

**KAPASHI COMMERCIAL LIMITED**

**23<sup>rd</sup>**

**ANNUAL REPORT 2007-2008**

# **KAPASHI COMMERCIAL LIMITED**

**DIRECTORS:**

SEVANTILAL SHANTILAL KAPASHI  
INDUKUMAR SHANTILAL KAPASHI  
PARESH SEVANTILAL KAPASHI  
NIMISH INDUKUMAR KAPASHI  
MAHASUKHBHAI SHAH  
ATUL VORA

**REGISTERED OFFICE:**

'Nishuvi', 4<sup>th</sup> Floor  
75, Dr. Annie Besant Road  
Worli, Mumbai 400 018.

**AUDITORS :**

D. V. VORA & CO.  
Chartered Accountants

**BANKERS:**

ORIENTAL BANK OF COMMERCE  
UTI BANK LTD.

# KAPASHI COMMERCIAL LIMITED

## NOTICE

**NOTICE** is hereby given that the Twenty-third Annual General Meeting of the Members of KAPASHI COMMERCIAL LIMITED will be held on Tuesday, 26<sup>th</sup> day of August, 2008 at 11.00 a.m. at the Registered Office of the Company at 'NISHUVI', 4<sup>th</sup> Floor, 75, Dr. Annie Besant Road, Worli, Mumbai – 400 018, to transact the following business:

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2008, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Paresh S. Kapashi, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sevantilal S. Kapashi, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold Office from the conclusion of this Meeting until the conclusion of the Next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS:**

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

**"RESOLVED THAT** subject to the provisions of Section 198, 269, 310, 311, Schedule XIII & other applicable provisions if any, of the Companies Act, 1956, the Salary of Shri Sevantilal Shantilal Kapashi, Whole-time Director be increased from 15,000/- p.m. to Rs. 50,000/- p.m. and he be entitled to commission of 5% of the net profit inclusive of his salary with effect from 1<sup>st</sup> November, 2007 for the remaining period of his office and his remuneration be re-structured as detailed hereunder:

### **PART A**

1. Basic Salary:	Rs. 50,000/- per month.
2. Commission:	5% of net profit inclusive of Salary as prescribed under the Companies Act, 1956

### **PART B**

1. House Rent Allowance	60% of the Salary
2. Electricity Charges	Actual Reimbursement
3. Medical Reimbursement	Reimbursement of the expenses actually incurred subject to ceiling of one month salary in a year or three months salary over a period of three years.

## KAPASHI COMMERCIAL LIMITED

4. Leave Travel Concession	Leave Travel Concessions for Shri Sevantilal S. Kapashi and his family once in year incurred in accordance with the rules of the company for the time being in force.
5. Club Fees	Fees of two clubs.
6. Personal Accident Insurance	Premium not exceeding Rs.1,000/- per month.
7. Car with Driver for office use	--
8. Telephone at residence	Subject to personal long distance calls to be reimbursed to the Company.

**FURTHER RESOLVED THAT** the entitlement of Shri Sevantilal S. Kapashi to usual benefits such as provident fund, bonus, gratuity (subject to a ceiling of Rs.2,50,000/-), privilege leave etc., as available to other executives of the Company is also approved.”

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

“**RESOLVED THAT** subject to the provisions of Section 198, 269, 310, 311, Schedule XIII & other applicable provisions if any, of the Companies Act, 1956, the Salary of Shri Indukumar Shantilal Kapashi, Whole-time Director be increased from 15,000/- p.m. to Rs. 50,000/- p.m. and he be entitled to commission of 5% of the net profit inclusive of his salary with effect from 1<sup>st</sup> November, 2007 for the remaining period of his office and his remuneration be re-structured as detailed hereunder:

### PART A

1. Basic Salary:	Rs. 50,000/- per month.
2. Commission:	5% of net profit inclusive of Salary as prescribed under the Companies Act, 1956

### PART B

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2. Electricity Charges	Actual Reimbursement
3. Medical Reimbursement	Reimbursement of the expenses actually incurred subject to ceiling of one month salary in a year or three months salary over a period of three years.
4. Leave Travel Concession	Leave Travel Concessions for Shri Indukumar S. Kapashi and his family once in year incurred in accordance with the rules of the company for the time being in force.
5. Club Fees	Fees of two clubs.
6. Personal Accident Insurance	Premium not exceeding Rs.1,000/- per month.
7. Car with Driver for office use	--
8. Telephone at residence	Subject to personal long distance calls to be reimbursed to the Company.

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**FURTHER RESOLVED THAT** the entitlement of Shri. Indukumar S. Kapashi to usual benefits such as provident fund, bonus, gratuity (subject to a ceiling of Rs. 2,50,000/-), privilege leave etc., as available to other executives of the Company is also approved.”

**By Order of the Board of Directors**

**Place: Mumbai**  
**Dated: 24<sup>th</sup> June, 2008.**

**S. S. KAPASHI**  
**CHAIRMAN.**

**Regd. Office :**

'NISHUVI', 4<sup>th</sup> Floor,  
75, Dr. Annie Besant Road,  
Worli, Mumbai 400 018.

**NOTES:**

1. Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of Item No. 5 and 6 of the Special Business mentioned above is annexed herewith.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a Member of the Company.
3. A PROXY IN ORDER TO BE EFFECTIVE, THE PROXY FORM MUST BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.
4. The Register of Members and the Transfer Books of the Company will remain closed from Tuesday, 12<sup>th</sup> day of August, 2008 to Tuesday, 26<sup>th</sup> day of August, 2008 (both days inclusive).
5. Members are requested to bring their copies of the Annual Report to the Meeting.
6. Members or their proxies, as the case may be, are further requested to fill in the enclosed attendance slip and deposit the same at the time of attending the Annual General Meeting.
7. Members are requested to:
  - (i) Quote their registered folio number in all correspondence with the Company.
  - (ii) Notify the Company immediately of change if any, in their registered address.

# KAPASHI COMMERCIAL LIMITED

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2)

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE NOTICE DATED 24<sup>TH</sup> JUNE, 2008.

### ITEM NO.5:

Mr. Sevantilal S. Kapashi, Whole-Time Director has been looking after the business of the Company. He is of 73 years of age and is an Industrialist having diversified experience of more than 40 years in the area of Automobile, Steel, Construction, Investment, etc. and under stewardships business has expanded on account of amalgamation.

The Board has increased his remuneration with effect from 1<sup>st</sup> November, 2007 subject to consent of the members of the Company on the terms and conditions as mentioned in the Resolution under Item No. 5 of the Notice.

None of the Directors is interested in the Resolution except Shri Sevantilal S. Kapashi is concerned or interested in the resolution. Shri Indukumar S. Kapashi and Shri Paresh S. Kapashi being relative of Shri Sevantilal S. Kapashi may be deemed to be interested in the resolution.

The Notice convening ensuing Annual General Meeting of the Company along with the above Explanatory Statement may be treated as an abstract of the terms of the Agreement relating to the remuneration of Shri Sevantilal S. Kapashi as required by Section 302 of the Companies Act, 1956.

Your Board recommends the resolution for your approval.

### ITEM NO.6:

Mr. Indukumar S. Kapashi, Whole-Time Director who has been looking after the business of the Company. He is of 71 years of age and is an Industrialist having diversified experience of more than 40 years in the area of Automobile, Steel, Construction, Investment, etc. and under stewardships business has expanded on account of amalgamation.

The Board has increased his remuneration with effect from 1<sup>st</sup> November, 2007 subject to consent of the members of the Company on the terms and conditions as mentioned in the Resolution under Item No. 5 of the Notice.

None of the Directors is interested in the Resolution except Shri Indukumar S. Kapashi is concerned or interested in the resolution. Shri Sevantilal S. Kapashi and Shri Nimish I. Kapashi being relative of Shri Indukumar S. Kapashi may be deemed to be interested in the resolution.

# KAPASHI COMMERCIAL LIMITED

The Notice convening ensuing Annual General Meeting of the Company along with the above Explanatory Statement may be treated as an abstract of the terms of the Agreement relating to the remuneration of Shri Indukumar S. Kapashi as required by Section 302 of the Companies Act, 1956.

Your Board recommends the resolution for your approval.

**By Order of the Board of Directors**

**Place: Mumbai**  
**Dated: 24<sup>th</sup> June, 2008.**

**S. S. KAPASHI**  
**CHAIRMAN.**

**Regd. Office:**  
`NISHUVI', 4<sup>th</sup> Floor,  
75, Dr. Annie Besant Road,  
Worli, Mumbai 400 018.

# KAPASHI COMMERCIAL LIMITED

## DIRECTORS' REPORT

To  
The Members  
KAPASHI COMMERCIAL LIMITED

Your Directors have pleasure in presenting the 23rd Annual Report together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2008.

### 2. FINANCIAL RESULTS

	2007-2008 Rs.	2006-2007 Rs.
Sales	214,882,816	39,989,981
Other Income	<u>46,001,112</u>	<u>13,279,853</u>
	<u>260,883,928</u>	<u>53,269,834</u>
Profit/(Loss) subject to Depreciation & Tax	46,430,479	10,964,432
Less: Depreciation	<u>299,781</u>	<u>252,884</u>
Profit/(Loss) before tax	46,130,698	10,711,548
Add: Share of Profit from Partnership firm	<u>8,952,697</u>	<u>29,897,389</u>
	55,083,395	40,608,937
Less: Share of Firm Tax	-	8,229
Provision for taxation	<u>1,950,000</u>	<u>1,300,000</u>
	53,133,395	39,300,708
Less Provision for Fringe benefit Tax	<u>40,000</u>	<u>55,000</u>
Profit/(Loss) after tax	53,093,395	39,245,708
Profit/(Loss) brought forward from previous year	<u>80,870,703</u>	<u>41,624,995</u>
Profit/(Loss) carried to Balance Sheet	133,964,098 =====	80,870,703 =====

### 3. DIVIDEND

Your Directors do not recommend dividend for the year under review, so as to conserve the resources of the Company for further planned expansion of business activities.

### 4. OPERATION

The Company expanded its trading activities especially in non-Ferrous materials and posted sales of Rs.214,882,816/- compared to Rs.39,989,981/- in previous year. For the year ended 31<sup>st</sup> March, 2008 the company has posted net profit after tax of Rs.53,093,395/- compared to net Profit of Rs.39,245,708/- in the previous year.

The Company has entered into Partnership with effect from 1<sup>st</sup> April, 2008 to carry on the business of developing, constructing and development of immovable properties. Share of Profit & Loss of the Company in the said firm is 65%.

The Company has also purchased property admeasuring 6,500 sq. feet (approximately) subject to Tenancy from M/s. Nishuvi Corporation for developing the same.



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## **5. AMALGAMATION**

The Company during the year under review amalgamated its 100% subsidiaries, acquired during the year under review, viz. RUNISHA COMMERCIAL LTD. and NASHIMA DEVELOPERS LTD. under Scheme of Amalgamation sanctioned on 17<sup>th</sup> April, 2008 by the Hon'ble Bombay High Court with effect from 1<sup>st</sup> October, 2007 which was the Appointed Date under the Scheme. The effect of the merger in the Profit & Loss Account has been incorporated. The figures for the year ended 31<sup>st</sup> March, 2008 includes the operations consequent to merger and thus are not comparable with the year ended 31<sup>st</sup> March, 2007.

## **6. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2008, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year of the profit or loss of the Company for the year under review;
- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors had prepared accounts for the financial year ended 31<sup>st</sup> March, 2008 on a going concern basis.

## **7. AUDITORS**

M/s. D. V. Vora & Co., Chartered Accountants, Mumbai, retire and are eligible for re-appointment.

## **8. SECRETARIAL COMPLIANCE CERTIFICATE**

M/S. R. N. Shah & Associates, Company Secretaries have furnished certificate as required under Sub-section (1) of Section 383A of the Companies Act, 1956 and which is annexed to this report.

## **9. DIRECTORATE**

Mr. Paresh S. Kapashi and Mr. Sevantilal S. Kapashi, Directors, retire by rotation and being eligible offer themselves for re-appointment.

Remuneration of Mr. Sevantilal S. Kapashi and Mr. Indukumar S. Kapashi, Whole-Time Directors is increased from Rs. 15,000/- per month to Rs. 50,000/- with effect from 1<sup>st</sup> November, 2007 to remaining period of their term, subject to

# **KAPASHI COMMERCIAL LIMITED**

approval by the Members in the General Meeting. Accordingly the necessary approval is sought at the ensuing Annual General Meeting.

10. **EMPLOYEES**

None of the employees have drawn salary as required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

11. **ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

The provisions of Section 217 (1) (e) in respect of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, in respect of Conservation of Energy and Technology Absorption are not applicable in case of your Company. There were no earnings or outgoings of foreign exchange during the year under review.

**By Order of the Board of Directors**

Place: Mumbai  
Date: 24<sup>th</sup> June, 2008

**S. S. KAPASHI**  
Chairman

# KAPASHI COMMERCIAL LIMITED

## AUDITOR'S REPORT TO THE MEMBERS

1. We have audited the attached Balance Sheet of KAPASHI COMMERCIAL LIMITED as at March 31, 2008, also the Profit and Loss Account and the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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 for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) Amendment Order 2004. issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annexe hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the company.
4. Further to our comments in the Annexure referred to in paragraph (3) 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 purposes of our audit;
  - (b) In our opinion, proper books of account as required by Law have been kept by the Company, so far as appears from our examination of those books;
  - (c) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet Profit and Loss account and Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - (e) On the basis of the written representations received from the Directors, as on March 31, 2008 and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on March 31, 2008 from being appointed as a Director, in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

# KAPASHI COMMERCIAL LIMITED

## AUDITOR'S REPORT TO THE MEMBERS (Contd.)

(f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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;

1. In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2008
2. In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date and
3. In the case of Cash Flow statement, of the Cash Flows for the year ended on that date

For D. V. VORA & CO.  
Chartered Accountants

PARTNER  
(D.V.VORA)

Membership No. 30013

Mumbai:  
Date : 24<sup>th</sup> June, 2008.

**KAPASHI COMMERCIAL LIMITED**  
**ANNEXURE TO AUDITORS' REPORT**

Referred to in paragraph 3 of our report of even date,

- [I] [a] The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- [b] The company has a regular program 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] During the year, the Company has not disposed off any major part of the Fixed Assets.
- [II] [a] The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- [b] The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- [c] The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- [III] [a] The Company had taken loan from four parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 244.43 lacs and the year-end balance of loans taken from such parties was Rs. 136.18 lacs.. There are no parties covered in the register maintained under section 301 of the Companies Act, 1956 to which the company has granted loans.
- [b] In our opinion the rate of interest and other terms and conditions on which loans have been taken from/granted to companies, firms or other parties listed in the registers maintained under Section 301 are not, prima facie, prejudicial to the interest of the company.
- [c] The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest. The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.
- [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 weakness in internal controls.

# **KAPASHI COMMERCIAL LIMITED**

## **ANNEXURE TO AUDITORS' REPORT (Contd.)**

- [V] [a] According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- [b] In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- [VI] In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board.
- [VII] In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- [VIII] The Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 does not apply in respect of Company's business.
- [IX] [a] 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, service tax, custom duty, excise-duty, cess and other 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, customs duty, excise duty and cess were in arrears, as at 31<sup>st</sup> March 2008 for a period of more than six months from the date they became payable.
- [c] According to the information and explanation given to us, there are no dues of sale tax, income-tax, customs duty, wealth-tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- [X] The company has no accumulated losses as at 31<sup>st</sup> March, 2008 and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- [XI] During the year, the company has not taken any loan from any financial institution or bank and has not issued any debenture.

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## **ANNEXURE TO AUDITORS' REPORT (Contd.)**

- [XII] The company has not granted any 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 4(xiii) of the said order are not applicable to the company.
- [XIV] In our opinion, the company has maintained proper records of the transactions and contracts of the investments dealt in by the company and timely entries have been made there in. The investments made by the company are held in its own name except to the extent of the exemption under section 4a of the act.
- [XV] The company has not given any guarantee for loans taken by others from Bank or financial institutions.
- [XVI] The provision of clause 4(XVI) of the order is not presently applicable to the company since it has not taken any term loan during the financial year.
- [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 no funds raised on short-term basis have been used for long-term investment.
- [XVIII] According to the information and explanations given to us, during the year the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- [XIX] The company has not issued any debentures during the year.
- [XX] The company has not raised any money through Public Issue during the year.
- [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.

For D. V. VORA & CO.  
Chartered Accountants

[D. V. Vora]  
Partner

Membership No. 30013

Place: Mumbai.  
Dated: 24.06.2008

# **KAPASHI COMMERCIAL LIMITED**

## **COMPLIANCE CERTIFICATE**

To,  
The Members  
**KAPASHI COMMERCIAL LIMITED**

We have examined the registers, records, books and papers of **KAPASHI COMMERCIAL LIMITED** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2008. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its Officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a Public Limited Company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met 9 (Nine) times on 29<sup>th</sup> June, 2007; 31<sup>st</sup> July, 2007; 16<sup>th</sup> October, 2007; 19<sup>th</sup> October, 2007; 30<sup>th</sup> October, 2007; 11<sup>th</sup> December, 2007; 29<sup>th</sup> January, 2008; 12<sup>th</sup> February, 2008 and 25<sup>th</sup> March, 2008 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members, and/or debenture holders from 17<sup>th</sup> August, 2007 to 31<sup>st</sup> August, 2007 both days inclusive and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended 31<sup>st</sup> March, 2007 was held on 31<sup>st</sup> August, 2007 (both days inclusive) after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
7. One General Meeting of the Members, convened by Bombay High Court, was held on 21<sup>st</sup> January , 2008, during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the minutes book maintained for the purpose.
8. The Company has not advanced any loans to its directors and/or persons or firms or Companies referred in the section 295 of the Act.
9. The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.



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10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or the Central Government as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
  - (i) delivered all the certificates on allotment of securities and on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
  - (ii) not deposited any amount in separate bank account as no dividend including interim dividend was declared during the financial year;
  - (iii) not posted warrants for dividends to any members of the Company as no dividend was declared during the financial year;
  - (iv) no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years, so no amount has been transferred to Investor Education and Protection Fund;
  - (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There were no appointments of directors, additional directors, alternate directors and directors to fill casual vacancies during the financial year.
15. The appointment of Whole-time Directors has been made in compliance with the provisions of section 269 read with Schedule XIII of the Act.
16. The Company has not appointed any sole selling agent during the financial year.
17. The Company has obtained all necessary approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act as detailed below:
  - (i) Approval of the Hon'ble Bombay High Court of the Amalgamation of the Company's wholly owned subsidiaries, viz. Nashima Developers Ltd. and Runisha Commercial Ltd. with the Company vide order dated 17<sup>th</sup> April, 2008.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.

## **KAPASHI COMMERCIAL LIMITED**

20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended 31<sup>st</sup> March, 2008.
25. The Company has not given any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. As the provisions of the Provident Fund Act are not applicable to the Company, the Company is not supposed to deposit both employees' and employer's contribution towards Provident Fund during the financial year with prescribed authorities pursuant to Section 418 of the Act.

**For R. N. SHAH & ASSOCIATES  
COMPANY SECRETARIES**

**PLACE: MUMBAI  
DATE: 24<sup>th</sup> June, 2008**

**(RAJNIKANT N. SHAH)  
Proprietor  
C. P. No. 700**

# **KAPASHI COMMERCIAL LIMITED**

## **Annexure A**

### **Registers as maintained by KAPASHI COMMERCIAL LIMITED:**

1. Board Minutes Book u/s. 193.
2. Members Minutes Book u/s. 193.
3. Attendance Register.
4. Application for and Allotment of Shares u/s.72.
5. Register of Members u/s. 150.
6. Register of Share Transfers u/s. 108.
7. Register of Directors, Managing Directors u/s. 303.
8. Register of Directors' Share holdings u/s.307.
9. Register of Contracts u/s. 301.
10. Register of Companies and Firms in which Directors interest u/s. 301(3).
11. Register of Charge u/s.143

## **Annexure B**

### **Forms and Returns as filed by KAPASHI COMMERCIAL LIMITED with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31<sup>st</sup> March, 2008: -**

1. Form 20B together with Annual Return dated 31/08/2007 filed u/s.159 on 22/10/2007.
2. Form 23AC & Form 23ACA together with Balance Sheet as on 31/03/2007 and Profit & Loss for the year ended on that filed u/s. 220 on 31/08/2007.
3. Form 66 together with Compliance Certificate for the financial year ended 31/03/2007 filed u/s. 383A on 31/08/2007.
4. Form 17 for Satisfaction of Charge dated 05/07/2007 filed under Section 138 on 30/07/2007.
5. Form 25C dated 11/12/2007 filed u/s 269 and Schedule XIII on 13/12/2007 for increasing remuneration of Shri Sevantilal S. Kapashi, Whole-Time Director with effect from 1<sup>st</sup> November, 2007.
6. Form 25C dated 11/12/2007 filed u/s 269 and Schedule XIII on 13/12/2007 for increasing remuneration of Shri Indukumar S. Kapashi, Whole-Time Director with effect from 1<sup>st</sup> November, 2007.
7. Form 61 dated 16/10/2007 filed u/s 394 on 19/02/2008 for filing an application for amalgamation with Registrar of Companies.

**For R. N. SHAH & ASSOCIATES  
COMPANY SECRETARIES**

**PLACE: MUMBAI  
DATE: 24<sup>th</sup> June, 2008**

**(RAJNIKANT N. SHAH)  
Proprietor  
C. P. No. 700**

**KAPASHI COMMERCIAL LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2008**

		As at 31-03-2008		As at 31-03-2007	
	Schedule	Rupees	Rupees	Rupees	Rupees
<b>SOURCES OF FUNDS:</b>					
CAPITAL	A	10,000,000		10,000,000	
RESERVES & SURPLUS	B	<u>209,553,390</u>		<u>86,885,703</u>	
			219,553,390		96,885,703
SECURED LOANS	C				171,920
UNSECURED LOANS	D		13,617,720		42,027,941
	TOTAL		<u>233,171,110</u>		<u>139,085,564</u>
<b>APPLICATION OF FUNDS:</b>					
<b>FIXED ASSETS</b>					
Gross Block	E	6,582,696		6,177,746	
Less: Depreciation		<u>1,858,017</u>	4,724,679	<u>1,462,589</u>	4,715,157
INVESTMENTS	F		151,728,959		74,556,669
<b>CURRENT ASSETS,</b>					
LOANS & ADVANCES	G	117,781,129		74,883,214	
Less: Current Liabilities & Provisions	H	<u>41,063,657</u>		<u>15,069,476</u>	
NET CURRENT ASSETS			76,717,472		59,813,738
	TOTAL		<u>233,171,110</u>		<u>139,085,564</u>
Notes on Accounts	M				

As per our Report attached of even date

For and on behalf of the Board

For D. V. VORA & CO.  
Chartered Accountants

(D. V. VORA)  
Partner

S. S. KAPASHI  
Director

I. S. KAPASHI  
Director

Mumbai  
Dated: 24/06/2008

Mumbai  
24/06/2008

**KAPASHI COMMERCIAL LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2008**

<u>Schedule</u>	<u>As at 31-03-2008 Rupees</u>	<u>As at 31-03-2007 Rupees</u>
<b>INCOME:</b>		
Sales	214,882,816	39,989,981
Other Income	46,001,112	13,279,853
Increase (Decrease) Stock in Trade		
	<u>260,883,928</u>	<u>53,269,834</u>
<b>EXPENDITURE</b>		
Purchases	205,790,444	38,267,276
Office & Administrative Expenses	4,237,056	2,170,032
Personal Expenses	1,486,976	821,293
Short Term Loss On Sale Of Shares	825,306	
Financial Expenses	2,113,667	1,046,801
Depreciation	299,781	252,884
<b>TOTAL</b>	<u>214,753,230</u>	<u>42,558,286</u>
Profit before Taxation	46,130,698	10,711,548
Add:- Share of Profit from Partnership Firm	8,952,697	29,897,389
	<u>55,083,395</u>	<u>40,608,937</u>
Less :- Share of Firm Tax	-	8,229
	<u>55,083,395</u>	<u>40,600,708</u>
Less :-Provision for current tax	1,950,000	1,300,000
	<u>53,133,395</u>	<u>39,300,708</u>
Less :-Provision for fringe benefit tax	40,000	55,000
	<u>53,093,395</u>	<u>39,245,708</u>
Balance brought forward from previous year	80,870,703	41,624,995
Balance carried to Balance Sheet	<u>133,964,098</u>	<u>80,870,703</u>
Earnings per Share	53.09	39.25
Notes on Accounts:	M	

As per our Report attached of even date

For and on behalf of the Board

For D. V. VORA & CO.  
Chartered Accountants(D. V. VORA)  
PartnerS. S. KAPASHI  
DirectorI. S. KAPASHI  
DirectorMumbai  
Dated:- 24/06/2008Mumbai  
24/06/2008

**KAPASHI COMMERCIAL LIMITED****SCHEDULES TO THE BALANCE SHEET AS AT 31.03.2008**

<b>Schedule</b>	<b>As at 31-03-2008 Rupees</b>	<b>As at 31-03-2007 Rupees</b>
<b>SCHEDULE - 'A'</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL:</b>		
10,00,000 Equity Shares of Rs. 10/- each	10,000,000	<u>10,000,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID-UP CAPITAL:</b>		
10,00,000 Equity Shares of Rs. 10/- each	10,000,000	10,000,000
<b>TOTAL</b>	<u><u>10,000,000</u></u>	<u><u>10,000,000</u></u>
<b>SCHEDULE - 'B'</b>		
<b>RESERVES &amp; SURPLUS:</b>		
(1) GENERAL RESERVE		-
Balance as per last Balance Sheet	75,589,291	6,015,000
(2) PROFIT & LOSS A/C	133,964,099	80,870,703
	<u><u>209,553,390</u></u>	<u><u>86,885,703</u></u>
<b>SCHEDULE - 'C'</b>		
<b>SECURED LOANS:</b>		
Car Loan	-	171,920
(Secured Against Car)		
<b>TOTAL</b>	<u><u>-</u></u>	<u><u>171,920</u></u>
<b>SCHEDULE - 'D'</b>		
<b>UNSECURED LOAN</b>		
1. Intercorporate Loan	-	5,632,735
2. Directors	13,617,720	36,395,206
<b>TOTAL OF 1 TO 2</b>	<u><u>13,617,720</u></u>	<u><u>42,027,941</u></u>

**M/S KAPASHI COMMERCIAL LIMITED**

**SCHEDULE TO THE BALANCE SHEET AS AT 31-03-2008**

**SCHEDULE - 'E'**

**FIXED ASSETS**

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	AS AT 31-Mar-07	ADDITION	DEDUCTION	ADJUSTMENT	AS AT 31-Mar-08	AS AT 31-Mar-07	FOR THE YEAR	DEDUCTION	ADJUSTMENT	AS AT 31-Mar-08	AS AT 31-Mar-08	AS AT 31-Mar-07
MACHINERY	3,281,600	-	-		3,281,600	589,327	-	-		589,327	2,692,273	2,692,273
<b>TOTAL OF A</b>	<b>3,281,600</b>	<b>0</b>	<b>-</b>		<b>3,281,600</b>	<b>589,327</b>	<b>-</b>			<b>589,327</b>	<b>2,692,273</b>	<b>2,692,273</b>
<b>B-OWN ASSETS</b>												
1-MOTOR CAR	2,423,291		-		2,423,291	655,962	230,213	-		886,175	1,537,116	1,767,329
2-COMPUTER	215,400	54,000	-		269,400	120,410	42,254			162,664	106,736	94,990
4-TELEPHONE-EPBX	114,130	36,700	-		150,830	53,277	5,579			58,856	91,974	60,853
5-AIR CONDITIONER	143,325	314,250	-		457,575	43,613	21,735		95647	160,995	296,580	99,712
<b>TOTAL OF B</b>	<b>2,896,146</b>	<b>404,950</b>	<b>-</b>		<b>3,301,096</b>	<b>873,262</b>	<b>299,781</b>	<b>-</b>		<b>1,268,690</b>	<b>2,032,406</b>	<b>2,022,884</b>
<b>TOTAL OF A+B</b>	<b>6,177,746</b>	<b>404,950</b>	<b>-</b>		<b>6,582,696</b>	<b>1,209,705</b>	<b>299,781</b>	<b>-</b>		<b>1,858,017</b>	<b>4,724,679</b>	<b>4,715,157</b>
PREVIOUS YEAR	6,177,746	-	-	-	6,177,746	1,209,705	252,884	-	-	146,589	4,715,157	4,968,041

**KAPASHI COMMERCIAL LIMITED****SCHEDULES TO THE BALANCE SHEET AS AT 31.03.2008**

	<b>Share of Profit / Loss</b>	<b>TOTAL As at 31-03-2008 Rupees</b>	<b>As at 31.03.2007 Rupees</b>
<b>SCHEDULE - 'F'</b>			
<b>A) INVESTMENTS :</b>			
<b>A) Shreejee Corporation</b>			
<b>Name of Partners</b>			
(1) Kapashi Commercial Ltd.	<b>61%</b>		
(2) Vinayak K. Shah	<b>21%</b>		
(3) Mehta Jaising Const.	<b>18%</b>		
<b>TOTAL CAPITAL AS AT</b>			
31st March 2008		48,335	48,335
31st March 2007			
<b>B) Ratna Shree</b>			
<b>Name of Partners</b>			
(1) Kapashi Commercial Ltd.	<b>66%</b>		
(2) Jaising Construction.	<b>34%</b>		
<b>TOTAL CAPITAL AS AT</b>			
31st March 2008			
31st March 2007		8337174	
<b>Flat [ Ratan Shree ]</b>			
Property at Mumbai		2,366,140	2,221,160
Rooms In Nishuvi Bldg		74,095,170	6,895,170
		210,628	-
<b>Aggregate of Quoted Investments</b>			
<b>Aggregate of Unquoted Investments</b>			
		74,503,686	64,892,003
		505,000	500,000
		<b>151,728,959</b>	<b>74,556,669</b>



**KAPASHI COMMERCIAL LIMITED**  
**SCHEDULES TO THE BALANCE SHEET AS AT 31-03-2008**

	No. of Shares 31-03-2008	No. of Shares 31-03-2007	Face Value Per Share Rupees	As at 31-03-2008 Rupees	As at 31-03-2007 Rupees
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SCHEDULE " F " ( Contd. )

**B. OTHER INVESTMENTS QUOTED SHARES**  
**FULLY PAID UNLESS OTHERWISE STATED**  
**AT COST.**

Name of the Company

3i Infotech Limited	4000	2932	10	204,295	399,319
Adlabs Films Ltd	2000		10	1,846,218	
Allahabad Bank	9000	9032	10	745,705	737,420
Allsec Technologies Limited	2300	2826	10	446,017	548,019
Alps Bpo Services Ltd.	10000	10000	10	12,500	12,500
Amforge Industries Ltd.		2805	10		266,166
Arvind Mills	7500	2500	10	537,704	278,850
Ashok Leyland Ltd.	4500	4500	10	232,957	104,770
Asian Consolidated Industries	1000	1000	10	32,000	32,000
Asian Hotels	0	415	10	-	137,186
Aventis Phar	0	80	12	-	100,204
B L Kashyap	0	130	10	-	152,750
Bajaj Hindustan Ltd.	0	1000	1	-	256,370
Balaji Telefilms Ltd.	1000	1014	10	97,852	99,222
Bata India Ltd.	15374	2874	10	2,857,932	613,615
Bharat Electronics Ltd.	87			160,854	
Bharti Airtel Ltd.	890	890	10	200,883	200,883
Birla Corporation Ltd.	1050	1050	10	201,215	201,215
Bombay Dyeing & Manufacture	6500	6500	10	5,295,313	4,080,921
Bonus Shares				-0.21	
Bosch Ltd.	582			2,923,728	
Britannia Industries Ltd.	0	160	10	-	149,854
Cadila Healthcare Ltd	0	2000	10	-	603,698
Cairn India Ltd.	12500			2,855,150	
Carol Info Services Ltd.	10000	22000	10	585,380	1,253,453
Century Textiles & Industries Ltd.	7000	7000	10	5,598,378	3,449,817
Cholamandalam DBS Finance	0	1910	10	-	355,411
Cipla Ltd.	0	13000	1	-	2,828,321
Dena Bank	7500	14356	10	260,763	499,078
Dhar Cement Ltd.	20	20	10	1,000	1,000
DLF Ltd	539			309,507	
Elgi Equipments Ltd.	0	7201	10	-	421,933
Eveready Industries India Ltd	0	4641	5	-	525,005
Facor Alloys Ltd.	63300	63300	10	248,242	248,242
Federal Bank Ltd.	5100	2870	10	1,050,468	459,739
Fem Care Pharma Ltd.		2000	10		652,088

**KAPASHI COMMERCIAL LIMITED**  
**SCHEDULES TO THE BALANCE SHEET AS AT 31-03-2008**

	No.of Shares 31-03-2008	No.of Shares 31-03-2007	Face Value Per Share Rupees	As at 31-03-2008 Rupees	As at 31-03-2007 Rupees
SCHEDULE " F " ( Contd. )					
Name of the Company					
Finolex Cables Ltd.	1200	8005	10	55,252	368,690
Force Motor	600			162,679	
Gamma In foway Exalt Ltd.	1000	1000	10	38,460	38,460
G.E. Shipping	2000	2224		422,751	470,100
Glaxo Smithkline Consumer Healthcare Ltd.	0	950	1	-	437,546
Glaxo Smithkline Ph	0	540	10	-	573,489
Glenmark Pharmaceuticals	1000	500		567,350	308,782
Gran Heal Pharma Ltd.	500	500	10	5,000	5,000
Great Offshore Ltd	556	556	10	117,522	117,522
Greaves Cotton Ltd.	4000		10	1,557,265	
Gujarat Ambuja Cement		5000	10	.	577,613
Gujarat B.D. Luggage Ltd.	2000	2000	10	20,000	20,000
Gujarat Perstorp Electron..	100	100	10	1,000	1,000
Helios & Matheson Inform..	2000	2700	1	490,108	593,087
Hero Honda Motors	360	360	10	202,062	202,062
Hindalco Preference shares	2000	500	10	330,709	51,245
Hindustan Motors Ltd.	50000	47500	10	1,716,153	2,033,895
Hindustan Zinc Ltd.	5010	14400	10	3,607,339	6,963,558
Housing Development Finance Corp	87	87	10	126,293	126,293
ICI (India) Ltd	600	1316	10	161,431	354,071
ICICI Bank Ltd.	2000		10	2,602,475	
Idea Cellular	4000			503,387	
IFGL Refractories	700	700	10	61,706	61,706
Indian Bank	5000			1,058,850	
Indoco Remedies Ltd.		995	10		298,799
Ind-Swift Laboratories Ltd.	1000	1000	1	245,585	245,585
Infosys Technologies Ltd.	166	371	10	339,472	543,600
Infotech Enterprises	700			265,654	
Infrastructure Development...	7000	2000	10	1,164,335	137,660
Ingersoll Rand (India) Ltd.		5250	10		1,822,802
ITC Ltd.	10000		10	1,851,900	
Jai Corporation Ltd.	7039	570		261,807	1,908,230
JK Industries		3000	10		404,159
Kalyani Refineries Ltd. (L...	2000	2000	10	28,300	28,300
KEC International	2000		10	1,293,408	
Kirloskar Ferrous	25000		10	1,356,250	
Larsen & Toubro Ltd.	200	600	10	486,706	815,852
Madras Cements Ltd.	100	222	10	150,787	334,747
Mahindra & Mahindra		2000	10		1,706,400
Mahindra Forgings	2800	2805	10	153,201	153,475
Matrix Laboratories Ltd.		300	1		66,786
Mangalore Chemical & Fert.	5000		10	160,443	

**KAPASHI COMMERCIAL LIMITED**  
**SCHEDULES TO THE BALANCE SHEET AS AT 31-03-2008**

	No. of Shares 31-03-2008	No. of Shares 31-03-2007	Face Value Per Share Rupees	As at 31-03-2008 Rupees	As at 31-03-2007 Rupees
SCHEDULE " F " ( Contd. )					
Name of the Company					
Mawana Sugars Ltd.		4065	10		442,049
Merck Ltd.		937	10		417,311
Motor Industries Company Ltd.		67	10		228,655
Motorol Enterprises Ltd. (Rinki)	5000	5000	10	40,402	40,402
MTZ Industries Ltd.	700	700	10	35,000	35,000
Nagarjuna Fert.	2000			20,000	
Nahar Capital & Finance	450	450	10	127,272	127,272
Nahar Spinning Mills Ltd.	450	450	10	127,278	127,278
Natco Pharma Ltd.	2845	3845	10	377,234	509,310
National Organic chemical Industries Ltd.	27828	27828	1	725,335	725,335
Nelco Ltd.	2500	2500	10	275,776	275,776
NESCO Ltd.	300	40	10	359,009	29,440
Netflier Finco Ltd.	0	1000		-	100,885
Network 18 Media & Investment	1000	1946	10	98,943	192,540
New Delhi Television Ltd.	1500	2664	10	358,243	636,241
Nicholas Piramal NCD	0	9840	10	-	1
NIIT Technologies	1500	2155	10	229,587	494,752
Nirlon Ltd.	15000	15000	10	881,254	881,254
NRC Ltd	4000	4000	10	115,341	115,341
NTPC Ltd.	2000	5000	10	469,551	587,882
Octav Investment Ltd.	160			0.01	
Panacea Biotec Ltd	0	2000	10		696,662
Patan Co-op. Bank Ltd.	120	120	10	3,000	3,000
Peninsula Land	40855	8171	10	4,026,870	3,058,404
Pfizer Ltd.	0	137	10		100,994
Power Grid	2500		0	297,346	
Precision Fastners Ltd. (W..)	500	500	10	25,000	25,000
Punj Lloyd Ltd.	1450	1450	10	332,345	332,345
Radico Khaitan Ltd.	10000			1,827,260	
Ranbaxy Laboratories Ltd.	438			171,748	
Real Value Appliances Ltd.	1100	1100	10	71,500	71,500
Reliance Communication Ltd.	2600	2625	10	820,195	828,082
Reliance Industries Ltd.	50		10	150,379	
Reliance Industrial Infra	350		10	679,357	
Reliance Natural Resource..	5000	46000	10	1,051,682	1,360,592
Reliance Petroleum	2000			386,820	
R. T. Exports	1335			121,469	
Sasken Comm	300			153,459	
Sharp Ind	53900			32,340	
Shree Rayalaseema - Pref.	1800	1800	10	44,899	44,899
Siemens Ltd.	0	515	10	-	129,625
Silverline Technologies	0	12000	10	-	216,571

**KAPASHI COMMERCIAL LIMITED**  
**SCHEDULES TO THE BALANCE SHEET AS AT 31-03-2008**

	No. of Shares 31-03-2008	No. of Shares 31-03-2007	Face Value Per Share Rupees	As at 31-03-2008 Rupees	As at 31-03-2007 Rupees
SCHEDULE " F " ( Contd. )					
Name of the Company					
Sonata Software Ltd.	2500	2500	10	167,702	167,702
Srei Infra Finance	0	6000	10	-	321,963
Standrose Mafatlal Lub. Ltd.	100	100	10	12,100	12,100
State Bank of India	226	269	10	168,490	200,547
Steel Authority of India	0	1000	10	-	90,260
Sterlite Ind	2000			1,807,477	
Sun Pharma ADVANCE	100			16,397	
Surlux Health Centres Ltd.	20000	20000	10	326,000	326,000
Suzlon Energy Ltd.	500		10	117,780	
Swan Mill	4000	5000	10	339,900	506,383
Tata Chemical	500			138,575	
Tata Consultancy Services	0	860	10	-	998,302
Tata Motors Ltd.	3460	3360	10	2,061,786	1,986,306
Tata Steel - CCPS	20299	3950	10	1,546,194	1,966,145
Tata Steel - Shares	3178			1,569,341	
Tata Teleservices (Maharashtra Ltd.	36000	36000	10	905,785	905,785
Television Eighteen India Ltd.(TV 18)	1750	2270	10	72,010	224,617
Tributon Exports	300	300	10	3,000	3,000
Tulip IT Services Limited	939	2613	10	196,048	545,546
U B Engineering Ltd.	16200			1,892,230	
Ultratech Cement Ltd.	0	1313	10	-	796,893
Usha Martin	0	600	10	-	117,642
Wheels India Ltd.	0	1000	10	-	383,329
MOTILAL OSWAL ( CASH)	0			70,015	
Wyeth Ltd.	0	1000	10	-	671,384
Share Application				387,000	387,000
<b>TOTAL (A)</b>	<b>623043</b>	<b>552097</b>		<b>74,503,424</b>	<b>64,884,864</b>
Mutual Fund Units :					
Quoted					
Eq Liquid Benchmark ETS (Benchmark MF)				262	7,139
<b>TOTAL (B)</b>			<b>0</b>	<b>262</b>	<b>7139</b>
<b>TOTAL ( A + B )</b>	<b>623043</b>	<b>552097</b>		<b>74,503,686</b>	<b>64,892,003</b>

**KAPASHI COMMERCIAL LIMITED**  
**SCHEDULES TO THE BALANCE SHEET AS AT 31-03-2008**

	No. of Shares 31-03-2008	No. of Shares 31-03-2007	Face Value Per Share Rupees	As at 31-03-2008 Rupees	As at 31-03-2007 Rupees
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SCHEDULE " F " ( *Contd.* )

UNQUOTED SHARES

FULLY PAID UNLESS OTHERWISE STATED AT COST

Name of the Company

Bharat Hydro Power Corpn. Ltd.	50000		10	500,000	500,000
	50000			<u>500,000</u>	<u>500,000</u>

GRAND TOTAL				75,003,686	65,392,003
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1. Aggregate of Quoted Investments

AT COST

74,503,686      64,892,003

MARKET VALUE

68,864,198      71,074,534

2. Aggregate of Unquoted Investments

AT COST

500,000      500,000

**KAPASHI COMMERCIAL LIMITED**

**SCHEDULES TO THE BALANCE SHEET AS AT 31.03.2008**

	<u>Rupees</u>	<u>As at 31-03-2008 Rupees</u>	<u>Rupees</u>	<u>As at 31-03-2007 Rupees</u>
<b>SCHEDULE - 'G'</b>				
<b>CURRENT ASSETS, LOANS &amp; ADV.</b>				
<b>CURRENT ASSETS :</b>				
(A) Closing Stock			Nil	
(B) Debtors for trading				
More than six months	1,197,315		374,156	
Others	<u>13,027,683</u>		<u>982,469</u>	
		<b>14,224,998</b>		10,198,853
<b>CASH AND BANK BALANCES:</b>				
CASH IN HAND		84,357	3,900	
<b>BALANCE WITH BANKS:</b>				
<b>(1) Current Account with:</b>				
Bank A/c Schedule Bank				
Axis Bank Ltd. A/c No. 116	3,067,556		3,983,892	
Canara Bank			5,000	
Oriental Bank Of Commerce	1,251,795		65,327	
OBC [ Runisha ] DIVIDEND	28,653			
Patan Co. Op Bank	8,373		58,844	
Vijaya Bank			438	
	<u>4,356,377</u>		<u>4,117,401</u>	
(2) Deposit Account with Schedule Bank				
fixed deposit				
Against Sales Tax	<u>5,000</u>		<u>5,000</u>	
		<b>4,361,377</b>		4,122,401
<b>LOANS AND ADVANCES:</b>				
<b>(Considered Good)</b>				
(A) Advance Recoverable in Cash or Kind for value to be received.	83,726,221		53,121,836	
(B) Staff Loan	419,019		<u>446,406</u>	
(C) Deposits	2,391,400		2,307,738	
(D) Income Tax	<u>12,573,756</u>		<u>4,685,980</u>	
		<b>99,110,397</b>		60,561,960
<b>Branch/Divisions</b>				
<b>TOTAL</b>		<b><u>117,781,129</u></b>		<b><u>74,883,214</u></b>

**KAPASHI COMMERCIAL LIMITED****SCHEDULES TO THE BALANCE SHEET AS AT 31.03.2008**

	As at 31-03-2008 Rupees	As at 31-03-2007 Rupees
<b>SCHEDULE - 'H'</b>		
<b>CURRENT LIABILITIES AND PROVISIONS:</b>		
<b>CURRENT LIABILITIES:</b>		
Sundry Creditors	781,609	8,559,476
Deposits Received	30,669,000	1,800,000
<b>PROVISIONS:</b>		
Provision for Taxation	9,161,000	4,600,000
Provision for Gratuity	211,002	
Provision for Leave Salary	91,046	
Provision for Fringe Benefit Tax	150,000	110,000
	<u>9,613,048</u>	
	<u>41,063,657</u>	<u>15,069,476</u>

**SCHEDULE TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2008**

	For the year ended 31-03-2008 Rupees	For the year ended 31-03-2007 Rupees
<b>SCHEDULE - 'I'</b>		
<b><u>OTHER INCOME :-</u></b>		
Interest Gross (TDS Rs.418562/- Previous year TDS Rs. 720778/-)	6594925	3,518,328
Dividend	648117	888,277
L. T. Capital Gains	22155839	3,428,602
L. T. Capital Gains on extinguision of tennacy rights	210628	
S.T.Capital Gains		1,307,489
F & O	20542	(98,883)
Rent Income(TDS Rs.2025483/- Previous year TDS Rs.942480/-)	16326926	4,216,000
Other Income [ L.C. Disc.Charges ]	44136	
mimISC. Income		20,040
	<u>46,001,112</u>	<u>13,279,853</u>

**KAPASHI COMMERCIAL LIMITED**

**SCHEDULE TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2008**

	For the year ended 31-03-2008	For the year ended 31-03-2007
	Rupees	Rupees
<b>SCHEDULE - ' J '</b>		
<b>OFFICE AND ADMINISTRATIVE EXP.</b>		
Listing/Filing/SEBI Fees	27,690	11,500
Auditors Remuneration	-	
For Audit & Tax Audit Fees	-	
For Other Services	192,686	127,540
Bank Charges -	103,519	4,677
Demat Charges	34,027	19,300
Insurance Charges	26,914	39,742
Directors Remuneration	836,000	576,000
Meeting Expenses	14,000	20,000
Management Expenses [ Motilal / Kotak ]	91,264	
Telephone Expenses	165,799	182,873
Rent	355,305	18,225
Rebate and Discount	-	23,191
Brokerage	310,746	
Maintenance Charges	495,353	
Motor Car Expenses	76,771	119,681
Miscellaneous Expenses	796,471	367,954
Conveyance Expenses	10,815	19,749
Municipal Taxes	699,696	399,600
	<u>4,237,056</u>	<u>2,170,032</u>
<b>SCHEDULE - ' K '</b>		
<b>PERSONNEL:</b>		
Salary	848,056	469,380
Bonus	256,811	209,076
(Includes Paid to Directors Rs. 1,67,200/- Previous year Rs.115200/-)	-	
Leave Salary	132,665	48,955
Gratuity	211,002	
Staff Welfare Expenses	38,442	93,882
	<u>1,486,976</u>	<u>821,293</u>
<b>SCHEDULE - ' L '</b>		
<b>FINANCIAL EXPENSES:</b>		
<b>INTEREST:</b>		
Bank	6,450	37,255
Others	-	4,741
Directors	2,107,217	1,004,805
	<u>2,113,667</u>	<u>1,046,801</u>



**KAPASHI COMMERCIAL LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2008  
(PURSUANT TO AMMENDMENT TO CLAUSE 32 OF THE LISTING AGREEMENT)**

PARTICULARS	For the year ended 31-Mar-08 Rupees	For the year ended 31-Mar-07 Rupees
<b>I CASH FLOW FROM OPERATING ACTIVITIES :</b>		
(A) Net profit before tax & extra ordinary item	37,719,601	10,711,548
(B) Adjustment		
<b>Add:</b>		
i) Depreciation	299,781	252,884
ii) Interest paid	2,113,667	1,046,801
	<u>2,413,448</u>	<u>1,046,801</u>
<b>Less:</b>		
i) Interest Earned	(5,000,633)	(3,518,328)
ii) Dividend Earned	(648,117)	(888,277)
iii) LongTerm/Sshort term Capital Gain	(21,330,533)	(4,736,091)
iv) Profit On Sale Of Vehicles	-	-
v) Profit On Sale Of Property	-	-
vi) LongTerm/Sshort term Capital Loss	-	-
	<u>(26,979,283)</u>	<u>(9,142,696)</u>
<b>CASH FROM OPERATIONS</b>	<b>13,153,767</b>	<b>2,868,537</b>
(C) (increase)/decrease in Current Assets		
i) Inventories	-	
ii) Sundry debtors	(3,611,852)	(9,389,318)
iii) Other current Assets and Loans and Advances	(30,155,835)	(22,099,076)
Increase/(decrease) in Current Liabilities		
i) liabilities	(8,040,361)	8,139,254
ii) Provisions	4,451,000	1355000
	<u>(37,357,048)</u>	<u>(21,994,140)</u>
<b>Net Cash From Operations (A)</b>	<b>(24,203,281)</b>	<b>(19,125,603)</b>

**KAPASHI COMMERCIAL LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2008  
(PURSUANT TO AMMENDMENT TO CLAUSE 32 OF THE LISTING AGREEMENT)**

PARTICULARS	For the year ended 31-Mar-08 Rupees	For the year ended 31-Mar-07 Rupees
<b>(II) CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
<b>Add:</b>		
vi) Drawing from partnership Firm	-	8,769,100
vii) Interest Earned	5,000,633	3,518,328
viii) Dividend Earned	<u>648,117</u>	<u>888,277</u>
	5,648,750	13,175,705
<b>Less:</b>		
i) (increase)/decrease in Investment, net	-	0
ii) Purchase of Fixed Assets	-	-
iii) Purchase/sale of investments	11,718,850	(11,416,628)
iv) Purchase/Sale of Fixed Assets	-	-
v) Purchase/Sale of Property	-	(2,221,160)
vi) Interest Paid	(1,046,801)	(1,046,801)
vii) Proceeds from issue of share capital	-	-
viii) Repayment of loans	(28,410,221)	(3,769,684)
ix) Net Proceeds from Borrowings	<u>(171,920)</u>	<u>(724,925)</u>
	(17,910,091)	(19,179,198)
<b>Net Cash from Investments ( B )</b>	<b>(12,261,341)</b>	<b>(6,003,493)</b>
Net Increase/Decrease in cash & Cash Equivalent(A+B)	(36,464,622)	(25,129,096)
Opening Balance	717,338	1,311,586
Closing Balance	4,476,218	717,338

# KAPASHI COMMERCIAL LIMITED

## Schedule to the Balance Sheet of a Non-Banking Financial Company

(as required in terms of Paragraph 9BB of Non-Banking  
Financial Companies Prudential Norms  
(Reserve Bank) Directions, 1998)

Particulars		As On 31.03.2008	
<b>Liabilities side:</b>			
[1]	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>	Amount Out- standing	Amount overdue
	[a] Debentures : Secured	NIL	NIL
	: Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
	[b] Deferred Credits	NIL	NIL
	[c] Terms Loans	NIL	NIL

15. Inserted by Notification No. DNBS. 135/CGM (VSNM)-2000, dated 13-1-2000, w.e.f. 13-1-2000.
16. Inserted by Notification No. DNBS 155/CGM(LMF)-2002, dated 1-1-2002, w.e.f. 1-1-2002.
17. Inserted by Notification No. DNBS. 167/CGM(OPA)-2003, dated 29-3-2003, w.e.f. 29-3-2003.

Particulars			
	[d] Inter-corporate loans and borrowing	NIL	NIL
	[e] Commercial Paper	NIL	NIL
	[f] Public deposits*	NIL	NIL
	[g] Other Loans (specify nature)	13617720	NIL
	* Please see Note 1 below		
[2]	<b>Break-up of [1][f] above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
	[a] In the form of Unsecured debentures	NIL	NIL
	[b] In the form of partly secured debentures I.e. debentures where there is a shortfall in the value of security	NIL	NIL
	[c] Other public deposits	NIL	NIL

**KAPASHI COMMERCIAL LIMITED**

	<b>Assets side:</b>	
		Amount outstanding
[3]	<b>Break-up of Loans and Advances including bills receivables (other than those included in (4) below:</b>  [a] Secured [b] Unsecured	64876695
[4]	<b>Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities</b>	N.A
	[i] Lease assets including lease rentals under sundry debtors:  [a] Financial lease [b] Operating lease  [ii] Stock on hire including hire charges under sundry debtors:  [a] Assets on hire [b] Repossessed Assets  [iii] Hypothecation loans counting towards EL/HP activities  [a] Loans where assets have been repossessed [b] Loans other than [a] above	
[5]	<b>Break-up of Investments:</b>	
	Current Investments:  1. Quoted: [i] Shares : [a] Equity [b] Preference  [ii] Debentures and Bonds [iii] Units of mutual funds [iv] Government Securities [v] Others (please specify)	N.A
	2. Unquoted:  [i] Shares: [a] Equity [b] Preference  [ii] Debentures and Bonds [iii] Unit of mutual funds [iv] Government Securities [v] Others (Please specify)	

**KAPASHI COMMERCIAL LIMITED**

	<p>Long Term investments:</p> <p>1. Quoted:</p> <p>[i] Shares: [a] Equity [b] Preference</p> <p>[ii] Debentures and Bonds [iii] Unit of mutual funds [iv] Government Securities [v] Others (Please specify)</p> <p>2. Unquoted:</p> <p>[i] Shares: [a] Equity [b] Preference</p> <p>[ii] Debentures and Bonds [iii] Unit of mutual funds [iv] Government Securities [v] Others (Please specify)</p>	<p>74503686</p> <p>500000</p> <p>NIL NIL NIL NIL</p>																															
[6]	<p><b><i>Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:</i></b> Please see Note 2 below</p>	<p>N .A</p>																															
	<table border="1"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="3">Amount net of provisions</th> </tr> <tr> <th>Secured</th> <th>Unsecured</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>1. Related Parties **</td> <td></td> <td></td> <td></td> </tr> <tr> <td>    [a] Subsidiaries</td> <td></td> <td></td> <td></td> </tr> <tr> <td>    [b] Companies in the same group</td> <td></td> <td></td> <td></td> </tr> <tr> <td>    [c] Other related parties</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2. Other than related parties</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Category	Amount net of provisions			Secured	Unsecured	Total	1. Related Parties **				[a] Subsidiaries				[b] Companies in the same group				[c] Other related parties				2. Other than related parties				Total				
Category	Amount net of provisions																																
	Secured	Unsecured	Total																														
1. Related Parties **																																	
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2. Other than related parties																																	
Total																																	
[7]	<p><b><i>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</i></b> Please see Note 3 below</p>																																
	<table border="1"> <thead> <tr> <th>Category</th> <th>Market Value / Break-up or fair value or NAV</th> <th>Book Value (Net of Provisions)</th> </tr> </thead> <tbody> <tr> <td>1. Related Parties **</td> <td></td> <td></td> </tr> <tr> <td>    [a] Subsidiaries</td> <td></td> <td></td> </tr> <tr> <td>    [b] Companies in the same group</td> <td></td> <td></td> </tr> <tr> <td>    [c] Other related parties</td> <td></td> <td></td> </tr> <tr> <td>2. Other than related parties</td> <td align="right">68864198</td> <td align="right">75003686</td> </tr> <tr> <td>Total</td> <td></td> <td></td> </tr> </tbody> </table>	Category	Market Value / Break-up or fair value or NAV	Book Value (Net of Provisions)	1. Related Parties **			[a] Subsidiaries			[b] Companies in the same group			[c] Other related parties			2. Other than related parties	68864198	75003686	Total													
Category	Market Value / Break-up or fair value or NAV	Book Value (Net of Provisions)																															
1. Related Parties **																																	
[a] Subsidiaries																																	
[b] Companies in the same group																																	
[c] Other related parties																																	
2. Other than related parties	68864198	75003686																															
Total																																	

\*\* As per Accounting Standing of ICAI (Please see Note 3)

## KAPASHI COMMERCIAL LIMITED

[8] **Other information**

		<i>Particulars</i>		Amount
	[i]	Gross Non-Performing Assets		
		[a] Related parties		
		[b] Other than related parties		14670655
	[ii]	Net Non-Performing Assets		
		[a] Related parties		
		[b] Other than related parties		14670655
	[iii]	Assets acquired in satisfaction of debt		NIL

Notes:

1. As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break-up / fair value / NAV in respect of un quoted investments should be disclosed irrespective of whether they are classified as long term or current in column [5] above.

# KAPASHI COMMERCIAL LIMITED

## SCHEDULES TO THE STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31.03.2008

### SCHEDULE 'M'

#### A. Significant Accounting Policies.

1. **Basis of Accounting.**

The accounts have been prepared on historical cost basis of accounting. The Company adopts accrual system of accounting unless stated otherwise.

2. **Expenses.**

It is the Company's Policy to provide for all expenses on accrual basis.

3. **Fixed Assets.**

All the fixed assets have been valued at historical cost less accumulated depreciation.

4. **Depreciation.**

The Company provided Depreciation on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

5. **Inventories**

Inventories are valued at lower of cost or net realizable value.

6. **Investments.**

Investments have been stated at cost.

7. **Taxation.**

Provision for taxation has been made after considering disallowables, exemptions and deductions as per the law as laid down and interpreted by various authorities.

Deferred Tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Fringe Benefit Tax is determined at current applicable rates on expenses falling within the ambit of "Fringe Benefit" as defined under the Income Tax Act, 1961

8. **Amortisation.**

Preliminary expenses, share expenses, have been amortized over a period of 10 years.

# KAPASHI COMMERCIAL LIMITED

## SCHEDULES TO THE STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31.03.2008

### SCHEDULE 'M' (Contd.)

B. Additional Information pursuant to Para 3, 4B, 4C & 4D of the Part II of the Schedule VI to the Companies Act, 1956.

B1 Quantitative information in respect of the opening stock, purchases, sales and closing stock for each class of goods traded in by the Company

	Quantity M.T	As at 31-03-2008 Rupees	Quantity M.T.	As at 31-03-2007 Rupees
<b>A. ZINC</b>				
Opening Stock	0	0	0	0
Purchase	1414.923	199752550	175.865	35816676
Sales	1414.923	208737822	175.865	37323311
Closing Stock	0	0	0	0
<b>B. Tiscon ReBars ( in M.T.)</b>				
Opening Stock			0	0
Purchase	0	0	82.265	2450600
Sales	0	0	82.265	2666670
Closing Stock	0	0	0	0

B.2. Contingent Liability.

Counter Guarantee given to Bank Rs. NIL (Previous Year Rs. 500 Lacs).

	As at 31-03-2008	As at 31-03-2007
<b>3. Directors Remuneration.</b>		
3.1.Salaries & Other Benefits	8,36,000	5,76,000
3.2.Bonus	1,67,200	1,15,200



**KAPASHI COMMERCIAL LIMITED**  
**SCHEDULES TO THE STATEMENT OF ACCOUNTS AS AT**  
**AND FOR THE YEAR ENDED 31.03.2008**

**SCHEDULE 'M' (Contd.)**

**4. Deferred Tax:**

The value of deferred tax assets and Deferred Tax Liability as on 31<sup>st</sup> March, 2008. is not material. Hence the value of such Net deferred tax assets is not recognized in accordance with AS22

**5. Earnings per Share:**

	<u>2007-08</u>	<u>2006-07</u>
a. Basic and diluted earnings per share in Rupees (Face Value Rs.10/- per share)	53.09	39.25
b. Profit / (Loss) after tax and prior period items as Per Profit & Loss Account (In Rupees)	5,30,93,395	3,92,45,708
c. Weighted average number of equity shares outstanding	10,00,000	10,00,000

**6. Segment Reporting**

The Company has only one primary business segment namely Trading "Ferrous Non-ferrous, Textiles, etc.", as such no separate reporting is being done for the year since it is reported in the final accounts for the year.

**7. Related Party Transactions**

Other Associates Nashima Developers Pvt. Ltd., Nishuvi Trading And Investments Pvt. Ltd., Runisha Commercial Pvt. Ltd., Creative Corporation, Nishuvi Corporation, Indu Corporation, Ratna Shree.

Directors / Key Management Personnel Mr.Sevanntilal Shantilal Kapashi, Mr.Indukumar, Shantilal Kapashi.

Summary of the transactions with the above related parties is as follows.

Nature of Transaction	Transaction for the year ended March 08 Amount in Rs.
Directors Remuneration	10,03,200/-

# KAPASHI COMMERCIAL LIMITED

## SCHEDULES TO THE STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31.03.2008

### SCHEDULE 'M' (Contd.)

8. Previous years figures have been regrouped, reclassified and/or renamed to conform to this year's classification.

---

### SIGNATORIES TO SCHEDULES ' A ' TO ' M'

As per our Report attached of  
even date.

For and on behalf of the Board

**For D. V. VORA & CO.**  
**Chartered Accountants**

**S. S. KAPASHI ]**  
**I. S. KAPASHI ]**

**(D. V. VORA)**  
**Partner**

**Directors**

Place: Mumbai  
Dated: 24.06.2008

Place: Mumbai  
Dated: 24.06.2008

# KAPASHI COMMERCIAL LIMITED

## PART – IV OF SCHEDULE VI OF COMPANIES ACT, 1956 (AS AMENDED) Balance Sheet Abstract and Company's General Business Profile

I.	Registration Details				
	Registration No.	37452		State Code -	11
	Balance Sheet Date		31	03	2008
			Date	Month	Year
II.	Capital Raised during the year (Amount in Rs. Thousands)				
	Public Issue			Rights Issue	
	NIL			NIL	
	Bonus Issue			Private Placement	
	NIL			NIL	
III.	Position of Mobilizations and Deployment of Funds (Amount in Rs. Thousands)				
	Total Liabilities			Total Assets	
	233,171			233,171	
	Sources of Funds:				
	Paid-up Capital			Reserves and Surplus	
	10,000			209,553	
	Secured Loans			Unsecured Loans	
	Nil			13,618	
	Application of Funds:				
	Net Fixed Assets			Investments	
	4,725			151,729	
	Net Current Assets			Miscellaneous Expenditure	
	76,717			Nil	
IV.	Performance of the Company (Amount in Rs. Thousands)				
	Turnover			Total Expenditure	
	260884			214,753	
	Profit before Tax			Profit After Tax	
	55,083			53,093	
	Earnings per Share (in Rs.)			Dividend %	
	53.09			Nil	

Generic Names of Principal Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	:	N.A.
Product Description	:	TRADING IN FERROUS – NON-FERROUS METALS & TEXTILES, ETC.

**For D. V. VORA & CO.**  
**Chartered Accountants**

**(D. V. VORA)**  
**Proprietor**

**S. S. KAPASHI**

**I. S. KAPASHI**  
**Directors**

Place: Mumbai  
Dated: 24<sup>th</sup> June, 2008

Place: Mumbai  
Dated: 24<sup>th</sup> June, 2008

# KAPASHI COMMERCIAL LIMITED

## CERTIFICATE

To  
The Board of Directors,  
Kapashi Commercial Limited

We have examined the attached Cash Flow Statement of 'Kapashi Commercial Limited' for the period ended 31<sup>st</sup> March, 2008. The Statement has been prepared in accordance with the requirements of listing agreement clause 32 with the Stock Exchange, Mumbai and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 24<sup>th</sup> June 2008 to the Members of the Company.

For D. V. VORA & CO.  
Chartered Accountants

Place: Mumbai  
Dated: 24<sup>th</sup> June, 2008

(D. V. VORA)  
Proprietor

# KAPASHI COMMERCIAL LIMITED

## PROXY

REGISTERED OFFICE  
'NISHUUVI', 4<sup>th</sup> Floor,  
75, DR. ANNIE BESANT ROAD, WORLI, MUMBAI 400 018.

MASTER FOLIO NO.	
------------------	--

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

of \_\_\_\_\_ being  
member / members of **KAPASHI COMMERCIAL LIMITED** hereby appoint  
\_\_\_\_\_ of  
\_\_\_\_\_ as my / our proxy to vote for  
me / us on my / our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company to  
be held on Tuesday, 26<sup>th</sup> day of August, 2008

Signed \_\_\_\_\_ day of \_\_\_\_\_ 2008 by the said \_\_\_\_\_

Revenue  
Stamp

### NOTE:

1. The Proxy Form should be signed across the Stamp as per specimen signature registered with the Company.
2. The Proxy Form must be returned so as to reach the Corporate Office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting. The Proxy need not be a member of the Company.