinion, the company is not required to maintain cost records as per the provisions of section 209(1) (d). Accordingly, the provisions of clause 4(vii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(ix) (a) According to the records of the company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom tax, excise duty, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, there are no dues of, wealth tax, sales tax, custom duty, excise duty and cess which have not been deposited on account any dispute.



(x) In our opinion, the Accumulated Losses of the company are not more than fifty percentage of its Net Worth. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or banks.

(xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause no. (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xiv) In our opinion and according to explanations given to us, the clause no. (xiv) of Companies (Auditor's Report) Order, 2003 is not applicable to company.

(xv) According to the information and explanations given to us, the company had not given guarantees for loans taken by others from banks or financial institutions.

(xvi) The company had not raised any term loans during the financial year, hence clause no. (xvi) of Companies (Auditor's Report) Order, 2003 is not applicable to company.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised, if any, on short-term basis have been used for long-term investment and no long-term funds raised, if any, have been used to finance short-term assets.

(xviii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956

(xix) No debentures have been issued by the Company and hence the question of creating securities in respect thereof does not arise.

(xx) During the year, the company has not raised money by public issue and hence question of disclosure and verification of end use of such monies does not arise.

(xxi) 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.

Place: AHMEDABAD

DATE : 21/07/2008

For, MEHUL THAKKER & CO.
CHARTERED ACCOUNTANTS


(S.P. THAKKER)
PARTNER



Amradeep Industries Ltd.

Balance Sheet as at 31-03-2008

PARTICULARS	SCH	AS AT 31-03-2008 AMOUNT (Rs.)	AS AT 31-03-2007 AMOUNT (Rs.)
Sources of Funds			
Share Holders Fund			
Share Capital			
Issued, Subscribed And Paid Up Capital		66069000.00	66069000.00
Reserve & Surplus			
Profit & Loss Account		426224.55	1806938.15
Investment Allowance Reserves		813893.00	813893.00
Loan Funds			
Secured Loans	A	1804229.00	0.00
Total		69113346.55	68689831.15
Application of Funds			
Fixed Assets			
Gross Block			
Gross Block	B	773447.40	1764254.00
Less : Depreciation		216830.85	118604.85
Net Block		556616.55	1645649.15
Investments			
Quoted	C	28000000.00	28000000.00
Unquoted	D	60001010.00	2951010.00
Current Assets Loans & Advances			
Current Assets	E	2225905.00	3365649.00
Loans & Advances	F	2149137.00	36594207.00
		4375042.00	39959856.00
Less : Current Liabilities & Provisions			
Current Liabilities			
Provisions	G	23730622.00	3703484.00
:	H	88700.00	163200.00
:		23819322.00	3866684.00
:		(19444280.00)	36093172.00
Net Current Assets		69113346.55	68689831.15
Total		69113346.55	68689831.15

Accounting Policies & Notes to Accounts

P

Auditors Report : As per our separate report of even date attached subject to Notes on Accounts Attached.

For MEHUL THAKKER & CO.
Chartered Accountants

S.P. THAKKER

Partner

Ahmedabad, July 21, 2008



For Amardeep Industries Ltd.

Handwritten signatures of two directors

Director

Director

Amardeep Industries Ltd.

Trading and Profit & Loss Account For the period ended on 31-03-2008

PARTICULARS	SCH	CURRENT YR AMOUNT (Rs.)	PREVIOUS YR AMOUNT (Rs.)
Income			
Profit From Commodity Forward Transactions	I	536050.00	0.00
Other Incomes	J	2368173.00	1518679.00
Total		2904223.00	1518679.00
Expenditure			
Loss from F & O activity	K	1941287.00	0.00
Administrative Expenses	L	564580.00	916193.00
Directors Remuneration	M	48000.00	48000.00
Depreciation	N	98225.45	118603.85
Loss on sale of Investments	O	1539900.00	0.00
Total		4192092.45	1082796.85
Profit/(Loss) before Tax		(1287869.45)	435882.15
Less : Provision for Taxation		88700.00	163200.00
Profit/(Loss) after Tax		(1376569.45)	272682.15
Balance B/f from the Previous Year		1806938.15	1534256.00
		430368.70	1806938.15
Less :			
Income tax of earlier year		4144.00	0.00
Balance Trfd. to Balance Sheet		426224.70	1806938.15

Auditors Report : As per our separate report of even date attached subject to Notes on Accounts Attached.

For MEHUL THAKKER & CO.
Chartered Accountants

S.P. Thakker
S.P. THAKKER
Partner
Ahmedabad, July 21, 2008



For Amardeep Industries Ltd.

Rajendra
Director

Priyanka A Patel
Director

Amradeep Industries Ltd.

Balance Sheet as at 31-03-2008

PARTICULARS	SCH	AS AT 31-03-2008 AMOUNT (Rs.)	AS AT 31-03-2007 AMOUNT (Rs.)
Sources of Funds			
Share Holders Fund			
Share Capital			
Issued, Subscribed And Paid Up Capital		66069000.00	66069000.00
Reserve & Surplus			
Profit & Loss Account		426224.70	1806938.15
Investment Allowance Reserves		813893.00	813893.00
Loan Funds			
Secured Loans	A	1804229.00	0.00
Total		69113346.70	68689831.15
Application of Funds			
Fixed Assets			
Gross Block			
Gross Block	B	773447.40	1764254.00
Less : Depreciation		216830.85	118604.85
Net Block		556616.55	1645649.15
Investments			
Quoted	C	28000000.00	28000000.00
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Current Assets Loans & Advances			
Current Assets	E	2225905.15	3365649.00
Loans & Advances	F	2149137.00	36594207.00
		4375042.15	39959856.00
Less : Current Liabilities & Provisions			
Current Liabilities			
Current Liabilities	G	23730622.00	3703484.00
Provisions	H	88700.00	163200.00
		23819322.00	3866684.00
Net Current Assets		(19444279.85)	36093172.00
Total		69113346.70	68689831.15

Accounting Policies & Notes to Accounts

P

Auditors Report : As per our separate report of even date attached subject to Notes on Accounts Attached.

For MEHUL THAKKER & CO.
Chartered Accountants

For Amardeep Industries Ltd.

S.P. THAKKER

Partner

Ahmedabad, July 21, 2008



Director

Director

Amradeep Industries Ltd.
Schedules for the year ended on 31-03-2008

PARTICULARS	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
Schedule No. - A		
Secured Loans		
CBI A/c No.1022143991	1804229.00	0.00
	1804229.00	0.00
Schedule No. - C		
Quoted		
2800000 (0) Equity Shares of Amaworld Agrico Ltd.	28000000.00	28000000.00
	28000000.00	28000000.00
Schedule No. - D		
Unquoted		
National Saving Certificates	1000.00	1000.00
1 Equity Share of Akshar Entert. Pvt. Ltd.	10.00	10.00
(0) 295000 Equity Shares ADIL	0.00	2950000.00
200000 shares of ACFSL	60000000.00	0.00
	60001010.00	2951010.00
Schedule No. - E		
Current Assets		
Cash & Bank Balances		
Cash on Hand	27514.15	2770.00
Bank Balance in Current Account	98391.00	1262879.00
Bank Balance in Fixed Deposits Account	2100000.00	2100000.00
	2225905.15	3365649.00
Schedule No. - F		
Loans & Advances		
Telephone Deposits	10140.00	10140.00
Electricity Deposits	10010.00	10010.00
TDS Receivables 2005-06	55486.00	55486.00
Advances Received in Cash	1737055.00	36396200.00
Accrued interest	8980.00	29730.00
TDS Receivables 2006-07	0.00	92641.00
TDS Receivable 2007-08	321070.00	0.00
S T T 2007-08	6396.00	0.00
	2149137.00	36594207.00
Schedule No. - G		
Current Liabilities		
Sundry Creditors		
Sundry Creditors	23730622.00	3703484.00
	23730622.00	3703484.00
Schedule No. - H		
Provisions		
Provisions for Income Tax	15000.00	15000.00



Continued...

Amradeep Industries Ltd.
Schedules for the year ended on 31-03-2008

PARTICULARS	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
Schedule No. - H Continued....		
Provisions for FBT	10700.00	13200.00
	88700.00	163200.00
Schedule No. - I		
Profit From Commodity Forward Transactions		
Caster Forward	536050.00	0.00
	536050.00	0.00
Schedule No. - J		
Other Incomes		
Brokerages	109242.00	54345.00
Interest Income	1336090.00	1376049.00
Interest In Income Tax Refund	0.00	785.00
Office Rent	0.00	87500.00
Kasar	13649.00	0.00
Profit from Sale of Machinery	909192.00	0.00
	2368173.00	1518679.00
Schedule No. - K		
Loss from F & O activity		
F & O Business Loss	1941287.00	0.00
	1941287.00	0.00
Schedule No. - L		
Administrative Expenses		
Insurance	9244.00	17221.00
Telephone & Postage	3752.00	7424.00
Stationary & Printing	1625.00	1030.00
Legal, Licence Fees And Consultancy	0.00	31000.00
Professional Fees	63078.00	15300.00
Misc. Expens.	44446.00	65913.00
Salaries & Wages	342600.00	479500.00
Listing Fees	15150.00	34821.00
Advertisement	9050.00	33600.00
Demate / CSDL Charges.	11573.00	23542.00
Electricity	15332.00	8588.00
ROC Fees	0.00	1070.00
Professional Tax	0.00	1000.00
Repair & Maintenance	47303.00	45547.00
Bank Charges	1527.00	5899.00
GIDC Water Charges & Exps.	0.00	144788.00
	564680.00	916193.00
Schedule No. - M		
Directors Remuneration		
Director Remuneration	48000.00	48000.00
	48000.00	48000.00



Continued...

Amradeep Industries Ltd.
Schedules for the year ended on 31-03-2008

PARTICULARS	CURRENT YEAR AMOUNT (RS.)	PREVIOUS YEAR AMOUNT (RS.)
Schedule No. - N		
Depreciation	98225.45	118603.85
Depreciation	98225.45	118603.85
Schedule No. - O		
Loss on sale of Investments	1539900.00	0.00
Shares	1539900.00	0.00



SCHEDULE P

NOTES FORMING PART OF ACCOUNTS

A STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

1. Method of Accounting:

1.1 The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

1.2 Financial Statements are based on historic cost. The costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

2. Fixed Assets and Depreciation:

2.1 Fixed assets are stated at the cost of acquisition or construction, including expenses less accumulated depreciation.

2.2 The company has provided the depreciation as per I. T. Rules in the Financial Statements.

3. Investments : Investments are valued at cost.

	2007-08	2006-07
	COST OF ACQUISITION [MARKET VALUE]	
QUOTED		
2800000 Equity Shares of Amraworld Agrico Ltd.	28000000 [38920000]	28000000 [41720000]
(0) 295000 Equity shares Of Amrapali Developers (I) Ltd.	-- [--]	2950000 [920400]
	----- 28000000 =====	----- 30950000 =====

4. Inventories : Not Applicable

5. Taxes On Income: Taxes on income is computed using the tax effect accounting method whereby such taxes are accrued in the same period as the revenue and expense to which they relate.

Current tax liability is measured using the applicable tax rate and tax laws and the necessary provision is made annually. In the absence of timing difference, there is no deferred tax asset / liability for the year under consideration.



6. Segmental Reporting:

As explained to us, there is no business segment or geographical segment identified as per the meanings assigned to them respectively under Accounting Standard - 17 " Segment Reporting ". Therefore, there is no reportable segment so as to comply with the disclosure requirements as contemplated by Accounting Standard - 17.

7. Foreign Currency Transactions: Nil

B. OTHER NOTES

1. The figures of previous year have been regrouped / rearranged wherever necessary.

2. The company has made the provision for Income tax and Fringe Benefit Tax Liability amounting to Rs. 88700/-.

3. Related Party Transactions:

Related parties during the year ended March 31, 2008 are detailed below:

i) Associate Concerns : - Amraworld Agrico Ltd.

ii) Key Management Personnel: - Ramesh R. Patel, Pushpa R. Patel

Summary of the transaction with the above related parties is as follows:

Nature of Transaction	Associate Companies	Key Personnel	2007-08
			(2006-07)
Charges Received	-- (87500)	-- (--)	-- (187500)
Remuneration	-- (--)	48000 (48000)	48000 (48000)
Sales	-- (3211900)	-- --	-- (3211900)
Purchase	-- (4616105)	-- --	-- (4616105)

4. Contingent liability : NIL

5. The outstanding balance of, Creditors, Debtors and Loans and Advances are subject to confirmations.



6. Auditors Remuneration includes:

	<u>2007-08</u>	<u>2006-07</u>
Audit Fee :	15300	Rs. 15300
7. Remuneration to Directors:	48000	Rs. 48000

8. Earning Per Share

	<u>2007-08</u>	<u>2006-07</u>
Net Profit available for Equity Shareholders (Numcrator used for Calculation)	(1376569)	272682
Number of Equity shares used as denominator for calculating EPS	6606900	6606900
Basic Earning per share (Rs.) (Equity share of face value of Rs. 10 Each)	0.00	0.04



C. BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

Registration No. L99999GJ1984PTC000719
State Code 04
Balance Sheet Date 31-03-08

**II CAPITAL RAISED DURING THE YEAR ENDED ON 31ST MARCH 2008
(AMOUNT IN THOUSAND)**

Public Issue NIL
Right Issue Nil
Bonus Issue Nil
Private Placement Nil

**II POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS AS AT 31ST
MARCH 2008 (AMOUNT IN RS. THOUSAND)**

TOTAL LIABILITIES 69113
TOTAL ASSETS 69113

SOURCES OF FUNDS

Paid Up Capital 66069
Reserve & Surplus 1240
Secured Loan 1804

APPLICATION OF FUNDS

Net Fixed Assets 556
Investments 88001
Net Current Assets (19444)



IV PERFORMANCE OF THE COMPANY FOR THE YEAR ENDED ON 31ST MARCH 2008 (AMOUNT IN RS. THOUSAND)

Turnover	2904
Total Expenditure	4192
Profit before tax	(1288)
Profit after tax	(1377)
Dividend	0.00
Earning Per Share	0.00

V GENERIC NAME OF THE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

ITEM CODE NO.

NOT APPLICABLE.

PRODUCT DESCRIPTION

Signatures to Schedule A to P

As per our attached audit report of even date

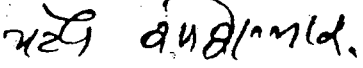
FOR, MEHUL THAKKER & CO.
CHARTERED ACCOUNTANTS


(S.P. THAKKER)
PARTNER

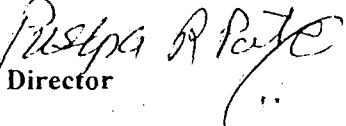
Place: AHMEDABAD
Date: 21/07/2008



FOR AND ON BEHALF OF THE BOARD



1. Managing Director



2. Director

3. Company Secretary