

KAPASHI COMMERCIAL LIMITED

24th

ANNUAL REPORT 2008-2009

KAPASHI COMMERCIAL LIMITED

DIRECTORS:

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

REGISTERED OFFICE:

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

AUDITORS :

D. V. VORA & CO.
Chartered Accountants

BANKERS:

ORIENTAL BANK OF COMMERCE
AXIS BANK LTD.

KAPASHI COMMERCIAL LIMITED

NOTICE

NOTICE is hereby given that the Twenty-Fourth Annual General Meeting of the Members of KAPASHI COMMERCIAL LIMITED will be held on Wednesday, 2nd day of September, 2009 at 11.00 a.m. at the Registered Office of the Company at 'NISHUVI', 4th 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 31st March, 2009, 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. Nimish I. Kapashi, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Indukumar 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.

By Order of the Board of Directors

Place: Mumbai
Dated: 30th June, 2009

S. S. KAPASHI
CHAIRMAN.

Regd. Office:

'NISHUVI', 4th Floor,
75, Dr. Annie Besant Road,
Worli, Mumbai – 400 018.

NOTES:

1. 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.
2. A proxy in order to be effective, the proxy form must be lodged with the company at least 48 hours before the meeting.
3. The Register of Members and the Transfer Books of the Company will remain closed from Wednesday, 26th day of August, 2009 to Wednesday, 2nd day of September, 2009 (both days inclusive).
4. Members are requested to bring their copies of the Annual Report to the Meeting.

KAPASHI COMMERCIAL LIMITED

5. 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.
6. 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

DIRECTORS' REPORT

To
The Members
KAPASHI COMMERCIAL LIMITED

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2009.

1. FINANCIAL RESULTS

	2008-2009 Rs.	2007-2008 Rs.
Sales	256,279,598	214,882,816
Other Income	<u>40,460,198</u>	<u>46,001,112</u>
	<u>296,739,796</u>	<u>260,883,928</u>
Profit/(Loss) subject to Depreciation & Tax	45,266,928	46,430,479
Less: Depreciation	<u>328,048</u>	<u>299,781</u>
Profit/(Loss) before tax	44,938,880	46,130,698
Add: Share of Profit from Partnership firm	9,865,984	8,952,697
Excess Provision of Taxation	<u>256,831</u>	<u>-</u>
	55,061,695	55,083,395
Less: Security Transaction Tax	183,629	-
Provision for taxation	<u>12,000,000</u>	<u>1,950,000</u>
	42,878,066	53,133,395
Less: Provision for Fringe Benefit Tax	<u>65,000</u>	<u>40,000</u>
Profit/(Loss) after tax	42,813,066	53,093,395
Profit/(Loss) brought forward from previous year	<u>133,964,098</u>	<u>80,870,703</u>
Profit/(Loss) carried to Balance Sheet	176,777,164 =====	133,964,098 =====

2. 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.

3. OPERATION

The Company expanded its trading activities especially in non-Ferrous materials and posted sales of Rs.256,279,598/- compared to Rs. 214,882,816/- in previous year. For the year ended 31st March, 2009 the company has posted net profit after tax of Rs.42,813,066/- compared to net Profit of Rs.53,093,395/- in the previous year. The profit has been reduced by 19.36% due to higher provisions of Tax and Administrative expenses.

4. 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 31st March, 2009, the applicable accounting standards had been followed along with proper explanation relating to material departures;

KAPASHI COMMERCIAL LIMITED

- (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 31st March, 2009 on a going concern basis.

5. **AUDITORS**

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

6. **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.

7. **DIRECTORATE**

Mr. Nimish I. Kapashi and Mr. Indukumar S. Kapashi, Directors, retire by rotation and being eligible offer themselves for re-appointment.

8. **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.

9. **CORPORATE SOCIAL RESPONSIBILITY**

Our company is committed to making positive contribution to society in a number of ways. To encourage economic and social development of weaker sections of women, we have planned a project for their upliftment and social sustainability.

A building is under construction at **Palitana, Gujarat** where women under a registered charitable trust known as **Shri Bhagini Mitra Mandal** will be trained and work to become self sufficient which will help them and their family members to lead a respectable life. Assisting women to break free from age-old backward customs and to empower them to fight for their rights.

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: 30th June, 2009

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, 2009, 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, 2009 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, 2009 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 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;

KAPASHI COMMERCIAL LIMITED

AUDITOR'S REPORT TO THE MEMBERS (Contd.)

1. In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2009
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

(D.V.VORA)
PARTNER

Membership No. 30013

Mumbai:
Date : 30th June, 2009.

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.349.92 lacs and the year-end balance of loans taken from such parties was Rs.110.06 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.
- [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.

KAPASHI COMMERCIAL LIMITED

ANNEXURE TO AUDITORS' REPORT (Contd.)

- [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 lacs 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 31st March 2009 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 31st March, 2009 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.
- [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.

KAPASHI COMMERCIAL LIMITED

ANNEXURE TO AUDITORS' REPORT (Contd.)

- [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: 30.06.2009

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 31st March, 2009. 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 10 (Ten) times on 21st April, 2008, 7th May, 2008; 24th June, 2008; 29th July, 2008; 25th September, 2008; 23rd October, 2008; 17th December, 2008; 28th January, 2009; 3rd March, 2009 and 20th March, 2009 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 12th August, 2008 to 26th August, 2008 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 31st March, 2008 was held on 26th August, 2008 (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. No extra-ordinary general meeting was held during the financial year.
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.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.

KAPASHI COMMERCIAL LIMITED

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 was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act.
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.
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.

KAPASHI COMMERCIAL LIMITED

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 31st March, 2009.
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: 30th June, 2009**

**(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 31st March, 2009: -

1. Form 20B together with Annual Return dated 26/08/2008 filed u/s.159 on 18/09/2008.
2. Form 23AC & Form 23ACA together with Additional Attachment and Balance Sheet as on 31/03/2008 and Profit & Loss for the year ended on that filed u/s. 220 on 01/09/2008.
3. Form 66 together with Compliance Certificate for the financial year ended 31/03/2008 filed u/s. 383A on 01/09/2008.
4. Form 21 for order of the High Court, Bombay dated 17/04/2008 filed under Section 391 to 394 on 08/05/2008.

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

**PLACE: MUMBAI
DATE: 30th June, 2009**

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

KAPASHI COMMERCIAL LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	Rupees	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
SOURCES OF FUNDS:				
CAPITAL	A	10,000,000	10,000,000	
RESERVES & SURPLUS	B	<u>252,366,455</u>	<u>209,553,390</u>	219,553,390
			262,366,455	
SECURED LOANS				
UNSECURED LOANS	C	11,006,197		13,617,720
	TOTAL		<u><u>273,372,652</u></u>	<u><u>233,171,110</u></u>
APPLICATION OF FUNDS:				
FIXED ASSETS				
Gross Block	D	7,474,321	6,582,696	
Less: Depreciation		<u>2,186,065</u>	<u>1,858,017</u>	4,724,679
			5,288,256	
INVESTMENTS	E		188,866,595	151,728,959
CURRENT ASSETS, LOANS & ADVANCES	F	131,338,370	117,781,129	
Less: Current Liabilities & Provisions	G	<u>52,120,569</u>	<u>41,063,657</u>	
NET CURRENT ASSETS			79,217,801	76,717,472
	TOTAL		<u><u>273,372,652</u></u>	<u><u>233,171,110</u></u>
Notes on Accounts	L			-

As per our Report attached of even date

For D. V. VORA & CO.
Chartered Accountants

(D. V. VORA)
Partner

Mumbai
Dated : 30.06.2009

For and on behalf of the Board

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

Mumbai
Dated : 30.06.2009

KAPASHI COMMERCIAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

		As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
INCOME:			
Sales		256,279,598	214,882,816
Other Income	H	40,460,198	46,001,112
Increase (Decrease) Stock in Trade			
		<u>296,739,796</u>	<u>260,883,928</u>
EXPENDITURE			
Purchases		236,039,229	205,790,444
Office & Administrative Expenses	I	7,765,511	4,237,056
Personal Expenses	J	3,577,613	1,486,976
Short Term Loss On Sale Of Shares		1,307,535	825,306
Long Term Loss On Sale Of Shares		816,104	
Financial Expenses	K	1,966,876	2,113,667
Depreciation		328,048	299,781
TOTAL		<u>251,800,916</u>	<u>214,753,230</u>
Profit before Taxation		44,938,880	46,130,698
Add:- Share of Profit from Partnership Firm		9,865,984	8,952,697
		<u>54,804,864</u>	<u>55,083,395</u>
Add:- Excess Provision Of Taxation		256,831	-
		<u>55,061,695</u>	<u>55,083,395</u>
Less: Security Transaction Tax		183,629	-
		<u>54,878,066</u>	<u>55,083,395</u>
Less :-Provision for current tax		12,000,000	1,950,000
		<u>42,878,066</u>	<u>53,133,395</u>
Less :-Provision for fringe benefit tax		65,000	40,000
		<u>42,813,066</u>	<u>53,093,395</u>
Balance brought forward from previous year		133,964,098	80,870,703
Balance carried to Balance Sheet		<u>176,777,164</u>	<u>133,964,098</u>
Earnings per Share		42.81	53.09
Notes on Accounts:	L		

As per our Report attached of even date

For D. V. VORA & CO.
Chartered Accountants

(D. V. VORA)
Partner

Mumbai
Dated : 30.06.2009

For and on behalf of the Board

S.S.KAPASHI }
I.S. KAPASHI } Directors

Mumbai
Dated : 30.06.2009

KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31.03.2009

Schedule	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
SCHEDULE - 'A'		
SHARE CAPITAL		
AUTHORISED CAPITAL:		
10,00,000 Equity Shares of Rs.10/- each	10,000,000	<u>10,000,000</u>
ISSUED, SUBSCRIBED & PAID-UP CAPITAL:		
10,00,000 Equity Shares of Rs.10/- each	10,000,000	10,000,000
TOTAL	<u>10,000,000</u>	<u>10,000,000</u>
 SCHEDULE - 'B'		
RESERVES & SURPLUS:		
(1) GENERAL RESERVE Balance as per last Balance Sheet	75,589,291	- 75,589,291
(2) PROFIT & LOSS A/C	176,777,164	133,964,099
	<u>252,366,455</u>	<u>209,553,390</u>
 SCHEDULE - 'C'		
UNSECURED LOAN From Directors	11,006,197	13,617,720
TOTAL	<u>11,006,197</u>	<u>13,617,720</u>

M/S KAPASHI COMMERCIAL LIMITED

SCHEDULE TO THE BALANCE SHEET AS AT 31-03-2009

SCHEDULE - 'D'

FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	AS AT 31-Mar-08	ADDITION	DEDUCTION	ADJUSTMENT	AS AT 31-Mar-09	AS AT 31-Mar-08	FOR THE YEAR	DEDUCTION	ADJUSTMENT	AS AT 31-Mar-09	AS AT 31-Mar-09	AS AT 31-Mar-08
MACHINERY	3,281,600	-	-		3,281,600	589,327	-	-		589,327	2,692,273	2,692,273
TOTAL OF A	3,281,600	-	-		3,281,600	589,327	-			589,327	2,692,273	2,692,273
B-OWN ASSETS												
1-MOTOR CAR	2,423,291		-		2,423,291	886,175	230,213	-		1,116,388	1,306,903	1,537,116
2-COMPUTER	269,400		-		269,400	162,664	43,670			206,334	63,066	106,736
4-TELEPHONE-EPBX	150,830	66,125	-		216,955	58,856	9,344			68,200	148,755	91,974
5-AIR CONDITIONER	457,575	825,500	-		1,283,075	160,995	44,821			205,816	1,077,259	296,580
TOTAL OF B	3,301,096	891,625	-		4,192,721	1,268,690	328,048	-	-	1,596,738	2,595,983	2,032,406
TOTAL OF A+B	6,582,696	891,625	-		7,474,321	1,858,017	328,048	-	-	2,186,065	5,288,256	4,724,679
PREVIOUS YEAR	6,177,746	404,950	-	-	6,582,696	1,462,589	299,781	-	95,647	1,858,017	4,724,679	4,715,157

(18)

KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31.03.2009

	<u>Share of Profit / Loss</u>	<u>TOTAL As at 31-03-2009 Rupees</u>	<u>As at</u>	<u>31-03-2008 Rupees</u>
SCHEDULE - 'E'				
A) INVESTMENTS :				
<u>A) Shreejee Corporation</u>				
Name of Partners				
(1) Kapashi Commercial Ltd.	61%			
(2) Vinayak K. Shah	21%			
(3) Mehta Jaising Const.	18%			
TOTAL CAPITAL AS AT				
31st March 2009		111483		
31st March 2008		161170		
<u>B) Ratna Shree</u>				
Name of Partners				
(1) Kapashi Commercial Ltd.	66%			
(2) Jaising Construction.	34%			
TOTAL CAPITAL AS AT				
31st March 2009		NIL		
31st March 2008		NIL		
<u>B) Shreejee Darshan Corporation</u>				
(1) Kapashi Commercial Ltd.	65%			
(2) Ms. Janhavi Desai	25%			
(3) Mr. Paresh Kapashi	5%			
(4) Mr. Nimish Kapashi	5%			
TOTAL CAPITAL AS AT				
31st March 2009		50000		
31st March 2008		NIL		
Flat [Ratna Shree]				
Property at Mumbai		2,366,140		2,366,140
Rooms In Nishuvi Complex		75,573,140		74,095,170
		210,628		210,628
Aggregate of Quoted Investments				
		102,538,164		74,503,686
Aggregate of Unquoted Investments				
		505,000		505,000
		188,866,595		151,728,959

KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31-03-2009

	No. of Shares 31-03-2009	No. of Shares 31-03-2008	Face Value Per Share Rupees	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
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SCHEDULE " E " (Contd.)

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

Name of the Company

3i Infotech Limited	4000	4000	10	204,295	204,295
Adlabs Films Ltd	0	2000	10	-	1,846,218
Allahabad Bank	9000	9000	10	745,705	745,705
Allsec Technologies Limited	2300	2300	10	446,017	446,017
Alps Bpo Services Ltd.	10000	10000	10	12,500	12,500
Arvind Mills	7500	7500	10	537,704	537,704
Ashok Leyland Ltd.	4500	4500	10	232,957	232,957
Asian Consolidated Industries	1000	1000	10	32,000	32,000
Atul Ltd.	7000	0	10	448,841	-
Axis Bank	350	0	12	135,015	-
Balaji Telefilms Ltd.	1000	1000	10	97,852	97,852
Bata India Ltd.	19374	15374	10	3,260,972	2,857,932
Bharat Electronics Ltd.	3160	87	10	3,829,875	160,854
Bharti Airtel Ltd.	986	890	10	447,083	200,883
Birla Corporation Ltd.	395	1050	10	75,710	201,215
Blue Star Ltd.	377	0	10	136,374	-
Bombay Dyeing & Manufacture	14000	6500	10	8,755,078	5,295,313
Bonus Shares				-0.24	-0.21
Bosch Ltd.	530	582	10	2,724,659	2,923,728
Cairn India Ltd.	0	12500	10	-	2,855,150
Carol Info Services Ltd.	0	10000	10	-	585,380
Century Textiles & Industries Ltd.	13000	7000	10	7,530,787	5,598,378
Dena Bank	7500	7500	10	260,763	260,763
Dhar Cement Ltd.	20	20	10	1,000	1,000
DLF Ltd	0	539	10	-	309,507
Facor Alloys Ltd.	73300	63300	10	291,923	248,242
Federal Bank Ltd.	5100	5100	10	1,050,468	1,050,468
Finolex Cables Ltd.	1200	1200	10	55,252	55,252
Force Motor	600	600		162,679	162,679
Gamma In foway Exalt Ltd.	1000	1000	10	38,460	38,460
G.E. Shipping	2000	2000		422,751	422,751
Glaxo Smithkline Pharmaceuticals	87	0	10	98,001	-
Gran Heal Pharma Ltd.	500	500	10	5,000	5,000
Glenmark Pharmaceuticals	2050	1000		861,264	567,350
Great Offshore Ltd	556	556	10	117,522	117,522
Greaves Cotton Ltd.	0	4000	10	-	1,557,265

KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31-03-2009

	No. of	No. of	Face Value	As at	As at
	Shares	Shares	Per Share	31-03-2009	31-03-2008
	31-03-2009	31-03-2008	Rupees	Rupees	Rupees
SCHEDULE " E " (Contd.)					
Name of the Company					
Gujarat Ambuja Cement	1000	0	10	64,718	
Gujarat B.D. Luggage Ltd.	2000	2000	10	20,000	20,000
Gujarat Perstorp Electron..	100	100	10	1,000	1,000
HDFC Bank Ltd.	196	0	10	205,096	-
Helios & Matheson Inform..	2000	2000	1	490,108	490,108
Hero Honda Motors	258	360	10	180,014	202,062
Hindalco Ind.	17000	2000	10	1,234,524	330,709
Hindustan Motors Ltd.	50000	50000	10	1,716,153	1,716,153
Hindustan Zinc Ltd.	5010	5010	10	3,619,839	3,607,339
Housing Development Finance Corp	69	87	10	100,164	126,293
ICI (India) Ltd	600	600	10	161,431	161,431
ICICI Bank Ltd.	2000	2000	10	2,602,475	2,602,475
Idea Cellular	4000	4000	10	503,387	503,387
IFGL Refractories	700	700	10	61,706	61,706
Indiabulls Real Estate	500	0	10	53,636	-
Indian Bank	5000	5000	10	1,058,850	1,058,850
Indian Oil Corporation	397	0	10	134,048	-
Ind-Swift Laboratories Ltd.	1000	1000	10	245,585	245,585
Infosys Technologies Ltd.	166	166	10	339,472	339,472
Infotech Enterprises	700	700	10	265,654	265,654
Infrastructure Development...	16000	7000	10	2,241,360	1,164,335
ITC Ltd.	0	10000	10	-	1,851,900
Jai Corporation Ltd.	6539	7039	10	161,459	261,807
Kalyani Refineries Ltd. (L...	2000	2000	10	28,300	28,300
KEC International	7000	2000	10	1,991,554	1,293,408
Kirloskar Ferrous	25000	25000	10	1,356,250	1,356,250
Larsen & Toubro Ltd.	1132	200	10	1,076,997	486,706
Madras Cements Ltd.	2000	100	10	150,787	150,787
Mahindra & Mahindra	3000	0	10	1,970,427	-
Mahindra Forgings	2800	2800	10	153,201	153,201
Mangalore Chemical & Fert.	5000	5000	10	160,443	160,443
Motorol Enterprises Ltd. (Rinki)	5000	5000	10	40,402	40,402
Mphasis Ltd.	13000	0	10	2,959,550	-
Metazinc Industries Ltd.	700	700	10	35,000	35,000
Nagarjuna Construction	30000	0	10	2,366,900	-
Nagarjuna Fert.	0	2000	10	-	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	2845	10	377,234	377,234

KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31-03-2009

	No. of	No. of	Face Value	As at	As at
	Shares	Shares	Per Share	31-03-2009	31-03-2008
	31-03-2009	31-03-2008	Rupees	Rupees	Rupees
SCHEDULE " E " (Contd.)					
Name of the Company					
National Organic chemical Industries Ltd.	27828	27828	10	725,335	725,335
Nelco Ltd.	2500	2500	10	275,776	275,776
NESCO Ltd.	501	300	10	518,851	359,009
Network 18 Fincap Ltd.	1216	0	10	109,743	-
Network 18 Media & Investment	216	1000	10	-	98,943
Network 18 Media (PCCPS)	216	0	10	32,400	-
New Delhi Television Ltd.	1500	1500	10	358,243	358,243
NIIT Technologies	1500	1500	10	229,587	229,587
Nirlon Ltd.	15000	15000	10	881,254	881,254
NRC Ltd	4000	4000	10	115,341	115,341
NTPC Ltd.	2000	2000	10	469,551	469,551
Octav Investment Ltd.	160	160	10	0.01	0.01
Oriental Bank of Commerce	866	0	10	111282	0.00
Patan Co-op. Bank Ltd.	120	120	10	3,000	3,000
Peninsula Land	40855	40855	10	4,026,870	4,026,870
Power Grid	4000	2500	0	455,236	297,346
Precision Fastners Ltd. (W..	500	500	10	25,000	25,000
Punjab National Bank	350	0	10	130,201	-
Punj Lloyd Ltd.	1450	1450	10	332,345	332,345
Radico Khaitan Ltd.	0	10000	-	-	1,827,260
Ranbaxy Laboratories Ltd.	0	438	-	-	171,748
Real Value Appliances Ltd.	1100	1100	10	71,500	71,500
Reliance Communication Ltd.	2600	2600	10	820,195	820,195
Reliance Industries Ltd.	387	50	10	705,627	150,379
Reliance Industrial Infra	500	350	10	877,361	679,357
Reliance Natural Resource..	5000	5000	10	1,051,682	1,051,682
Reliance Petroleum	3500	2000	10	673,440	386,820
R. T. Exports	1335	1335	10	121,469	121,469
Sasken Comm	300	300	10	153,459	153,459
Sharp Ind	53900	53900	10	32,340	32,340
Shree Rayalaseema - Pref.	1800	1800	10	44,899	44,899
Sonata Software Ltd.	2500	2500	10	166,202	167,702
Standrose Mafatlal Lub. Ltd.	100	100	10	12,100	12,100
State Bank of India	627	226	10	754,217	168,490
Steel Authority of India	2500	0	10	380,594	-
Sterlite Ind	2000	2000	10	1,807,477	1,807,477
Sun Pharma ADVANCE	100	100	10	16,397	16,397
Surlux Health Centres Ltd.	20000	20000	10	326,000	326,000
Suzlon Energy Ltd.	0	500	10	-	117,780
Swan Energy Ltd.	5000	4000	10	399,981	339,900
Tata Chemical	1250	500	10	356,107	138,575

KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31-03-2009

	No. of Shares 31-03-2009	No. of Shares 31-03-2008	Face Value Per Share Rupees	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
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SCHEDULE " E " (Contd.)

Name of the Company

Tata Motors Ltd.	5000	3460	10	994,998	2,061,786
Tata Steel - CCPS	16989	20299	10	1,833,159	1,546,194
Tata Steel - Shares	5000	3178	10	3,027,118	1,569,341
Tata Teleservices (Maharashtra Ltd.	1000	36000	10	23,044	905,785
Television Eighteen India Ltd.(TV 18)	1750	1750	10	72,010	72,010
Tributon Exports	300	300	10	3,000	3,000
Tulip IT Services Limited	700	939	10	146,150	196,048
U B Engineering Ltd.	16200	16200	10	1,892,230	1,892,230
MOTILAL OSWAL (CASH)		0	10	40,199	70,015

Share Application				387,000	387,000
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	TOTAL (A)	714213	623043	87,390,748	74,503,424
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Mutual Fund Units :

Quoted

ICICI Prudential Floating Rate Plan				7,582,051	
ICICI Prudential Income Plan				7,565,103	
Eq Liquid Benchmark ETS (Benchmark MF)				262	262

	TOTAL (B)			0	15147416
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	TOTAL (A + B)	714213	623043	102,538,164	74,503,686
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UNQUOTED SHARES

FULLY PAID UNLESS OTHERWISE STATED AT COST

Name of the Company

Bharat Hydro Power Corpn. Ltd.	50000		10	500,000	500,000
Southern Herbal	500		10	5,000	5,000
	50000			505,000	505,000

GRAND TOTAL				103,043,164	75,008,686
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1. Aggregate of Quoted Investments

AT COST				102,538,164	74,503,686
MARKET VALUE				57,145,894	68,864,198

Note:- The management feels that the decrease in the value of Quoted Investment is a temporary phenomenon.

2. Aggregate of Unquoted Investments

AT COST				505,000	505,000
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KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31.03.2009

		As at 31-03-2009	As at 31-03-2008
	Rupees	Rupees	Rupees
SCHEDULE - 'F'			
CURRENT ASSETS, LOANS & ADV.			
CURRENT ASSETS :			
Debtors			
More than six months	349,081	1,197,315	
Others	<u>6,119,754</u>	<u>13,027,683</u>	
		6,468,835	14,224,998
CASH AND BANK BALANCES:			
CASH IN HAND			
		44,725	84,357
BALANCE WITH BANKS:			
(1) Current Account with:			
Bank A/c Schedule Bank			
Axis Bank Ltd. A/c No. 116	775,666	3,067,556	
Canara Bank		-	
Oriental Bank Of Commerce	2,344,957	1,251,795	
OBC [Runisha] DIVIDEND	28,443	28,653	
Patan Co. Op Bank	133,040	8,373	
	<u>3,282,106</u>	<u>4,356,377</u>	
(2) Deposit Account with Schedule Bank			
fixed deposit			
Against Sales Tax	<u>8,492</u>	<u>5,000</u>	
		3,290,598	4,361,377
LOANS AND ADVANCES:			
(Considered Good)			
(A) Advance Recoverable in Cash or Kind for value to be received.			
	99,277,222	83,726,221	
(B) Staff Loan	1,076,316	419,019	
(C) Deposits	2,391,400	2,391,400	
(D) Income Tax	<u>18,789,274</u>	<u>12,573,757</u>	
		121,534,212	99,110,397
TOTAL		<u><u>131,338,370</u></u>	<u><u>117,781,129</u></u>

KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31.03.2009

	<u>As at</u> 31-03-2009	<u>As at</u> 31-03-2008
	<u>Rupees</u>	<u>Rupees</u>
SCHEDULE - 'G'		
CURRENT LIABILITIES AND PROVISIONS:		
CURRENT LIABILITIES:		
Sundry Creditors	354,310	781,609
Deposits Received	33,669,000	30,669,000
PROVISIONS:		
Provision for Taxation	17,291,000	9,161,000
Provision for Gratuity	395,616	211,002
Provision for Leave Salary	250,643	91,046
Provision for Fringe Benefit Tax	160,000	150,000
	<u>52,120,569</u>	<u>41,063,657</u>

SCHEDULE TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009

	<u>For the year</u> <u>ended</u> 31-03-2009	<u>For the year</u> <u>ended</u> 31-03-2008
	<u>Rupees</u>	<u>Rupees</u>
SCHEDULE - 'H'		
<u>OTHER INCOME :-</u>		
Interest Gross (TDS Rs.1602709/- Previous year TDS Rs.418562/-)	6280695	6,594,925
Dividend	906833	648,117
L. T. Capital Gains	0	22,155,839
L. T. Capital Gains on extinguision of tennacy rights	0	210,628
F & O	0	20,542
Rent Income(TDS Rs.7575838/- Previous year TDS Rs.2025483/-)	32839132	16,326,926
Other Income [L.C. Disc.Charges]	433538	44,136
	<u>40,460,198</u>	<u>46,001,113</u>

KAPASHI COMMERCIAL LIMITED

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

		For the year ended 31-03-2009		For the year ended 31-03-2008
	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
SCHEDULE - ' I '				
OFFICE AND ADMINISTRATIVE EXP.				
Listing/Filing/SEBI Fees		14,084		27,690
Auditors Remuneration For Audit & Tax Audit Fees		165,476		192,686
Bank Charges		59,935		103,519
Demat Charges		50,618		34,027
Insurance Charges		33,401		26,914
Directors Remuneration		1,200,000		836,000
Donation		2,025,000		
Meeting Expenses		18,000		14,000
Management Expenses(Motilal/Kotak)				91,264
Telephone Expenses		180,021		165,799
Rent		673,130		355,305
Rebate and Discount		87,778		-
Brokerage		-		310,746
Maintenance Charges		890,368		495,353
Motor Car Expenses		247,679		76,771
Miscellaneous Expenses		899,901		796,471
Conveyance Expenses		69,800		10,815
Municipal Taxes		1,150,320		699,696
		<u>7,765,511</u>		<u>4,237,056</u>
SCHEDULE - ' J '				
PERSONNEL:				
Salary		2,329,080		848,056
Bonus		698,616		256,811
(Includes Paid to Directors Rs. 2,40,000/- Previous year Rs.1,67,200/-)				
Leave Salary		195,863		132,665
Gratuity		184,614		211,002
Staff Welfare Expenses		169,440		38,442
	TOTAL	<u>3,577,613</u>		<u>1,486,976</u>
SCHEDULE - ' K '				
FINANCIAL EXPENSES:				
INTEREST:				
Bank		-		6,450
Directors		1,966,876		2,107,217
	TOTAL	<u>1,966,876</u>		<u>2,113,667</u>

KAPASHI COMMERCIAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2009 (PURSUANT TO AMMENDMENT TO CLAUSE 32 OF THE LISTING AGREEMENT)

PARTICULARS	For the year ended 31-Mar-09		For the year ended 31-Mar-08	
	Rupees	Rupees	Rupees	Rupees
(I) CASH FLOW FROM OPERATING ACTIVITIES :				
(A) Net profit before tax & extra ordinary item		44,938,880		37,719,601
(B) Adjustment				
Add:				
i) Depreciation	328,048		299,781	
ii) Interest paid	1,966,876	2,294,924	2,113,667	2,413,448
Less:				
i) Interest Earned	(6,280,695)		(5,000,633)	
ii) Dividend Earned	(906,833)		(648,117)	
iii) LongTerm/Sshort term Capital Gain			(21,330,533)	
iv) Profit On Sale Of Vehicles			-	
v) Profit On Sale Of Property			-	
vi) LongTerm/Sshort term Capital Loss	(2,123,640)	(9,311,168)	-	(26,979,283)
CASH FROM OPERATIONS		37,922,636		13,153,766
(C) (increase)/decrease in Current Assets				
i) Inventories				
ii) Sundry debtors	7,756,163		(3,611,852)	
iii) Other current Assets and Loans and Advances	(22,423,815)		(30,155,835)	
Increase/(decrease) in Current Liabilities				
i) liabilities	2,572,701		(8,040,361)	
ii) Provisions	8,484,211	(3,610,740)	4,451,000	(37,357,048)
Net Cash From Operations (A)		34,311,896		(24,203,281)

KAPASHI COMMERCIAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2009 (PURSUANT TO AMMENDMENT TO CLAUSE 32 OF THE LISTING AGREEMENT)

PARTICULARS	For the year ended 31-Mar-09		For the year ended 31-Mar-08	
	Rupees	Rupees	Rupees	Rupees
(II) CASH FLOW FROM INVESTMENT ACTIVITIES				
Add:				
vi) Drawing from partnership Firm	-		-	
vii) Interest Earned	6,280,695		5,000,633	
viii) Dividend Earned	<u>906,833</u>	7,187,528	<u>648,117</u>	5,648,750
Less:				
i) (increase)/decrease in Investment, net			-	
ii) Purchase of Fixed Assets	(891,625)		-	
iii) Purchase/sale of investments	(37,170,296)		11,718,850	
iv) Purchase/Sale of Fixed Assets	-		-	
v) Purchase/Sale of Property	-		-	
vi) Interest Paid	(1,966,876)		(1,046,801)	
vii) Proceeds from issue of share capital	-		-	
viii) Repayment of loans	(2,611,523)		(28,410,221)	
ix) Net Proceeds from Borrowings		<u>(42,640,320)</u>	<u>(171,920)</u>	(17,910,092)
Net Cash from Investments (B)		(35,452,792)		(12,261,342)
Net Increase/Decrease in cash & Cash Equivalent(A+B)		(1,140,896)		(36,464,623)
Opening Balance		4,476,218		717,338
Closing Balance		3,335,323		4,476,218

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 31.03.2009	
Liabilities side:			
[1]	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	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)	11006197	NIL
	* Please see Note 1 below		
[2]	Break-up of [1][f] above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	[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

Assets side:		
		Amount outstanding
[3]	Break-up of Loans and Advances including bills receivables (other than those included in (4) below: [a] Secured [b] Unsecured	121534212
[4]	Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities	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]	Break-up of Investments:	
	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

	Long Term investments:			
	1. Quoted:			
	[i] Shares:	[a] Equity		102538164
		[b] Preference		
	[ii] Debentures and Bonds			
	[iii] Unit of mutual funds			
	[iv] Government Securities			
	[v] Others (Please specify)			
	2. Unquoted:			
	[i] Shares:	[a] Equity		505000
		[b] Preference		
	[ii] Debentures and Bonds			NIL
	[iii] Unit of mutual funds			NIL
	[iv] Government Securities			NIL
	[v] Others (Please specify)			NIL
[6]	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances: Please see Note 2 below			N .A
	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			
[7]	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see Note 3 below			
	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	57650894		103043164
	Total			

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

KAPASHI COMMERCIAL LIMITED

[8] Other information

	<i>Particulars</i>		<i>Amount</i>
	[i] Gross Non-Performing Assets		
	[a] Related parties		
	[b] Other than related parties		14646655
	[ii] Net Non-Performing Assets		
	[a] Related parties		
	[b] Other than related parties		14646655
	[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 31.03.2009

SCHEDULE 'L'

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 and provision is made to recognize any diminution in value, other than that of temporary nature.
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. **Employee Benefit.**
 - a] There is no defined contribution plan.
 - b] Defined Benefits The company's liability towards gratuity and leave encashment are determined on basis of actuarial valuation.

KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31.03.2009

SCHEDULE 'L' (Contd.)

4. Deferred Tax:

The value of deferred tax assets and Deferred Tax Liability as on 31st March, 2009. is not material. Hence the value of such Net deferred tax assets is not recognized in accordance with AS22

5. Earnings per Share:

	<u>2008-09</u>	<u>2007-08</u>
a. Basic and diluted earnings per share in Rupees (Face Value Rs.10/- per share)	42.81	53.09
b. Profit / (Loss) after tax and prior period items as Per Profit & Loss Account (In Rupees)	4,28,13,066	5,30,93,395
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. Sevanatilal 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 09 Amount in Rs.
Directors Remuneration	14,40,000/-

KAPASHI COMMERCIAL LIMITED

SCHEDULES TO THE STATEMENT OF ACCOUNTS AS AT AND FOR THE YEAR ENDED 31.03.2009

SCHEDULE 'L' (Contd.)

8. Employee Benefits As per revised AS - 15

A] Expenses recognized In the statement of Profit & Loss Account	2008-09 <u>Non-Funded</u>		2007-08 <u>Non-Funded</u>	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Current service cost	39,577	27,891	-	-
Interest cost	16,880	7,284	-	-
Net actuarial gain	<u>1,28,157</u>	<u>1,24,422</u>	<u>2,11,002</u>	<u>91,046</u>
Net Period cost	<u>1,84,614</u>	<u>1,59,597</u>	<u>2,11,002</u>	<u>91,046</u>
B] Net Asset/Liability Recognized in the Balance Sheet Present value of The obligation	3,95,616	2,50,643	2,11,002	91,046
C] Change in Present Value of obligation Present value of Obligation at beginning	2,11,002	91,046	-	-
Current service cost	39,577	27,891	-	-
Interest cost	16,880	7,284	-	-
Net Actuarial gain	<u>1,28,157</u>	<u>1,24,422</u>	<u>2,11,002</u>	<u>91,046</u>
	<u>3,95,616</u>	<u>2,50,643</u>	<u>2,11,002</u>	<u>91,046</u>
D] Actuarial assumptions				
1) Discount Rate	8%	8%	8%	8%
2) Salary Escalation	5%	5%	5%	5%

KAPASHI COMMERCIAL LIMITED

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

SCHEDULE 'L' (Contd.)

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

SIGNATORIES TO SCHEDULES 'A' TO 'L'

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: 30.06.2009

Place: Mumbai
Dated: 30.06.2009

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	2009	
		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 Mobilization and Development of Funds (Amount in Rs. Thousands):				
	Total Liabilities			Total Assets	
	273,373			273,373	
	Sources of Funds:				
	Paid-up Capital			Reserves and Surplus	
	10,000			252,366	
	Secured Loans			Unsecured Loans	
	NIL			11,006	
	Application of Funds:				
	Net Fixed Assets			Investments	
	5,288			188,867	
	Net Current Assets			Miscellaneous Expenditure	
	79,218			NIL	
IV	Performance of the Company (Amount in Rs. Thousands):				
	Turnover			Total Expenditure	
	296,740			251,801	
	Profit before Tax			Profit After Tax	
	54,878			42,813	
	Earnings per Share (in Rs.)			Dividend %	
	42.81			NIL	

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

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

For D. V. VORA & CO.
Chartered Accountants

S. S. KAPASHI

(D. V. VORA)
Partner

I. S. KAPASHI
Directors

Place: Mumbai
Dated: 30th June, 2009

Place: Mumbai
Dated: 30th June, 2009

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 31st March, 2009. 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 30th June 2009 to the Members of the Company.

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

Place: Mumbai
Dated: 30th June, 2009

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

KAPASHI COMMERCIAL LIMITED

PROXY

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

MASTER FOLIO NO.	
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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 24th Annual General Meeting of the Company to be held on Wednesday, 2nd day of September, 2009

Signed _____ day of _____ 2009 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.