

26th
Annual Report
2009-2010

SANMITRA COMMERCIAL LIMITED

Office No. 4, G. Floor, Ruby Mahal,
30D, Cawasji Patel Street, Fort, Mumbai 400 001

SANMITRA COMMERCIAL LIMITED

BOARD OF DIRECTORS

DEEPAK PATEL
SURESH JAIN
PRAKASH SHAH
SANTOSH SURVE
ARVIND SHAH

AUDITORS

M/s. A.W. KETKAR & CO.
Chartered Accountants,
Mumbai

BANKERS

SYNDICATE BANK
Mumbai

REGISTERED OFFICE

Office No. 4, G. Floor, Ruby Mahal,
30D, Cawasji Patel Street, Fort,
Mumbai 400 001.

SHARE TRANSFER AGENT

PURVA SHAREGISTRY INDIA PVT. LTD.,
Shiv Shakti Industrial Estates, G. Floor,
Unit No. 9, 7-B, J. R. Boricha Marg,
Sitaram Mill Compound, Mumbai 400 001.
Phone: (022) 2301 6761/ 2301 8261
Fax: (022) 2301 8261

SANMITRA COMMERCIAL LIMITED

NOTICE

NOTICE is hereby given that the Twenty sixth Annual General Meeting of the SANMITRA COMMERCIAL LIMITED will be held on Thursday, September 30, 2010 at 5.00 P. M. at its Office at 71, Laxmi Building, Sir P. M. Road, Fort, Mumbai 400 001 to transact the following Businesses:

ORDINARY BUSINESS

1. To adopt the Audited Balance Sheet and Profit & Loss Account for the year ended March 31, 2010 and the Reports of the Directors and Auditors.
2. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT Mr. Arvind Shah, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

Place : Mumbai,

By Order of the Board of Directors

Date : August 14, 2010

REGISTERED OFFICE

Office No. 4, G. Floor, Ruby Mahal,
30D, Cawasji Patel Street, Fort, Mumbai 400 001.

SURESH JAIN
Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER. PROXIES MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE ANNUAL GENERAL MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 24th September 2010 to Thursday, 30th September 2010 (Both days inclusive).
3. EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 3

The Board of Directors has appointed Mr. Arvind Shah as an additional Director, pursuant to the provisions of the Articles of Association of the Company and the Companies Act, 1956 to fill up the vacancy of the retiring director, Mr. Arvind Shah holds office till the conclusion of the ensuing Annual General Meeting. Mr. Arvind Shah, is a commerce graduate and holding diploma in Motel management, have vast experience in the field of Marketing and Branding, indigenous as well as foreign market and his association with the Company will be of immense help to the Company. The Company has received notice Under Section 257 of the Companies Act, 1956 from a member alongwith a deposit of Rs.500/- indicating his intention to propose Mr. Arvind Shah to the office of Director at the ensuing Annual General Meeting of the Company. The Board of Directors recommends passing of the proposed resolution. None of the Directors other than Mr. Arvind Shah is interested in the above resolution.

SANMITRA COMMERCIAL LIMITED

DIRECTORS' REPORT

To
The Members of
Sanmitra Commercial Limited

Your Directors have pleasure in presenting Twenty Sixth Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2010.

PERFORMANCE

The Income of operation during the year was Rs.10,83,93,967/- as compared to Rs.5,85,24,730/- in the previous year. The Company has earned a net profit after taxes at Rs.36,156/- against Rs. 25,408/- for the previous year. Due to inadequate profit, your Directors are unable to recommend any dividend.

DIRECTOR'S RESPONSIBILITY STATEMENT

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

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate accounting policies as mentioned in Schedule No. 7 have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profit of the Company for Year ended on that date.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis.

LISTING AGREEMENT

Pursuant to Clause 32 of the listing agreement with Mumbai Stock Exchange, the Company declares that its securities are listed on Mumbai Stock Exchange. Listing Fees have been duly paid to the Mumbai Stock Exchange for the year 2010-2011.

DIRECTORS

Mr. Deepak Patel retires by rotation at the ensuing Annual General Meeting and though being eligible does not offers himself for reappointment.

The Board places on records their deep appreciation for the valuable services and the guidance given by him to the company till his being on the board of the company.

Pursuant to provisions of section 260 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Arvind Shah was appointed as an Additional Director on the Board with effect from July 16, 2010. He shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing alongwith requisite deposit under section 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. Arvind Shah to the post of the Director of the Company to fill up the vacancy of the retiring director Mr. Deepak Patel, liable to retire by rotation.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposit from the public during the year under review.

EMPLOYEES

No employee is receiving remuneration beyond the limit prescribed under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended up to date.

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

The company has only trading activities hence, the information as required under section 217 (1)(a) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to conservation of energy or technology absorption is not required to be submitted. The Company has no foreign exchange earning and outgo during the year under review.

AUDITORS

M/s. A. W. Ketkar & Co., Chartered Accountants, Auditors of the Company retires on conclusion of the ensuing Annual General Meeting. They are eligible for reappointment and members are requested to appoint the auditors.

SECRETARIAL AUDIT REPORT

The Company has obtained Secretarial Audit Report from M/s. Sarika Jajodia & Co., Company Secretaries in whole-time practice under section 383A of the Companies Act, 1956 and it forms part of the balance sheet.

ACKNOWLEDGEMENTS

Your Directors place on record their deep sense of appreciation for the contribution of employees at all levels and for the support from the government authorities, financial institutions, banks, lenders and the associates.

Place : Mumbai,

By Order of the Board of Directors

Date : August 14, 2010

REGISTERED OFFICE

Office No. 4, G. Floor, Ruby Mahal,
30D, Cawasji Patel Street, Fort,
Mumbai 400 001.

SURESH JAIN
Director

PRAKASH SHAH
Director

SARIKA JAJODIA & CO.
Company Secretaries

1702, Satyam Tower,
Near Thakur Polytechnic,
90 Ft. Road, Kandivali (East),
Mumbai – 400 101, India
Tel.#: 2854 6007 / 5693 9621
Email : jajodiasarika@yahoo.co.uk

COMPLIANCE CERTIFICATE

(Under Proviso to Sub-Section (1) of Section 383 A of the Companies Act, 1956)

Registration No. : 11-034963 of 1985
Nominal Capital : Rs. 1,25,00,000/
Paid-up Capital : Rs. 1,10,00,000/

To
The Members,
SANMITRA COMMERCIAL LIMITED

I have examined the registers, records, books and papers of **SANMITRA COMMERCIAL LIMITED** having its registered office at Office No. 4, G. Floor, Ruby Mahal, 30D, Cawasji Patel Street, Fort, Mumbai – 400 001 as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2010. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I 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 thereunder 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 Ministry of Corporate Affairs within the time prescribed under the Act and the rules made thereunder except as specified in the said Annexures.
3. the company is a public limited company and hence comments are not required .
4. the Board of Directors duly met 4 times on 30th June, 2009, 31st July, 2009, 31st October, 2009 and 30th January, 2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. the company has closed its Register of Members from 24th September, 2009 to 30th September, 2009 and duly complied with the provisions of section 154 of the Act.
6. the Annual General Meeting for the financial year ended on 31st March, 2009 was held on 30th September, 2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. no extra ordinary general meeting was held during the financial year under scrutiny.

8. the company has not advanced any loan to its Directors and/or persons or firms or companies referred to in the Section 295 of the Act.
9. no contracts were entered during the year attracting the provisions of Section 297 of the Act.
10. the company was not required to make any 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 Central Government.
12. the company has not issued any duplicate share certificates during the financial year under scrutiny.
13. the company has :
 - i. delivered all the certificates on lodgment thereof for transfer in accordance with the provisions of the Act.
 - ii. not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii. not posted warrants to any member of the company as no dividend was declared during the financial year.
 - iv. no amounts unpaid in 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 and hence transferring of the same to the Investor Education and Protection Fund does not arise.
 - v. duly complied with the requirements of Section 217 of the Act.
14. the Board of Directors of the company is duly constituted and the appointment of a Director has been duly made in accordance with the provisions of the Act during the financial year under scrutiny.
15. the company has not appointed any Managing Director or Whole-time Director during the financial year under scrutiny.
16. the company has not appointed any sole-selling agents during the financial year under scrutiny.
17. the company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such other authorities 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 thereunder.
19. the company has not issued any shares/debentures/other securities during the financial year.
20. the company has not bought back any shares during the financial year under scrutiny.

21. the company has not issued any preference shares/debentures and hence there is no question of redemption of the same.
22. during the year there was no need for the company to keep in abeyance right to dividend, rights shares and bonus shares.
23. the company has not invited/accepted any deposits falling within the purview of Section 58A during the financial year under scrutiny.
24. the company has not borrowed any sum during financial year under scrutiny.
25. the company has not made any loans or investments, 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 of Association with respect to 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 of Association with respect to the objects of the company during the year under scrutiny.
28. the company has not altered the provisions of the Memorandum of Association with respect to name of the company during the year under scrutiny.
29. the company has not altered the provisions of the Memorandum of Association 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 year under scrutiny.
31. there was no prosecution initiated against or show cause notice received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for the offences under the Act.
32. the company has not received any sum as security from its employees during the year under scrutiny.
33. the provisions of Section 418 of the Act are not applicable to the company during the year under scrutiny.

**For SARIKA JAJODIA & CO.
COMPANY SECRETARIES**

**(SARIKA JAJODIA)
PROPRIETOR
C.P. NO. 5404**

**PLACE : MUMBAI
DATE : 31st MAY, 2010**

Reg.: SANMITRA COMMERCIAL LIMITED

Registration No. : 11 - 034963 of 1985 Nominal Capital :
Rs. 1,25,00,000/-Paid-up Capital : Rs. 1,10,00,000/-

Annexure A

Registers as maintained by the Company

- 1 Register of Members U/S. 150.
- 2 Attendance Register for General Meetings U/S. 174.
- 3 Minutes Books of General Meetings and Board Meetings U/S. 193.
- 4 Attendance Register for Board Meetings U/S. 287.
- 5 Register of Contracts U/S. 301.
- 6 Register of Directors U/S. 303.
- 7 Register of Directors Shareholding U/S. 307.
- 8 Register of Share Transfer.
- 9 Books of Accounts U/S. 209.

Annexure B

Forms and Returns as filed by the company with the Ministry of Corporate Affairs during the financial year ended on 31st March, 2010.

Sr. No.	Form No./ Return	Filed under Section	For	Date of filing	Whether filed within prescribed time yes/no	If delay in filing whether requisite additional fee paid Yes/No.
01.	Form No. 32	303(2)	resignation of Mr. Gulam Mustafa Ansari, as Director of the Company w.e.f. 12 th December, 2006	6 th July, 2009	No	Yes
02.	Form 23B	224(1A)	appointment of Auditor for year 2009 ended 31 st March, 2010	12 th October, 2009	---	---

03.	Form No. 32	303(2)	appointment of Mr. Santosh J. Surve as Director of the Company w.e.f. 30 th September, 2009	15 th October, 2009	Yes	---
04.	Compliance Certificate in Form No. 66	383A	The year ended 31 st March, 2009	29 th October, 2009	Yes	---
05.	Balance Sheet and Profit & Loss Account in Form No. 23AC and 23ACA	220	the year ended 31 st March, 2009	13 th November, 2009	No	Yes
06.	Annual Return in Form No. 20B	159	as on the date of the Annual General Meeting held on 30 th September, 2009	27 th November, 2009	Yes	---

AUDITORS' REPORT

To
The Members of Sanmitra Commercial Ltd.

1. We have audited the attached Balance Sheet of SANMITRA COMMERCIAL LIMITED as at 31st March 2010 and also the Profit and Loss Account and 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 (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section 4A of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i) 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;
 - ii) 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;
 - iii) The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) In our opinion, the Balance Sheet and Profit and Loss Account 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;
 - v) On the basis of written representations received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

vi) In our opinion and to the best of our 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:

a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010; and

b) In the case of the Profit and Loss Account, of the profit for the year ended on that date.

c) In the case of the cash flow statement, of the cash flows of the Company for the year ended on that date.

Place: Mumbai
Dated: May 31, 2010

For A. W. KETKAR & CO.
Chartered Accountants
Registration No. :105006W

Address: 4, "SOUKHYA", Opp. B.M.C. Hospital
V. N. Purav Marg
Chunabhatti, Mumbai 400 022

A. W. KETKAR
Proprietor
Membership No.: 012287

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date on the accounts of SANMITRA COMMERCIAL LIMITED for the year ended on 31st March 2010.)

1. The provisions of clauses xi, xii, xiii, xv, xvi, xvii, xviii, and xix of paragraph 4 and 5 of the Companies (Auditor's Report) Order, 2003 are not applicable for the current year.
2. Fixed Assets:
 - (a) The Company has maintained proper record showing full particulars including quantitative details and situation of fixed assets.
 - (b) All fixed assets have been physically verified by the management at reasonable intervals during the year and no discrepancies were noticed on such verification.
 - (c) No substantial part of fixed assets has been disposed off during the year.
3. Inventories:
 - (a) Physical verification of stocks has been conducted by the management during the year at reasonable intervals.
 - (b) The procedure of physical verification of stock followed by the management in our opinion is reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) As per the information and explanation given to us no material discrepancies have been noticed on physical verification of stocks as compared to book records.
 - (d) On the basis of our examination of the stock records, we are satisfied that the valuation of stocks is fair and proper and in accordance with normally accepted accounting principals and is on the same basis as in the preceding years.
4. (a) Loans taken by the company:

According to the information and explanation given to us, the Company has not taken during the year any loan from any Company, Firm or other party listed in the register mentioned under section 301 of the Companies Act, 1956. There is no Company under the same management as defined under section 370 (1B) of the Companies Act, 1956.
- (b) Loans given by the company:

According to information and explanation given to us the Company has not granted any loan to any Company, Firm or other party listed in register mentioned under section 301 of the Companies Act, 1956.
5. In our opinion and according to the information and explanations given to us, the Company has adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase and sale of inventories and assets.

6. According to the information and explanations provided by the management, there have been no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
7. The Company has not accepted any deposit in contravention of the provision of section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
8. During the year, the Company had an internal audit system, which in our opinion, is commensurate of the size of the company and nature of its business.
9. The Central Government has not prescribed the maintenance of Cost Records under Section 209(1) of the Companies Act, 1956 for any of the products of the company.
10. (a) As informed to us Provident Fund and Employees State Insurance Act is not applicable to the company.
(b) According to the information and explanation given to us the Company does not have any undisputed amount payable in respect of Income Tax, Wealth Tax, Custom Duty and Excise Duty outstanding as at the last day of the financial year for a period of more than six months from the date they become payable.
(c) According to the Cash Flow Statement and other records examined by us and the information and explanations given to us, on all overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investments (fixed assets etc.) and vice versa, other than temporary deployment pending application.
11. The Company has not raised any money through a public issue during the year under review.
12. The Company is not a Sick Industrial Unit within the meaning of clause (o) of Sub Section (1) of Section 3 of Sick Industrial Companies (Special Provision) Act, 1985.
13. The company has maintained proper records in respect of transactions and contracts in shares; securities, debentures and other investments and timely entries have been made therein. Shares, securities, debentures and other investments have been held by the company in its own name.
14. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

Place: Mumbai
Dated: May 31, 2010

For A. W. KETKAR & CO.
Chartered Accountants
Registration No. :105006W

Address: 4, "SOUKHYA", Opp. B.M.C. Hospital
V. N. Purav Marg
Chunabhatti, Mumbai 400 022

A. W. KETKAR
Proprietor
Membership No.: 012287

SANMITRA COMMERCIAL LIMITED

BALANCE SHEET AS AT 31.3.2010

Particulars	Schedule	As at 31.3.2010 Rs.	As at 31.3.2009 Rs.
<u>SOURCES OF FUND:</u>			
SHAREHOLDERS FUND			
Share Capital	1	1,10,00,000	1,10,00,000
RESERVES AND SURPLUS			
Surplus in Profit & Loss Account		6,23,840	5,87,684
	Total	<u>1,16,23,840</u>	<u>1,15,87,684</u>
<u>APPLICATION OF FUNDS:</u>			
FIXED ASSETS			
Gross Block	2	32,000	32,000
Less: Depreciation		<u>29,952</u>	<u>26,880</u>
Net Block		2,048	5,120
CURRENT ASSETS, LOANS AND ADVANCES			
a Inventories	3	34,77,468	64,02,975
b Sundry Debtors		20,03,543	13,58,389
c Cash & Bank Balances		15,40,365	21,15,549
d Loans and Advances		<u>46,47,811</u>	<u>23,14,268</u>
		1,16,69,187	1,21,91,181
Less: CURRENT LIABILITIES AND PROVISIONS			
a Current Liabilities	4	31,226	5,95,967
b Provisions		<u>16,169</u>	<u>12,650</u>
		47,395	6,08,617
NET CURRENT ASSETS		<u>1,16,21,792</u>	<u>1,15,82,564</u>
	Total	<u>1,16,23,840</u>	<u>1,15,87,684</u>
NOTES ON ACCOUNTS			
	7		

As per our Report of even date
For A. W. KETKAR & CO.
Chartered Accountants

A. W. KETKAR
Proprietor

PRAKASH SHAH
Director

SURESH JAIN
Director

Place : Mumbai
Dated : May 31, 2010

SANMITRA COMMERCIAL LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.3.2010

Particulars	Schedule	2009-2010 Rs.	2008-2009 Rs.
<u>INCOME:</u>			
Income from Operations	5	10,83,93,967	5,85,24,730
Other Income		2,13,686	1,89,168
	Total	<u>10,86,07,653</u>	<u>5,87,13,898</u>
<u>EXPENDITURE:</u>			
Purchases		10,53,94,073	6,10,64,890
Decrease/(Increase) in Stock		29,25,508	(29,58,251)
Depreciation	2	3,072	7,680
Operating and Other Expenses	6	2,32,675	5,61,971
		<u>10,85,55,328</u>	<u>5,86,76,290</u>
Profit before Tax		52,325	37,608
Fringe Benefits Tax		---	550
Provision for Income Tax		16,169	11,650
Profit after Tax		36,156	25,408
Add : Balance brought from last year		5,87,684	5,62,276
Balance Carried to Balance Sheet		<u>6,23,840</u>	<u>5,87,684</u>

NOTES ON ACCOUNTS

7

As per our Report of even date
For A. W. KETKAR & CO.
Chartered Accountants

A. W. KETKAR
Proprietor

PRAKASH SHAH
Director

SURESH JAIN
Director

Place : Mumbai
Dated : May 31, 2010

SANMITRA COMMERCIAL LIMITED

Schedules forming part of Balance Sheet as on 31.3.2010

Particulars	Current Year Rs.	Previous Year Rs.
<u>SCHEDULE 1</u>		
SHARE CAPITAL		
Authorised		
12,50,000 Equity Shares of Rs. 10/- each	1,25,00,000	1,25,00,000
Issued, Subscribed and Paid-up		
11,00,000 Equity Shares of Rs. 10/- each	1,10,00,000	1,10,00,000
	1,10,00,000	1,10,00,000

SCHEDULE 2

FIXED ASSETS

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 31.3.09	Additions/ Deductions	As at 31.3.10	As at 31.3.09	For the Year	As at 31.3.10	As at 31.3.10	As at 31.3.09
Computers	32,000	—	32,000	26,880	3,072	29,952	2,048	5,120
TOTAL Rs.	32,000	—	32,000	26,880	3,072	29,952	2,048	5,120
Previous Year Rs.	32,000	—	32,000	19,200	7,680	26,880	5,120	—

SCHEDULE 3

CURRENT ASSETS, LOANS AND ADVANCES

INVENTORIES

Stock -in-Trade	34,77,468	64,02,975
(As Certified by the Management)	34,77,468	64,02,975

SUNDRY DEBTORS

(Unsecured, Considered Good)		
Outstanding for more than six months	7,20,298	2,22,540
Other Debts	12,83,245	11,35,849
	20,03,543	13,58,389

CASH AND BANK BALANCES

Cash on Hand	8,94,657	8,06,080
Bank Balances with Schedule Bank		
In Current Account	6,45,708	13,09,469
In Fixed Deposit Account		
	15,40,365	21,15,549

LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Loans	43,77,435	22,74,557
Advance recoverable in cash or in Kind or for value to be received	2,20,495	16,000
Advance Income Tax and TDS	49,881	23,711
	<u>46,47,811</u>	<u>23,14,268</u>

SCHEDULE 4

CURRENT LIABILITIES AND PROVISIONS

CURRENT LIABILITIES		
Sundry Creditors & Outstanding Exp.	31,226	5,95,967
	<u>31,226</u>	<u>5,95,967</u>
PROVISIONS		
Provision for Taxation	16,169	12,650
	<u>16,169</u>	<u>12,650</u>

SCHEDULE 5

INCOME FROM OPERATIONS

Sales/Income from Operations	10,83,93,967	5,85,24,730
	<u>10,83,93,967</u>	<u>5,85,24,730</u>

SCHEDULE 6

OTHER EXPENSES

Salaries & Staff Welfare Expenses	60,786	48,208
Printing & Stationery	11,717	7,015
General & Administrative Expenses	61,774	69,202
Conveyance	30,695	6,086
Miscellaneous Expenses	10,488	3,738
Post, Telegram and Couriers	6,872	4,886
Bank Charges	1,736	1,264
Legal & Professional Fees	21,465	6,525
Audit Fees	5,000	4,000
Annual Custody, Listing & Stock Exchange Fees	22,142	4,11,047
	<u>2,32,675</u>	<u>5,61,971</u>

SCHEDULE 7

NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDED 31.3.2010.

1) Significant Accounting Policies

a) Basis of Accounting

The financial statements are prepared under historical cost convention on an accrual basis.

b) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation.

c) Depreciation

The company has provided depreciation on Fixed Assets on written down value basis at the revised rates prescribed under the Income Tax Act, 1961.

d) Investments

The company has converted its long term investment into stock-in-trade at cost. There is no impact on profit or loss as there is no transfer.

e) Inventories

Stock is valued at cost. Fluctuation in value of stock in trade is accounted on realisation.

2) Previous Year figures have been regrouped/rearranged wherever necessary.

3) Quantitative Information

DESCRIPTION	31.3.2010		31.3.2009	
	Nos.	Rs.	Nos.	Rs.
<u>Opening Stock</u> Equity Shares (Fully Paid-up)	7,85,875	64,02,975	4,30,131	34,44,724
<u>Purchases</u> Equity Shares (Fully Paid-up)	32,58,446	10,53,94,07 3	13,47,574	6,10,64,890
<u>Sales</u> Equity Shares (Fully Paid-up)	31,56,342	10,83,93,96 7	9,91,830	5,85,24,730
<u>Closing Stock</u> Equity Shares (Fully Paid-up)	8,87,979	34,77,468	7,85,875	64,02,975

4 There is no deferred tax liability upto the year ended 31st March, 2010

PAYMENT TO AUDITORS	Current Year	Previous Year
	Rs.	Rs.
Audit Fees	2,000	1,500
Tax Audit Fees	<u>3,000</u>	<u>2,000</u>
	<u>5,000</u>	<u>4,000</u>

6 There are no reportable segments.

7 Related Party Disclosures is not applicable, as there are no transactions with Related Parties

8 Figures have been rounded off to nearest rupee.

9 Previous Year figures have been regrouped/rearranged wherever necessary.

10) Balance Sheet abstract and Company's general business profile:

a) **Registration Details**

Registration No. : 34963 State Code : 11
Balance Sheet Date : 31.3.2010

b) **Capital Raised during the year**

Public Issue : Nil
Right Issue : Nil
Bonus Issue : Nil
Private Placement : Nil

c) **Position of Mobilisation and Deployment of Funds
(Amount in Rs. Thousands)**

Total Liabilities : 11624
Total Assets : 11624

Sources of Funds

Paid up Capital : 11000
Reserves and Surplus : 624
Secured Loans : Nil
Unsecured Loans : Nil

Application of Funds

Net Fixed Assets : 2
Investments : Nil
Net Current Assets : 11622
Miscellaneous Expenditure : Nil
Accumulated Losses : Nil

d) **Performance of Company (Amount in Rs. Thousands)**

Turnover : 108608
Total Expenditure : 108572
Profit for the year : 36
Earning per Share (Rs.) : —
Dividend Rate (%) : Nil

e) **Generic Names of three Principal Products/Services of Company**

- i) Trading
- ii) Investment in Shares, Securities and bonds
- iii) Consultancy

As per our Report of even date
For A. W. KETKAR & CO.
Chartered Accountants

A. W. KETKAR
Proprietor
Place : Mumbai
Dated : May 31, 2010

PRAKASH SHAH
Director

SURESH JAIN
Director

SANMITRA COMMERCIAL LIMITED

CASH FLOW FOR THE YEAR ENDED 31.3.2010

		(RS.)
	2009-10	2008-09
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and other extraordinary items	52,325	37,608
Adjustment for		
Depreciation	3,072	7,680
Taxation	(16,169)	(12,200)
Current Assets	(53,190)	(23,46,240)
Current Liabilities	(5,61,222)	5,74,951
NET CASH FLOW FROM OPERATION ACTIVITIES (A)	(5,75,184)	(17,38,201)
CASH FLOW FROM INVESTING ACTIVITIES		
Decrease/(Increase) in Investments/Fixed Assets	NIL	2,68,481
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	NIL	2,68,481
CASH FLOW FROM FINANCING ACTIVITIES	NIL	NIL
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	NIL	NIL
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	(5,75,184)	(14,69,720)
CASH & CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	21,15,549	35,85,269
CASH & CASH EQUIVALENTS AS AT THE END OF THE YEAR	15,40,365	21,15,549

As per our Report of even date
For A. W. KETKAR & CO.
Chartered Accountants

A. W. KETKAR
Proprietor

PRAKASH SHAH
Director

SURESH JAIN
Director

Place : Mumbai
Dated : May 31, 2010

T
H
I
S

P
A
G
E

I
S

P
U
R
P
O
S
E
L
Y

L
E
F
T

B
L
A
N
K

SANMITRA COMMERCIAL LIMITED
Registered Office: Office No. 4, G. Floor, Ruby Mahal,
30D, Cawasji Patel Street, Fort, Mumbai 400 001.

PROXY FORM

Reg. Folio No. _____
Mr./Mrs./Miss _____ of _____ in the
district of _____ being member/s of the above mentioned
Company hereby appoint _____ of
_____ in the district of _____ or failing him
_____ of _____ in the district of
_____ as my/our proxy to vote for me/us on my/our
behalf at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company to be
held on Thursday, September 30, 2010 and at any adjournment thereof.

Signed this _____ day of _____ 2010.

Signature _____

Affix Re. 1/- Revenue Stamp

NOTE : This Proxy must be deposited at the Registered Office at Office No. 4, G. Floor, Ruby Mahal, 30D, Cawasji Patel Street, Fort, Mumbai 400 001 atleast 48 hours before the Meeting.

SANMITRA COMMERCIAL LIMITED
Registered Office : Office No. 4, G. Floor, Ruby Mahal,
30D, Cawasji Patel Street, Fort, Mumbai 400 001.

ATTENDANCE SLIP

26th Annual General Meeting

Reg. Folio No. _____

Mr./Mrs./Miss _____

I certify that I am registered Shareholder/Proxy for the Registered Shareholder(s) of the Company.

I hereby record my presence at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company to be held on Thursday, September 30, 2010 at 71, Laxmi Building, Sir P. M. Road, Fort, Mumbai 400 001 at 5.00 p.m.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

NOTE : Please fill this attendance slip and hand it over at the entrance.

BOOK-POST

If undelivered, please return to:

SANMITRA COMMERCIAL LTD.

Office No. 4, G. Floor, Ruby Mahal,
30D, Cawasji Patel Street, Fort, Mumbai 400 001.