

MACK TRADING COMPANY LIMITED

ANNUAL REPORT 2011-2012

## **MACK TRADING COMPANY LIMITED**

### **BOARD OF DIRECTORS**

Pavankumar Sanwamal

Rita Pavankumar

Vikas Pavankumar

### **BANKERS**

Citibank NA

Kotak Mahindra Bank

### **AUDITORS**

Messrs. A.K.Nevatia & Associates

Chartered Accountants

### **REGISTERED OFFICE**

5-C, Sindhu House, 3<sup>rd</sup> Floor,

**ANNUAL REPORT**

**2011-2012**

Flore Fountain, Fort,

Mumbai 400 001

### **REGISTRAR & TRANSFER AGENTS**

Universal Capital Securities Pvt. Ltd.

21, Shakil News, Mahakali Caves Road,

Andheri (East)

Mumbai 400093

MACK TRADING COMPANY LIMITED

**Annexure "A"**

Registers as maintained by the company

1. Register of Members u/s. 150(1).
2. Register of Transfers.
3. Copies of Annual Return prepared u/s. 163(1)
4. Minutes of proceedings of meetings of Board of Directors and of general meeting u/s.193 (1).
5. Books of Accounts u/s. 209(1).
6. Register of contracts, companies and firms in which directors are interested u/s 301(1).
7. Register of Directors, Manager and Secretary u/s. 303(1).
8. Register of Directors shareholding u/s. 307(1).

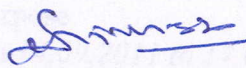
**Annexure "B"**

Forms and Returns as filed by company with the Registrar of the companies, Regional Director, Central Government or other authorities during the financial year ending on 31.03.2012:

Sr. No.	Form No./ return	Filed under section	For	Date of filing	Whether filed within prescribed time	If delay in filing whether requisite additional fee paid
1.	Annual Return Form 20B	159	2010-11	09.11.11	Yes	No
2.	Balance sheet (with required annexure and schedules) Form 23ac/aca XBRL	220	2010-11	07.02.12	No	Yes
3.	CCOM Form 66	383A	2010-11	13.10.11	Yes	No

Place: Mumbai

Date: 21.08.2012

  
SHIV HARI JALAN  
COMPANY SECRETARY  
C.P.NO. : 4226



8. The company has not advanced any loan to its Directors and/or persons firms or companies referred in Section 295 of the Act.
9. The company has not entered into any contracts falling within the purview 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. There were no instances falling within the purview of Section 314 of the Act.
12. The company has not issued any duplicate share certificates during the financial year under review.
13. The company has:
  - (i) Delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
  - (ii) Not deposited any dividend in a separate Bank Account.
  - (iii) Paid the dividend to all the members within a period of 30 days from the date of declaration and there was no unpaid dividend with the company for transfer to unpaid dividend Account.
  - (iv) No Transaction Necessitating to transfer the amounts in unpaid dividend account, applications 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 to Investor Education and Protection Fund.
  - (v) Duly complied with the requirements of section 217 of the Act.
14. The board of Directors of the company is duly constituted and there was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy during the financial year under certification.
15. The company has not appointed any Managing Director/ Whole-time Director/Manager during the financial year
16. The company has not appointed any sole-selling Agent during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board /Regional Director/ Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provision 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. The company has not redeemed any preference shares / debentures, during the financial year.
22. There was no transaction necessitating to keep in abeyance rights to dividend / rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited or accepted any Deposits including any unsecured loans falling within the purview of section 58A of the Act read with companies (Acceptance of Deposit) Rules 1975, during the financial year under review from public.



8. The company has not advanced any loan to its Directors and/or persons firms or companies referred in Section 295 of the Act.
9. The company has not entered into any contracts falling within the purview 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. There were no instances falling within the purview of Section 314 of the Act.
12. The company has not issued any duplicate share certificates during the financial year under review.
13. The company has:
  - (i) Delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
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**SHIV HARI JALAN**  
**B.COM., F.C.A., A.C.S.**  
**COMPANY SECRETARY**

104, MAHAVIR BUILDING, 44/46, POPATWADI LANE, KALBADEVI, MUMBAI-2.  
Telephone: 22075834, Tele Fax: 22075835, Mobile: 9869035834, Residence: 28845111.

**COMPLIANCE CERTIFICATE**

U/S 383 A of the companies Act, 1956 & Rule 3 of the companies  
(compliance certificate) Rules, 2001.

Registration No.: 11-022532

Nominal Capital: Rs. 250 Lacs

To,

The Members,

**MACK TRADING COMPANY LIMITED**

5-C, Sindhu House, 3<sup>rd</sup> Floor,

Nanabhai Lane, Flora Fountain,

Mumbai-400001.

I have examined the registers, records, books and papers of MACK TRADING COMPANY LIMITED. (Registration No.: 11-022532) (the company) as required to be maintained under the companies Act, 1956. (THE ACT) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31.03.2012. 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 the 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 & 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 is a Public Limited company and hence comments are not required.
4. The board of Directors duly met Six times on 27.05.2011, 06.08.2011, 16.08.2011, 14.11.2011, 12.01.2012 & 27.01.2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the Minutes Book maintained for the purpose.
5. The company closed its Register of members from 14.09.2011 to 17.09.2011.
6. The Annual General Meeting for the financial year ended on 31.03.2011 was held on 17.09.2011 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.



**MACK TRADING COMPANY LIMITED**

**ANNUAL REPORT 2011-2012**

**BOARD OF DIRECTORS**

Pavankumar Sanwormal

Rita Pavankumar

Vikas Pavankumar

**BANKERS**

Citibank N.A

Kotak Mahindra Bank

**AUDITORS**

Messrs. A.K.Nevatia & Associates

Chartered Accountants

**REGISTERED OFFICE**

5-C, Sindhu House, 3<sup>rd</sup> Floor,

Nanabhai lane,

Flora Fountain, Fort,

Mumbai 400 001

**REGISTRAR & TRANSFER AGENTS**

Universal Capital Securities Pvt. Ltd.

21, Shakil Niwas , Mahakali Caves Road,

Andheri (East)

Mumbai 400093

## MACK TRADING COMPANY LIMITED

### NOTICE:

NOTICE IS HEREBY GIVEN THAT the ANNUAL GENERAL MEETING OF MACK TRADING COMPANY LIMITED will be held at 5-C, Sindhu House, 3<sup>rd</sup> Floor, Nanabhai Lane, Flora Fountain, Fort, Mumbai 400 001 on Tuesday, 18<sup>th</sup> September, 2012 at 11.30 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pavankumar Sanwormal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of the meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board

  
Director

### Registered Office:

5-C, Sindhu House,  
3<sup>rd</sup> Floor, Nanabhai Lane,  
Flora Fountain,  
Fort, Mumbai 400 001.

Dated: 21<sup>st</sup> August, 2012.

### Notes:

- A) Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member.
- B) The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 15<sup>th</sup> September, 2012 to Tuesday, 18<sup>th</sup> September, 2012 both days inclusive.
- C) Members are requested to notify immediately any change in the address to the Registrar & Transfer Agents of the Company.

## DIRECTOR'S REPORT TO THE SHAREHOLDERS

Dear Shareholders:

Your Directors have pleasure in presenting the ANNUAL REPORT on the business and operations of the Company and Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2012.

### FINANCIAL RESULTS OF THE COMPANY ARE AS UNDER:

	<u>CURRENT YEAR</u> <u>RS.</u>	<u>PREVIOUS YEAR</u> <u>RS.</u>
Profit for the year after meeting all charges and expenses but before provision for taxation	41,661	14,75,399
Less: Provision for taxation	--	--
Add: B/f forward from previous year	12,11,842	9,22,135
Add: Excess provision written back	2,511	--
<b>Available for appropriation</b>	<b>12,56,014</b>	<b>23,97,534</b>
Proposed Dividend	--	2,45,000
Corporate Dividend Tax	--	40,962
Transfer to General Reserve	5,75,000	9,00,000
Amount to be carried forward to next year	6,81,014	12,11,842
	<b>12,56,014</b>	<b>23,97,534</b>

### DIVIDEND:

No dividend has been declared by the company since it has made nominal profit for the current year.



### **SUBSIDIARY COMPANY :**

The copy of the audited accounts and Directors Report for the company's subsidiary, Keen Investment & Leasing Limited for the year ended 31<sup>st</sup> March, 2012 are annexed. The statement required to be furnished under section 212 of the Companies Act, 1956 is also attached.

### **DIRECTORS :**

Mr. Pavankumar Sanwormal retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

### **DIRECTOR RESPONSIBILITY STATEMENT**

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

1. In presentation of the annual accounts, the applicable standards had been followed along with proper explanation relation to material departures;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of your Company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detection fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis.

BY ORDER OF THE BOARD OF DIRECTORS

### **CONSOLIDATED FINANCIAL STATEMENTS :**

In accordance with the requirements of the Accounting Standard AS – 21 prescribed by the Institute of Chartered Accountants of India, the consolidated Financial Statements of the Company and its subsidiary, Keen Investment & Leasing Limited are annexed to this report.

### **AUDITORS**

A.K. NEVATIA & ASSOCIATES, Chartered Accountants, retiring Auditors is eligible for re-appointment and offers them for reappointment at the ensuing annual general meeting of the company.

Auditor's Report to the Members of MACK TRADING COMPANY LIMITED

**PARTICULARS OF EMPLOYEES**

None of the employee of the company received remuneration in excess of the limit specified u/s 217 (2A) of the Companies Act, 1956

**COMPLIANCE CERTIFICATE:**

A compliance certificate from a Company Secretary in wholetime practice, as required under section 383A of the Companies Act, 1956, regarding compliance with the provisions of the Act is annexed.

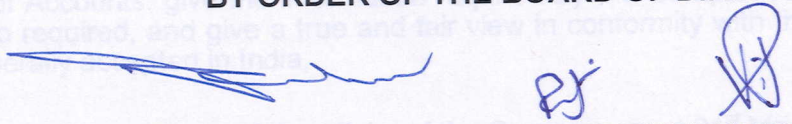
**DISCLOSURE OF PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY**

The details as required by Companies (Disclosure of particulars in Report of Board of Directors) Rules, 1988 for conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are not applicable to the Company having regard to the nature of business of the Company

**APPRECIATION**

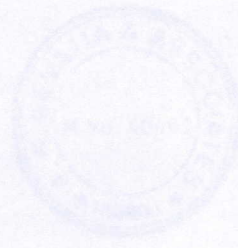
We wish to place on record our deep and sincere appreciation for the contribution made by the workers, staff and executives to the performance of the Company.

**BY ORDER OF THE BOARD OF DIRECTORS**



(PAVANKUMAR SANWARMAL/RITA PAVANKUMAR/VIKAS PAVANKUMAR)  
**DIRECTORS**

Place : MUMBAI  
Dated : 26/05/2012



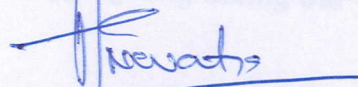
By A.KNEVATIA AND ASSOCIATES  
Chartered Accountants  
CA ANLEKSHAN NEVATIA  
(IC. NO. 548403)  
19 LAXMINARAYAN SHOPPING  
CENTRE FOGDAR ROAD, MALAD EAST  
MUMBAI 400097

**Auditor's Report to the Members of MACK TRADING COMPANY LIMITED.**

1. We have audited the attached Balance Sheet of **MACK TRADING COMPANY LIMITED**, as at 31st March, 2012, 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. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Government of India in terms of section 227(4A) of the Companies Act, 1956 (The Act), we annex here to a statement on the matters specified in paragraph 4 and 5 of the said order.
3. We conducted our audit in accordance with standards on auditing 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.
  - (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 accounts as required by law have been kept by the company so far as appears from our examination of the books of accounts;
  - (c) The Balance Sheet and Profit & loss account and cash flow statement dealt with by this report are in agreement with the books of accounts.
  - (d) In our opinion, the Balance Sheet of the company comply with the Accounting Standards as referred in Sub-Section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable.
  - (e) As per information and explanations given to us, none of the directors of the company are disqualified from being appointed as a director under 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 explanations given to us, the said accounts, read together with Significant Accounting Policies and Notes forming part of 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,
    - i) In case of Balance Sheet of the affairs of the Company as at 31<sup>st</sup> March, 2012.
    - ii) In case of Profit and Loss Account, the "Profit" of the Company for the year ended on that date.
    - (iii) In case of the Cash Flow Statement of the cash flows for the year on that date.



for **A.K.NEVATIA AND ASSOCIATES**  
Chartered Accountants

  
CA ANILKUMAR NEVATIA.

(M. NO. 040403)  
19, LAXMINARAYAN SHOPPING  
CENTRE, Poddar Road, MALAD EAST  
MUMBAI 400097

Place : Mumbai  
Date : 26/05/2012

## ANNEXURE TO THE AUDITORS' REPORT

Referred to in our Report of even date:

On the basis of such checks as we considered appropriate and in terms of the information and explanation given to us, we state that :

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management during the year, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
(c) No disposal of fixed assets of the Company has taken place during the year.
2. (a) The company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Act.
3. The Company has adequate internal control procedure commensurate with the size of the Company and nature of its Business for purchase of inventories and fixed assets and for the sale of goods and services.
4. (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956, have been so entered.  
(b) There are no transaction of purchase and sales of goods, materials and services made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Act aggregating during the year to Rs. 500000 or more in respect of each party.



## ANNEXURE TO THE AUDITORS' REPORT

Referred to in our Report of even date:

On the basis of such checks as we considered appropriate and in terms of the information and explanation given to us, we state that :

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management during the year, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
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3. The Company has adequate internal control procedure commensurate with the size of the Company and nature of its Business for purchase of inventories and fixed assets and for the sale of goods and services.
4. (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956, have been so entered.  
(b) There are no transaction of purchase and sales of goods, materials and services made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Act aggregating during the year to Rs. 500000 or more in respect of each party.



5. In our opinion and according to the information and explanations given to us, the Company has not accepted / invited any deposits falling within the preview of Section 58A / 58AA of the Companies Act, 1956 during the financial year.
6. In our opinion, the Company has Internal Audit system commensurate with the size and nature of its Business.
7. (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed Statutory dues including Investor Education Protection Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth-tax, Custom Duty, Provident Fund, Cess and other material statutory dues applicable to it except Provident Fund.
- b) According to the information and explanations given to us, no undisputed amount payable in respect of Income-tax, Wealth-tax, Sales-tax, Customs Duty, Excise months from the date they became payable
- (c) According to the information and explanation given to us, there are no dues of sales tax, Income Tax, Customs duty, Wealth Tax, Excise duty and Cess which have not deposited on Account of any dispute.
8. The Company did not have any accumulated losses at the end of the Financial year nor had it incurred any cash loss during the financial year or in the immediately preceding Financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advance on the basis of security by way of pledge of shares, debentures and other securities.



BEACH TRADING COMPANY LIMITED  
Balance Sheet as at 31 March, 2012

10. The company has not given any guarantee for loans taken by others from bank or financial institutions.

11. The Company has not taken any term loan during the year.

12. The Company has not made any preferential allotment of shares during the year to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956.

13. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by the company nor have we been informed by the management of any such instance being noticed or reported during the year.

14. Clauses (ii), (viii), (xi), (xiii), (xiv), (xvii), (xix) and (xx) of the aforesaid order are not applicable to the Company.

for A.K.NEVATIA AND ASSOCIATES  
Chartered Accountants



CA ANIL KUMAR NEVATIA  
(M. NO. 040403)

19, LAXMINARAYAN SHOPPING  
CENTRE, PODDAR ROAD, MALAD  
EAST, MUMBAI, MAHARASHTRA-  
400097

Place : MUMBAI  
Date : 26.05.2012

**MACK TRADING COMPANY LIMITED**  
Balance Sheet as at 31 March, 2012

Particulars	Note No.	As at 31 March, 2012	As at 31 March, 2011
<b>A EQUITY AND LIABILITIES</b>			
1 Shareholders' funds	1	2,450,000	2,450,000
(a) Share capital	2	28,781,014	28,736,842
(b) Reserves and surplus			
2 Non-current liabilities	3	34,500	54,500
(a) Long-term provisions			
3 Current liabilities	4	-	28,202
(a) Short Term Borrowings	5	61,686	321,474
(b) Other current liabilities			
<b>TOTAL</b>		<b>31,327,200</b>	<b>31,591,018</b>
<b>B ASSETS</b>			
1 Non-current assets			
(a) Fixed assets	6	3,466,370	3,009,761
(i) Tangible assets			
(b) Non-current investments	7	2,043,716	2,043,716
(c) Long-term loans and advances	8	25,671,229	26,360,989
2 Current assets			
(a) Trade receivables	9	31,960	16,000
(b) Cash and cash equivalents	10	29,584	78,057
(c) Short-term loans and advances	11	16,000	-
(d) Other current assets	12	68,341	82,495
<b>TOTAL</b>		<b>31,327,200</b>	<b>31,591,018</b>
See accompanying notes forming part of the financial statements			

For and on behalf of the Board of Directors



Director  
Pavankumar  
Sanwamal

Director  
Vikas  
Pavankumar

Director  
Rita  
Pavankumar

In terms of our report attached.  
For A.K. Nevatia & Associates  
Chartered Accountants

CA Anil Kumar Nevatia  
Proprietor  
M. No. : 040403

Place : Mumbai  
Date : 26/05/2012



MACK TRADING COMPANY LIMITED

Statement of Profit and Loss for the year ended 31 March, 2012

Particulars	Note No.	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
		AMOUNT	AMOUNT
<b>A CONTINUING OPERATIONS</b>			
1 Other income	13	916,031	2,499,572
2 <b>Total revenue (1+2)</b>		<b>916,031</b>	<b>2,499,572</b>
3 <b>Expenses</b>			
(a) Employee benefits expense	14	425,450	512,675
(b) Finance costs	15	418	13,638
(c) Depreciation and amortisation expense	6	102,191	96,845
(d) Other expenses	16	346,311	401,015
<b>Total expenses</b>		<b>874,370</b>	<b>1,024,173</b>
4 <b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>41,661</b>	<b>1,475,399</b>
5 Exceptional items		-	-
6 <b>Profit / (Loss) before extraordinary items and tax (5 + 6)</b>		<b>41,661</b>	<b>1,475,399</b>
7 Extraordinary items		-	-
8 <b>Profit / (Loss) before tax (7 + 8)</b>		<b>41,661</b>	<b>1,475,399</b>
9 <b>Tax expense:</b>			
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		-	-
(e) Deferred tax		-	-
10 <b>Profit for the year</b>		<b>41,661</b>	<b>1,475,399</b>
11 <b>Earnings per share (of 10/- each):</b>			
(a) Basic		0.17	6.02
(b) Diluted		0.17	6.02

See accompanying notes forming part of the financial statements

In terms of our report attached.  
 For A.K. Nevatia & Associates  
 Chartered Accountants

For Anil Kumar Nevatia  
 Proprietor  
 No. 040403



For and on behalf of the Board of Directors

Director  
 Pavankumar  
 Sanwamal

Director  
 Vikas  
 Pavankumar

Director  
 Rita  
 Pavankumar

Place: Mumbai  
 Date: 26/05/2012

MACK TRADING COMPANY LIMITED

Cash Flow Statement for the year ended 31 March, 2012 (Contd.)

Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
<b>Cash flow from operating activities</b>				
Profit / (Loss) before extraordinary items and tax		41,661		1,475,399
Adjustments for:				
Depreciation and amortisation	102,191		96,845	
Finance costs	418		13,638	
Interest income	(75,901)		(86,158)	
Dividend income	(27,587)		(1,979,014)	
Other Non - Operating income	(812,543)		(434,400)	(2,389,089)
Fair period item	2,511	(810,911)		
Operating profit / (loss) before working capital changes		(769,250)		(913,690)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(15,960)		-	
Short-term loans and advances	(16,000)		-	
Long-term loans and advances	689,760		(1,400,000)	
Other current assets	14,154		-	
Other non-current assets	-		-	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	-		-	
Other current liabilities	25,904		317	
Other long-term liabilities	(28,202)		-	
Short-term provisions			(158,082)	
Long-term provisions	(20,000)		-	
		649,656		(1,557,765)
		(119,594)		(2,471,455)
		-		-
Cash flow from extraordinary items				
Cash generated from operations		(119,594)		(2,471,455)
Income tax (paid) / refunds		-		-
<b>Cash flow from / (used in) operating activities (A)</b>		<b>(119,594)</b>		<b>(2,471,455)</b>
<b>Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances		(558,800)		(8,000)
Proceeds from sale of fixed assets		-		-
Interest received				
Others		75,901		86,158
Dividend received				
Subsidiaries		27,587		1,462,500
Others		812,543		516,514
Other Non - Operating income				434,400
<b>Cash flow from / (used in) investing activities (B)</b>		<b>357,231</b>		<b>2,491,572</b>



MACK TRADING COMPANY LIMITED

Cash Flow Statement for the year ended 31 March, 2012 (Contd.)

Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
<b>Cash flow from financing activities</b>				
Interest cost		(418)		(13,638)
Dividends paid	(245,000)		(367,500)	
Dividend received	(40,692)	(285,692)	-	(367,500)
<b>Cash flow from / (used in) financing activities (C)</b>		(286,110)		(381,138)
<b>Increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		(48,473)		(361,021)
Cash and cash equivalents at the beginning of the year		78,057		439,078
Cash and cash equivalents at the end of the year *				
Cash on hand			398	
Deposits with banks	390			
Deposits in current accounts	29,194	29,584	77,659	78,057
		(48,473)		(361,021)


Companying notes forming part of the financial statements of our report attached.


A. K. Nevatia & Associates


Chartered Accountants  
  
 A. K. Nevatia  
 Proprietor  
 No. 040403



For and on behalf of the Board of Directors

  
 Director  
 Pavankumar  
 Sanwormal

  
 Director  
 Vikas  
 Pavankumar

  
 Director  
 Rita  
 Pavankumar

Mumbai  
 26/05/2012

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
<b>Reserves and surplus</b>		
Opening balance		
Transferred from surplus in Statement of Profit and Loss	27,525,000	26,62,000
Dividend / transferred during the year for	675,000	90,000
Dividend received		
Others (give details)		
Closing balance	28,105,000	27,325,000
<b>Provision / (Deficit) in Statement of Profit and Loss</b>		
Opening balance		
Profit / (Loss) for the year	1,211,842	822,135
Amounts transferred from:		
General reserve	41,961	1,475,000
Excess provision for taxes		
Interim dividend	2,315	
Dividends proposed to be distributed to equity shareholders		
Tax on dividend		245,000
Transferred to:		
General reserve		40,692
Closing balance	875,030	900,000
	801,366	1,211,842
<b>Total</b>	<b>28,751,014</b>	<b>28,736,042</b>



MACK TRADING COMPANY LIMITED

Notes forming part of the financial statements

Note 1 : Share capital

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
<b>(a) Authorised</b> 25,00,000 Equity shares of Rs.10/- each with voting rights	25,000,000	25,000,000
<b>(b) Issued</b> 2,45,000 Equity shares of Rs.10/- each with voting rights	2,450,000	2,450,000
<b>(c) Subscribed and fully paid up</b> 2,45,000 Equity shares of Rs.10/- each with voting rights	2,450,000	2,450,000
<b>Total</b>	<b>2,450,000</b>	<b>2,450,000</b>

The Company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for equal voting rights, payment of dividend & repayment of Capital.

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	% holding in that class of shares		% holding in that class of shares	
Equity shares with voting rights				
PAVAN KUMAR SANWARMAL	22250	09.08%	22250	09.08%
RESHAM RESHA PVT LTD	71500	29.18%	71500	29.18%
SM SETHI SEVA PVT LTD	82120	33.52%	82120	33.52%
MAN MADE FIBRES PVT LTD	60620	24.74%	60320	24.62%

Note 2 Reserves and surplus

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
<b>General reserve</b>		
Opening balance		26,625,000
Add: Transferred from surplus in Statement of Profit and Loss	27,525,000	
Less: Utilised / transferred during the year for:	575,000	900,000
Issuing bonus shares		
Others (give details)	-	-
Closing balance	28,100,000	27,525,000
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance		922,135
Add: Profit / (Loss) for the year	1,211,842	
Amounts transferred from:	41,661	1,475,399
General reserve		
Excess provision for taxes	-	-
Less: Interim dividend	2,511	
Dividends proposed to be distributed to equity shareholders	-	
Tax on dividend	-	245,000
Transferred to:	-	40,692
General reserve		
Closing balance	575,000	900,000
	<b>681,014</b>	<b>1,211,842</b>
<b>Total</b>	<b>28,781,014</b>	<b>28,736,842</b>



**MACK TRADING COMPANY LIMITED**

Notes forming part of the financial statements

**Note 3 Long-term provisions**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
a) Provision for employee benefits:		
(i) Provision for other employee benefits		
Provision for FBT (2006-07)	17,500	17,500
Provision for FBT (2007-08)	17,000	17,000
Provision for FBT (2008-09)	-	20,000
<b>Total</b>	<b>34,500</b>	<b>54,500</b>

**Note 4 Short-term borrowings**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
a) Loans repayable on demand		
From banks against pledge of movable fixed asset		
Secured	-	28,202
<b>Total</b>	<b>-</b>	<b>28,202</b>

**Note 5 Other current liabilities**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
Unpaid dividends	-	245,000
<b>Other payables</b>		
(i) Statutory remittances		
TDS payable	2,298	1,616
Tax on proposed dividend	-	40,692
(ii) Payables on purchase of fixed assets(Fincom Infocare Pvt Ltd )	19,600	-
(iii) Contractually reimbursable expenses( Commission Payable)	20,687	14,544
<b>(iv) Others</b>		
Outstanding Expenses	19,101	19,622
<b>Total</b>	<b>61,686</b>	<b>321,474</b>



MACK TRADING COMPANY LIMITED

Statement of financial statements

	Gross block			Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2011	Additions	Disposals	Balance as at 31 March, 2012	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2012	Balance as at 31 March, 2011
	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	347,755	-	-	347,755	256,224	5,153	-	86,378	91,531
	2,751,854	-	-	2,751,854	87,871	1,742	-	2,662,241	2,663,983
	73,531	-	-	73,531	72,407	203	-	921	1,124
	539,421	-	-	539,421	303,888	60,979	-	174,554	235,533
	110,435	-	-	110,435	101,560	1,234	-	7,641	8,875
	310,759	558,800	-	869,539	302,024	32,880	-	534,635	8,715
	4,028,795	558,800	-	4,692,535	1,123,974	102,191	-	3,466,370	3,009,761
	4,028,795	8,000	-	4,133,735	1,027,129	96,845	-	3,009,761	3,098,606



Particulars

Particulars	As at 31 March, 2012			As at 31 March, 2011		
	Quoted AMOUNT	Unquoted AMOUNT	Total AMOUNT	Quoted AMOUNT	Unquoted AMOUNT	Total AMOUNT
	-	975,000	975,000	-	975,000	975,000
-	23,690	23,690	-	23,690	23,690	
-	50	50	-	50	50	
1,063	-	1,063	1,063	-	1,063	
95,047	-	95,047	95,047	-	95,047	
808,480	-	808,480	808,480	-	808,480	
28,026	-	28,026	28,026	-	28,026	
53,135	-	53,135	53,135	-	53,135	
40,119	-	40,119	40,119	-	40,119	
-	-	-	-	-	-	
12,856	-	12,856	12,856	-	12,856	
6,250	-	6,250	6,250	-	6,250	
<b>1,044,976</b>	<b>998,740</b>	<b>2,043,716</b>	<b>1,044,976</b>	<b>998,740</b>	<b>2,043,716</b>	
<b>Total - Other investments</b>						
<b>Total</b>						
			<b>2,043,716</b>			
			<b>1,044,976</b>			
			<b>2,779,391</b>			
			<b>998,740</b>			
			<b>2,043,716</b>			
			<b>1,044,976</b>			
			<b>16,920,670</b>			
			<b>998,740</b>			



MACK TRADING COMPANY LIMITED

Notes forming part of the financial statements

Note 8 Long-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
a) Capital advances Unsecured, considered good	1,807,000	2,357,000
(b) Loans and advances to related parties Unsecured, considered good	23,775,000	22,900,000
Less: Provision for doubtful deposits	-	-
(c) Loans and advances to others Unsecured, considered good	-	1,000,000
Less: Provision for doubtful loans and advances	-	-
(d) Prepaid expenses - Unsecured, considered good	18,000	-
(e) Advance income tax	71,229	103,989
<b>Total</b>	<b>25,671,229.00</b>	<b>26,360,989.00</b>

Note 9 Trade receivables

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	-
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
Other Trade receivables	-	-
Secured, considered good	-	-
Unsecured, considered good	31,960	16,000
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
<b>Total</b>	<b>31,960</b>	<b>16,000</b>





**MACK TRADING COMPANY LIMITED**

Notes forming part of the financial statements

**Note 10 Cash and cash equivalents**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
(a) Cash on hand	390.00	398.00
(b) Balances with banks		
(i) In current accounts	29,194.00	77,659.00
<b>Total</b>	<b>29,584.00</b>	<b>78,057.00</b>

**Note 11 Short-term loans and advances**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
(a) Inter-corporate deposits		
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful inter-corporate deposits		
(b) Others (specify nature)		
Advance to Party	16,000.00	-
Unsecured, considered good		
<b>Total</b>	<b>16,000.00</b>	<b>-</b>

**Note 12 Other current assets**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
(a) Accruals		
(i) Interest accrued on deposits	68,341.00	82,495.00
<b>Total</b>	<b>68,341.00</b>	<b>82,495.00</b>



MACK TRADING COMPANY LIMITED

Notes forming part of the financial statements

Note 13 Other income

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	AMOUNT	AMOUNT
(a) Interest income		
Interest on bank deposits	75,901.00	86,158.00
(b) Dividend income:		
from long-term investments		
subsidiaries	-	1,462,500.00
others	27,587.00	516,514.00
(c) Other non-operating income	812,543.00	434,400.00
<b>Total</b>	<b>916,031.00</b>	<b>2,499,572.00</b>

Note 14 Employee benefits expense

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	AMOUNT	AMOUNT
Salaries and wages	425,450.00	512,675.00
<b>TOTAL</b>	<b>425,450.00</b>	<b>512,675.00</b>

Note 15 Finance costs

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	AMOUNT	AMOUNT
(a) Interest expense on:		
(i) Others		
Interest on Car loan	418.00	13,638.00
<b>Total</b>	<b>418.00</b>	<b>13,638.00</b>



MACK TRADING COMPANY

Notes forming part of the financial statements

Note 16 Other expenses

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	AMOUNT	AMOUNT
Power and fuel	170.00	450.00
Rent including lease rentals	4,319.00	4,275.00
Repairs and maintenance - Others	20,962.00	21,357.00
Insurance	6,387.00	8,392.00
Rates and taxes	3,000.00	22,752.00
Communication	11,508.00	15,254.00
Travelling and conveyance	63.00	9,253.00
Printing and stationery	20.00	1,678.00
Sales commission	22,985.00	16,160.00
Vehicle maintenance	101,097.00	88,465.00
Business promotion	19,090.00	24,928.00
Filing Fee/ Listing Fee	22,545.00	18,045.00
Legal and professional	66,400.00	69,432.00
<u>Payments to auditors</u>		
As auditors - statutory audit	11,236.00	10,000.00
For taxation matters	7,865.00	7,000.00
For other services	-	1,751.00
Miscellaneous Expenses	48,664.00	81,823.00
Total	346,311.00	401,015.00



**MACK TRADING COMPANY LIMITED**

Notes forming part of the financial statements

Note 17 Additional information to the financial statements

Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

Name of the party	Relationship	Amount outstanding as at 31 March, 2012	Maximum balance outstanding during the year
Keen Investment and Leasing Ltd.	Subsidiary Company	23,775,000.00 (22,900,000.00)	24,150,000.00 (23,000,000.00)

Note: Figures in bracket relate to the previous year.



**MACK TRADING COMPANY LIMITED**

Notes forming part of the financial statements

Note 18 Disclosures under Accounting Standards

**Particulars**

<b>Related party transactions</b>	
<b>Details of related parties:</b>	
<b>Description of relationship</b>	<b>Names of related parties</b>
Subsidiaries	Keen Investment and Leasing Ltd.
<b>Details of related party transactions during the year ended 31 March, 2012 and balances outstanding as at 31 March, 2012:</b>	
	<b>Subsidiaries</b>
Finance	
Loan Given	875,000.00
<u>Balances outstanding at the end of the year</u>	<u>(1,400,000.00)</u>
Loans and advances	
	23,775,000.00
	<u>(22,900,000.00)</u>

Note: Figures in bracket relates to the previous year



MACK TRADING COMPANY LIMITED

Notes forming part of the financial statements

Note 19 Disclosures under Accounting Standards

Particulars	For the year ended	For the year ended
	31 March, 2012	31 March, 2011
<b>Earnings per share (EPS)</b>		
Net profit for the year (before tax)	41,661.00	1,475,399.00
Provision for Taxation	-	-
Net profit attributable to equity shareholders	41,661.00	1,475,399.00
Weighted average number of equity shares	245,000.00	245,000.00
Earnings per share - Basic & Diluted	0.17	6.02
Par value per share	10.00	10.00



20.1 Cash and cash equivalents (for purposes of Cash Flow Statement)

21.4 Cash flow statement

21.5 Depreciation and amortisation

21.6 Other income

## MACK TRADING COMPANY LIMITED

### Notes forming part of the financial statements

Note	Particulars
<b>20 Corporate information</b>	
	Mack Trading Company Limited is an Investment and Trading company.
	<u>Registered Office</u>
	5-C, Sindhu House 3rd Floor, Nanabhai Lane, Flora Fountain, Fort, Mumbai - 400001.
<b>21 Significant accounting policies</b>	
<b>21.1 Basis of accounting and preparation of financial statements</b>	
	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention.
<b>21.2 Use of estimates</b>	
	The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
<b>21.3 Cash and cash equivalents (for purposes of Cash Flow Statement)</b>	
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
<b>21.4 Cash flow statement</b>	
	Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
<b>21.5 Depreciation and amortisation</b>	
	Depreciation has been provided on the Reducing balance method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.
<b>21.6 Other income</b>	
	Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.



## 21.7 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Some fixed assets acquired but not put to use therefore no depreciation has been charged.

## 21.8 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Cost of investments include acquisition charges such as brokerage, fees and duties.

## 21.9 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

## 21.10 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. As defined in AS 22 company has no material deferred tax liability and hence not provided.

## 21.11 Employee Benefits

As defined in AS 15 gratuity / retirement benefits (amount unascertained) as per consistent practice are accounted on cash basis.

## 21.12 Revised Schedule VI not suitable for specific disclosure

As per Revised Schedule VI disclosure regarding netting up off Provision of Tax, Advanced Tax & TDS is unsuitable as regard to assessment procedure and client satisfaction. Therefore above items are shown separately in particular schedule respectively.





**MACK TRADING COMPANY LIMITED**  
Consolidated Balance Sheet as at 31 March, 2012

Particulars	Note No.	As at 31 March, 2012	As at 31 March, 2011
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	2,450,000	2,450,000
(b) Reserves and surplus	2	78,518,419	73,365,248
<b>2 Minority Interest</b>		11,162,109	-
<b>3 Non-current liabilities</b>			
(a) Long-term provisions	3	4,073,000	2,999,500
<b>4 Current liabilities</b>			
(a) Short Term Borrowings	4	-	28,202
(b) Other current liabilities	5	118,746	369,392
<b>TOTAL</b>		<b>96,322,274</b>	<b>79,212,342</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	6	4,428,212	4,307,495
(b) Non-current investments	7	21,749,816	17,431,337
(c) Long-term loans and advances	8	69,978,430	57,199,767
<b>2 Current assets</b>			
(a) Trade Receivable	9	31,960	16,000
(b) Cash and cash equivalents	10	32,487	149,705
(c) Short-term loans and advances	11	16,000	-
(d) Other Current Asset	12	85,369	108,038
<b>TOTAL</b>		<b>96,322,274</b>	<b>79,212,342</b>
<b>See accompanying notes forming part of the financial statements</b>			-

In terms of our report attached.

**For A.K. Nevatia & Associates**  
Chartered Accountants

**For and on behalf of the Board of Directors**

Sd/-  
**CA Anil Kumar Nevatia**  
Proprietor  
M. No. : 040403

Sd/-  
**Director**  
**Pavankumar**  
**Sanwarmal**

Sd/-  
**Director**  
**Vikas**  
**Pavankumar**

Sd/-  
**Director**  
**Rita**  
**Pavankumar**

Place : Mumbai  
Date : 26/05/2012

**MACK TRADING COMPANY LIMITED**

**Consolidated Statement of Profit and Loss for the year ended 31 March, 2012**

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2012	31 March, 2011
			AMOUNT	AMOUNT
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
1	Other income	13	4,725,465	5,079,678
2	<b>Total revenue (1+2)</b>		<b>4,725,465</b>	<b>5,079,678</b>
3	<b>Expenses</b>			
	(a) Employee benefits expense	14	716,156	690,835
	(b) Finance Cost	15	418	13,638
	(c) Depreciation and amortisation expense	6	438,083	550,060
	(d) Other expenses	16	843,215	7,550,665
	<b>Total expenses</b>		<b>1,997,872</b>	<b>8,805,198</b>
4	<b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		2,727,593	(3,725,520)
5	Exceptional items		1,545	-
6	<b>Profit / (Loss) before extraordinary items and tax (5 ± 6)</b>		2,726,048	(3,725,520)
7	Extraordinary items		-	-
8	<b>Profit / (Loss) before tax (7 ± 8)</b>		2,726,048	(3,725,520)
9	<b>Tax expense:</b>			
	(a) Current tax expense for current year		(525,000)	(270,000)
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		-	-
	(e) Deferred tax		-	-
10	<b>Profit for the year</b>		<b>2,201,048</b>	<b>(3,995,520)</b>
	Less: share of profit transferred to minority interest		389,553	-
	<b>Profit for the year (After Adjustment of minority Interest)</b>		<b>1,811,495</b>	<b>(3,995,520)</b>
11	<b>Earnings per share (of 10/- each):</b>			
	(a) Basic		7.39	(16.31)
	(b) Diluted		7.39	(16.31)
	<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.

**For A.K. Nevatia & Associates**  
Chartered Accountants

Sd/-  
**CA Anil Kumar Nevatia**  
Proprietor  
No. 040403

**For and on behalf of the Board of Directors**

Sd/-	Sd/-	Sd/-	Sd/-
Director	Director	Director	Director
Pavankumar	Vikas	Rita	Pavankumar
Sanwamal	Pavankumar		

Place : Mumbai  
Date : 26/05/2012

MACK TRADING COMPANY LIMITED

Consolidated Cash Flow Statement for the year ended 31 March, 2012

Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		2,726,048		(3,725,520)
<u>Adjustments for:</u>				
Depreciation and amortisation	451,261		558,576	
Finance costs	418		13,638	
Interest income	(2,766,018)		(2,579,110)	
Dividend income	(850,600)		(1,739,686)	
Increase of reserve on scheme of Amalgamation	13,897,181		-	
Other Non - Operating income	(1,108,656)		(760,882)	
Prior period item	2,511	9,626,097	-	(4,507,464)
Operating profit / (loss) before working capital changes		12,352,145		(8,232,984)
<u>Changes in working capital:</u>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Trade Receivable	(15,960)		-	
Short-term loans and advances	(16,000)		-	
Long-term loans and advances	(12,783,326)		5,997,906	
Other Current Assets	14,154		-	
Other Non -Current Assets				
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Other current liabilities	35,046		3,455	
Other long-term liabilities	(28,202)		-	
Short-term provisions			(158,082)	
Long-term provisions	1,073,500		270,000	
		(11,720,788)		6,113,279
Cash flow from extraordinary items		631,357		(2,119,705)
Cash generated from operations		-		-
Net income tax (paid) / refunds		631,357		(2,119,705)
		(525,000)		(270,000)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>106,357</b>		<b>(2,389,705)</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances		(558,800)		(1,388,389)
Proceeds from sale of fixed assets		-		-
Purchase of Investments		(4,318,479)		(1,128,935)
Sale of Investments		296,113		474,383
Interest received				
- Others		2,766,018		2,579,110
Dividend received				
- Others		850,600		1,739,686
Other Non - Operating income		812,543		434,400
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(152,005)</b>		<b>2,710,255</b>

**MACK TRADING COMPANY LIMITED**

**Consolidated Cash Flow Statement for the year ended 31 March, 2012 (Contd.)**

Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
<b>C. Cash flow from financing activities</b>				
<b>Issue Of shares</b>				
<b>Equity</b>	214,540			
Finance cost	(418)		(13,638)	
Dividends paid	(245,000)		(367,500)	
Tax on dividend	(40,692)	(71,570)	(248,552)	(629,690)
<b>Net cash flow from / (used in) financing activities (C)</b>		(71,570)		(629,690)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(117,218)</b>		<b>(309,140)</b>
Cash and cash equivalents at the beginning of the year		149,705		458,845
<b>Cash and cash equivalents at the end of the year *</b>				
(a) Cash on hand	390		398	
(b) Balances with banks				
(i) In current accounts	32,097	32,487	149,307	149,705
		(117,218)		(309,140)
<b>See accompanying notes forming part of the financial statements</b>				
In terms of our report attached.				
<b>For A.K. Nevatia &amp; Associates</b>		<b>For and on behalf of the Board of Directors</b>		
Chartered Accountants				
Sd/-		Sd/-	Sd/-	Sd/-
<b>CA Anil Kumar Nevatia</b>		<b>Director</b>	<b>Director</b>	<b>Director</b>
<b>Proprietor</b>		<b>Pavankumar</b>	<b>Vikas</b>	<b>Rita</b>
<b>M. No. : 040403</b>		<b>Sanwarmal</b>	<b>Pavankumar</b>	<b>Pavankumar</b>
Place : Mumbai				
Date : 26/02/2012				

**MACK TRADING COMPANY LIMITED**

**Consolidated Notes forming part of the financial statements**

**Note 1 : Share capital**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
<b>(a) Authorised</b> 25,00,000 Equity shares of Rs.10/- each with voting rights.	25,000,000	25,000,000
<b>(b) Issued</b> 2,45,000 Equity shares of Rs.10/- each with voting rights.	2,450,000	2,450,000
<b>(c) Subscribed and fully paid up</b> 2,45,000 Equity shares of Rs.10/- each with voting rights.	2,450,000	2,450,000
<b>Total</b>	<b>2,450,000</b>	<b>2,450,000</b>

The Company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for equal voting rights, payment of dividend & repayment of Capital.

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	% holding in that class of shares		% holding in that class of shares	
Equity shares with voting rights				
PAVAN KUMAR SANWARMAL	22250	09.08%	22250	09.08%
RESHAM RESHA PVT LTD	71500	29.18%	71500	29.18%
SM SETHI SEVA PVT LTD	82120	33.52%	82120	33.52%
MAN MADE FIBRES PVT LTD	60620	24.74%	60320	24.62%

**Note 2 Reserves and surplus**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
<b><u>CAPITAL RESERVE</u></b>		
Balance as per last balance sheet	-	-
Add: Acquired on Merger From:		
Zillion Investments Company Limited	2,651,027	-
Flora Fountain Properties Limited	6,927,272	-
Less : Transferred to Minority Interest	(1,727,925)	
<u>Less: Utilised During The Year</u>		
For Issuing Shares	-	
	<b>7,850,374</b>	
<b><u>GENERAL RESERVE</u></b>		
Balance as per last balance sheet	72,725,000	71,825,000
Add: Transferred from surplus in Statement of Profit and Loss	1,535,000	900,000
Add: Acquired on Merger From:		
Zillion Investments Company Limited	2,450,000	-
Flora Fountain Properties Limited	1,190,000	-
Less: Transferred to Minority Interest	(8,983,920)	
Less: Utilised during The year	-	-
	<b>68,916,080</b>	<b>72,725,000</b>
<b><u>Surplus / (Deficit) in Statement of Profit and Loss</u></b>		
Balance as per last balance sheet	640,248	5,821,460
Add: Acquired on Merger of Keen Investments & Leasing Ltd. with:		
Flora Fountain Properties Limited	141,722	
Zillion Investments Company Limited	537,160	
Add: Profit / (Loss) for the year	1,811,495	(3,995,520)
Amounts transferred from:		
General reserve	-	-
Excess provision for taxes	2,511	-
Less: Interim dividend	-	-
Dividends proposed to be distributed to equity shareholders	-	(245,000)
Tax on dividend	-	(40,692)
Transferred to:		
General reserve	1,535,000	(900,000)
Add: Transferred to Minority Interest	153,829	
Closing balance	<b>1,751,965</b>	<b>640,248</b>
<b>Total</b>	<b>78,518,419</b>	<b>73,365,248</b>

**MACK TRADING COMPANY LIMITED**

**Consolidated Notes forming part of the financial statements**

**Note 3 Long-term provisions**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
(a) Provision for Tax:		
Keen Investments & Leasing Limited	3,470,000	2,945,000
Flora Fountain Properties Limited	386,500	-
Zillion Investments Company Limited	181,500	-
(b) Provision For FBT	35,000	54,500
<b>Total</b>	<b>4,073,000</b>	<b>2,999,500</b>

**Note 4 Short term borrowings**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
(a) Loans repayable on demand		
From banks against pledge of movable fixed asset		
Secured	-	28,202
<b>Total</b>	<b>-</b>	<b>28,202</b>

**Note 5 Other current liabilities**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
Unpaid dividends	-	245,000
<b><u>Other payables</u></b>		
(i) Statutory remittances		
TDS payable	2,298	1,616
Tax on proposed dividend		40,692
(ii) Payables on purchase of fixed assets(Fincom Infocare Pvt Ltd )	19,600	
(iii) Contractually reimbursable expenses( Commission Payable)	20,687	14,544
<b><u>(iv) Others</u></b>		
Salary & Bonus Payable	28,097	18,825
Outstanding Expenses	48,065	48,715
<b>Total</b>	<b>118,746</b>	<b>369,392</b>

MACK TRADING COMPANY LIMITED

Consolidated Notes forming part of the financial statements

Note 6 Fixed assets

A.	Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
		Balance as at 1 April, 2011	Additions	Disposals	Balance as at 31 March, 2012	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2011
		AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	(a) Furniture and Fixtures Owned	109,041	-	-	109,041	106,586	444	-	107,030	2,011	2,455
	(b) Vehicles Owned	2,788,437	-	-	2,788,437	1,256,589	396,595	-	1,653,184	1,135,253	1,531,848
	(c) Computer Owned	373,373	558,800	-	932,173	364,570	32,915	-	397,485	534,688	8,803
	(d) Buildings Own use	347,755	-	-	347,755	256,224	5,153	-	261,377	86,378	91,531
	(e) Plant and Equipment Owned	2,751,854	-	-	2,751,854	87,871	1,742	-	89,613	2,662,241	2,663,983
	(f) Office equipment Owned	110,435	-	-	110,435	101,560	1,234	-	102,794	7,641	8,875
	<b>Total</b>	<b>6,480,895</b>	<b>558,800</b>	<b>-</b>	<b>7,039,695</b>	<b>2,173,400</b>	<b>438,083</b>	<b>-</b>	<b>2,611,483</b>	<b>4,428,212</b>	<b>4,307,495</b>
	<b>Previous year</b>	<b>5,092,506</b>	<b>1,388,389</b>	<b>-</b>	<b>6,480,895</b>	<b>1,623,340</b>	<b>550,060</b>	<b>-</b>	<b>2,173,400</b>	<b>4,307,495</b>	<b>3,469,166</b>





**MACK TRADING COMPANY LIMITED**

**Consolidated Notes forming part of the financial statements**

**Note 7 Non-current Investment**

	As at 31 March, 2012			As at 31 March, 2011		
	No. of	FACE	Total	No. of	FACE	Total
	SHARES	VALUE	AMOUNT	SHARES	VALUE	AMOUNT
<b><u>QUOTED EQUITY SHARES</u></b>						
ADITYA BIRLA NUVO LTD.	4,989	10	622,815	-	-	-
AMFORGE INDUSTRIES LTD	46	2	585	16	10	165
ANCENT SOFTWARE INT LTD.	144,607	10	628,460	144,607	10	628,460
APCOTEX INDUSTRIES LTD.	50	10	5,175	50	10	5,175
ADANI POWER LTD	368	10	24,500	-	-	-
BAJAJ HINDUSATN	6,000	1	171,939	-	-	-
BALASORE ALLOYS LTD.	428	5	3,757	-	-	-
BHARAT COMMERCE & INDUSTRIES LTD,	62	10	2,510	-	-	-
BOMBAY BURMAH TRADING CORPN. LTD.	20	10	3,772	-	-	-
CENTURY TEXTILE LTD.	500	10	181,270	500	10	181,270
CHEMPLAST SANMAR LTD.	182,138	1	385,689	182,080	1	385,668
COAL INDIA LTD.	199	10	65,457	-	-	-
DALAL STREET INVESTMENT	200	10	3,688	100	10	2,126
DCL FINANCE LTD	118,175	10	141,810	118,175	10	141,810
DECCAN CEMENTS LTD	10,040	10	241,102	10,040	10	241,102
DPSC LTD.	30,000	1	83,857	320	10	205,775
ECE INDUSTRIES LTD.	4,386	10	334,377	-	-	-
EDDY ENT LTD.	850	10	9,180	-	-	-
ELCOT POWER CONTROLS LTD.	1,200	10	90,000	-	-	-
GEODESIC INFORMATION SYSTEMS LTD.	2,830	2	500,055	2,830	2	500,055
GILLANDERS ARBUTHNOT & CO. LTD.	75	10	1,557	-	-	-
GREAT EASTERN SHIPPING CO. LTD.	147	10	7,631	-	-	-
GREAT OFFSHORE LTD.	36	10	1,915	-	-	-
GUJARAT ALKALIES & CHEMICALS LTD.	98	10	3,851	-	-	-
HARITA SEATING SYSTEMS LTD.	11,480	10	60,133	-	-	-
HINDUSTAN OIL EXPLORATION LTD.	50	10	7,760	50	10	7,760
INDIAN OIL CORPORATION LTD.	6,912	10	529,167	6,912	10	529,167
ICICI BANK LTD	30,600	10	3,083,531	16,800	10	1,423,621
INDIAN HUME PIPE CO LTD.	40	2	-	40	2	-
INDIAN MOTOR PARTS & ACCESSORIES LTD.	32	10	-	-	-	-
INDUSTRIAL & PRUD INVT. TRUST LTD.	7,370	10	63,627	7,270	10	43,620
IFCI LTD.	100	10	3,500	100	10	3,500
JOSTS ENGINEERING CO. LTD.	200	10	16,120	-	-	-
JM FINANCIAL LTD.	4,375	1	2,314	4,375	1	2,314
KESORAM TEXTILE MILLS	24	10	-	-	-	-
KIRLOSKAR FEROUS LTD.	500	10	13,329	500	10	13,329
LARSEN & TOUBRO LTD.	204	2	167	204	2	167
MACK TRADING COMPANY LIMITED	2,210	10	22,438	-	-	-
MAHAMAYA INVESTMENT LTD.	562	10	5,680	-	-	-
MAHINDRA FORGING LTD	46	10	585	16	10	165
MAHINDRA LIFE SPACE DEV. LTD.	4	10	207	-	-	-
MATHER & PLATT FIRE SYSTEMS LTD.	118	10	1,994	-	-	-
MERCATOR LINES LTD.	2,000	10	84,769	2,000	10	84,769
MADRAS FERTILIZERS LTD.	15,000	10	318,230	15,000	10	318,230
MOUNT EVEREST MINERAL WATRER LTD.	3,000	10	236,020	3,000	10	236,020
MPIL CORPORATION LTD.	21	10	355	-	-	-
MRF LTD.	5	10	48,552	-	-	-
NAGARJUNA FINANCE LTD.	2,600	10	79,560	-	-	-
NIRUP SYNCHROME LTD.	100		150	-	-	-
NATIONAL MINERAL DEVELOPMENT CORPORATION	250	1	24,353	250	1	24,353
NHPC LTD.	713	10	14,749	-	-	-
NTPC LTD.	387	10	26,181	387	10	26,181
NBI IND FIN CO LTD.	51,688		704,482	-	-	-
NU TECH CORPORATE SERVICES LTD.	49,250	10	539,021	-	-	-

**MACK TRADING COMPANY LIMITED**

**Consolidated Notes forming part of the financial statements**

ORIENT BEVERAGES LTD.	2,750	10	50,023	-	-	-
PANJON LTD.	92,000	10	2,113,609	92,000	10	2,113,609
PEARL POLYMERS LTD.	155	10	2,850	155	10	2,850
PERIA KARAMALAI TEA & PROD. CO. LTD.	75	10	2,528	-	-	-
PHILIPS INDIA LTD.	14	10	2,000	-	-	-
RASHTRIYA CHEMICAL & FERTILIZERS LTD.	250	10	18,730	250	10	18,730
RELIANCE INFRASTRUCTURES LTD.	1,050	10	687,695	1,050	10	687,695
RELIANCE INDUSTRIES LTD.	1,482	10	213,858	1,482	10	213,858
RELIANCE POWER LTD.	5,041	10	2,006,197	5,041	10	2,006,197
SUNDAR MAGANESE & IRON ORES LTD.	50	10	33,520	50	10	33,520
SELAN EXPLORATION LTD.	550	10	30,131	550	10	30,131
SESA GOA LTD.	70,280	1	64,620	3,880	1	4,345
SIBER MEDIA & ENT. LTD.	50,000	10	25,000	50,000	10	25,000
SIV INDUSTRIES LTD.	300	10	825	300	10	825
STEWARTS & LLOYDS LTD.	113,900	10	2,283,695	113,900	10	2,283,695
SOUTHERN SWITCHGEARS LTD.	2,135	10	51,350	1,019	10	23,690
SHILPA GALVANISERS LTD.	10,000	10	68,080	-	-	-
STERLITE OPTICAL LTD.	500	10	20,210	-	-	-
TATA INVESTMENT CORPORATION LTD.	96,798	10	3,480,189	96,798	10	3,480,189
TCS LTD.	28	10	5,950	28	10	5,950
TATA MOTORS LTD.	1,500	2	175,079	-	-	-
TREND ELECTRONICS LTD.	50	10	1,310	-	-	-
ULTRATECH CEMENTS LTD.	40	10	-	40	10	-
VIKAS WSP LTD.	5,000	10	168,798	5,000	10	168,798
VEGEPRO FOODS & FEEDS LTD.	200	10	2,000	-	-	-
INDUSTRIAL INVESTMENT TRUST LTD.	3,250	10	95,047	3,250	10	95,047
GALADA POWER & TELECOMMUNICATION LTD.	2,200	10	53,135	2,200	10	53,135
BALMER LAWRIE INVESTMENTS LTD.	850	10	-	-	-	-
[alloted as per scheme of arrangement & reconstruction between IBP Co.Ltd. & Balmer Lawerie Investments Ltd.] TANITA CONSTRUCTIONS LTD.	125	10	6,250	125	10	6,250
			<b>21,064,605</b>			<b>16,258,316</b>
<b>UNQUOTED EQUITY SHARES</b>						
AMBIKA MILLS LTD.	100	10	2,200	-	-	-
ASIA PACIFIC INVESTMENT TRUST LTD.	2,500	10	17,287	-	-	-
AVON INDUSTRIES LTD.	200	10	2,234	-	-	-
ELCOT POWER CONTROL LTD.	-	-	-	500	10	37,500
KAP CHEMICALS LTD.	200	10	1,220	-	-	-
KESORAM TEXTILES MILL LTD.	-	-	-	24	10	-
MADRAS MOTOR FINANCE COC. LTD.	450	10	4,095	-	-	-
MAYUR SYNTEX LTD.	100	10	810	-	-	-
NBI INDL. FINANCE CO. LTD.	-	-	-	51,688	10	704,481
NIRUP SYNCHROME LTD.	-	-	-	100	10	150
PHILIPS ELECTRONICS INDIA LTD.	-	-	-	14	10	2,000
SESHASHAI INDUSTRIES LTD.	155,000	10	158,100	-	-	-
SHILPA GALVANISERS LTD.	-	-	-	10,000	10	68,080
SHREE BOMBAY COTTON MILLS ESTATE PVT LTD.	1,850	10	379,888	1,100	10	331,100
STELLER EXPORTS LTD.	9,000	10	90,833	-	-	-
SOUTHERN SWITCHGEARS LTD.	-	-	-	1,116	10	27,660
TESTEEL CO. LTD.	28	10	589	-	-	-
TUTYA ALLOYS CASTING LTD.	1,900	10	19,285	-	-	-
VEGEPRO FOODS & FEEDS LTD.	-	-	-	200	10	2,000
WORLD LINK FINANCE LTD.	700	10	8,621	-	-	-
CHHABHAIYA CO.OP.HSG. SOC. LTD.	1	50	50	1	50	50
<b>Total - Other investments</b>			<b>685,212</b>			<b>1,173,021</b>
Less: Provision for diminution in value of investments			-			-
<b>Total</b>			<b>21,749,816</b>			<b>17,431,337</b>
Aggregate amount of quoted investments			21,064,605			16,258,316
Aggregate market value of listed and quoted investments			106,438,328			83,290,547
Aggregate amount of unquoted investments			685,212			1,173,021

**MACK TRADING COMPANY LIMITED**

**Consolidated Notes forming part of the financial statements**

**Note 8 Long-term loans and advances**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
(a) Capital advances Unsecured, considered good	1,807,000	2,357,000
(b) Inter Corporate Deposit Unsecured, considered good  Less: Provision for doubtful deposits	63,547,157  -	50,443,657  -
(c) Loans and advances to others  Unsecured, considered good  Less: Provision for doubtful loans and advances	223,641  -	1,258,700  -
(d) Deposits	348,020	3,000
(e) Prepaid expenses - Unsecured, considered good	18,000	-
(f) Advance income tax, Self Assessment Tax and TDS	4,034,612	3,137,410
<b>Total</b>	<b>69,978,430</b>	<b>57,199,767</b>

**Note 9 Trade receivables**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
Trade receivables outstanding for a period exceeding six months from the date they were due for payment Secured, considered good Unsecured, considered good Doubtful	- - -	- - -
Less: Provision for doubtful trade receivables	-	-
Other Trade receivables Secured, considered good Unsecured, considered good Doubtful	- 31,960 -	- 16,000 -
Less: Provision for doubtful trade receivables	-	-
<b>Total</b>	<b>31,960</b>	<b>16,000</b>

**MACK TRADING COMPANY LIMITED**

**Consolidated Notes forming part of the financial statements**

**Note 10 Cash and cash equivalents**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
(a) Cash on hand	390.00	398
(b) Balances with banks		
(i) In current accounts	32,487	149,306
<b>Total</b>	<b>32,877</b>	<b>149,704</b>

**Note 11 Short-term loans and advances**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
(a) Inter-corporate deposits		
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful inter-corporate deposits		
(b) Others (specify nature)		
Advance to Party	16,000	-
Unsecured, considered good		
<b>Total</b>	<b>16,000</b>	<b>-</b>

**Note 12 Other Current Asset**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	AMOUNT	AMOUNT
(a) Accruals		
(i) Interest accrued on deposits	68,341	82,495
(b) Miscellaneous Expenditure		
(i) Share Issue Expenses	17,028.00	25,543
<b>Total</b>	<b>85,369.00</b>	<b>108,038</b>

**MACK TRADING COMPANY LIMITED**

**Consolidated Notes forming part of the financial statements**

**Note 13 Other income**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	AMOUNT	AMOUNT
(a) Interest income		
Interest on loan	2,690,117	2,492,952
Interest on bank deposits	75,901	86,158
(b) Dividend income:		
from long-term investments		
subsidiaries		
others	850,600	1,739,686
(c ) Long term Capital Gain	296,113	119,176
(d ) Short Term capital gain	-	207,306
(e )Other non-operating income	812,734	434,400
<b>Total</b>	<b>4,725,465</b>	<b>5,079,678</b>

**Note 14 Employee benefits expense**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	AMOUNT	AMOUNT
Salaries and wages	596,346	672,308
Bonus	14,900	8,694
Ex- Gratia	92,010	-
Leave salary	12,900	9,833
<b>TOTAL</b>	<b>716,156</b>	<b>690,835</b>

**Note 15 Finance costs**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	AMOUNT	AMOUNT
(a) Interest expense on:		
(i) Others		
Interest on Car loan	418	13,638
<b>Total</b>	<b>418</b>	<b>13,638</b>

**MACK TRADING COMPANY LIMITED**

**Consolidated Notes forming part of the financial statements**

**Note 16 Other expenses**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	AMOUNT	AMOUNT
Advertisement	-	15,160
Bank Charges	-	110
Books & Periodicals	1,710	3,074
Insurance	35,962	18,987
Travelling and conveyance	35,404	33,285
Telephone Expenses	89,243	43,645
Postage	612	1,673
Power and fuel	170	450
Rent including lease rentals	4,319	4,275
Rates and taxes	3,000	22,752
Sales commission	22,985	16,160
Vehicle maintenance	101,097	88,465
Printing and stationery	344	3,473
Repairs & Maintenance	20,962	24,857
Demat Charges	8,890	329
Vehicle Expenses	153,554	230,115
Business promotion	19,090	24,928
Filing Fee	26,345	19,045
Service Charges	114,000	114,000
Legal and professional	109,585	114,793
Donation	-	6,655,000
<u>Payments to auditors</u>		
As auditors - statutory audit	26,236	14,500
For taxation matters	7,865	5,500
For other services	-	5,751
Miscellaneous Expenses	61,842	90,338
Total	<b>843,215</b>	<b>7,550,665</b>

**MACK TRADING COMPANY LIMITED**

**Consolidated Notes forming part of the financial statements**

**Note 17 Disclosures under Accounting Standards**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
<b><u>Earnings per share (EPS)</u></b>		
Net profit for the year (before tax)	2,336,495	(3,725,520)
Provision for Taxation	(525,000)	(270,000)
Net profit attributable to equity shareholders	1,811,495	(3,995,520)
Weighted average number of equity shares	245,000	245,000
Earnings per share - Basic & Diluted	7.39	(16.31)
Par value per share	10	10

## MACK TRADING COMPANY LIMITED

### Consolidated Notes forming part of the financial statements

#### Note

#### Particulars

#### 18 Corporate information

**Mack Trading Company Limited is an Investment and Trading company.**

Registered Office

**5-C, Sindhu House 3rd Floor, Nanabhai Lane, Flora Fountain , Fort, Mumbai - 400001.**

#### 19 Significant accounting policies

##### 19.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention.

##### 19.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

##### 19.3 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

##### 19.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

##### 19.5 Depreciation and amortisation

Depreciation has been provided on the Reducing balance method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.



## **19.6 Other income**

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

## **19.7 Tangible fixed assets**

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Some Fixed assets acquired but not put to use therefore no depreciation has been charged.

## **19.8 Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Cost of investments include acquisition charges such as brokerage, fees and duties.

## **19.9 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

## **19.10 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. As defined in AS 22 company has no material deferred tax liability and hence not provided.

**19.11 Employee Benefits**

As defined in AS 15 gratuity / retirement benefits (amount unascertained) as per consistent practice are accounted on cash basis.

**19.12**

The subsidiary Keen Invesments and Leasing Limited has acquired the Investment Division of M/S Flora Fountain Properties Limited And M/s. Zillion Investments Company Limited as per the order of Hon'ble High Court, Bombay dated 13.04.2012 on Petition No. 204 of 2012 with effect from 1st April, 2011. The accounting enteries have been taken accordingly.

**19.13 Revised Schedule VI not suitable for specific disclosure**

As per Revised Schedule VI disclosure regarding netting up off Provision of Tax, Advanced Tax & TDS is unsuitable as regard to assessment procedure and client satisfaction. Therefore above items are shown saparetaly in particular schedule respectively.