

**GRANDMA TRADING AND  
AGENCIES LIMITED**

**ANNUAL REPORT - 2011-2012**

<b>Board of Directors</b>	Mr. Krishna Kumar Mansingka Mr. Mahavir Jain Mr. Suryakant Rasal Mr. Fulchand Jain
<b>Bankers</b>	ING Vysya Bank Limited
<b>Auditors</b>	Gupta Saharia & Co. (Chartered Accountant)
<b>Registered Office</b>	Office No.12, 2 <sup>nd</sup> Floor, New Vora Building, 59, Nakoda Street, Mumbai-400 003
<b>Share Register and Transfer Agent</b>	Purva Sharegistry (India) Pvt. Limited Unit no. 9, Shiv Shakti Ind. Estate. J .R. Boricha Marg, Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai - 400 011

	<b>Index</b>	<b>Page No.</b>
Notice		1
Directors' Report		7
Report on Corporate Governance		11
Auditor's Report		19
Balance Sheet		24
Statement of Profit and Loss Account		25
Cash Flow Statement		26
Notes to Accounts		27

NOTICE

**NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF GRANDMA TRADING AND AGENCIES LIMITED WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT OFFICE NO. 12, 2<sup>ND</sup> FLOOR, NEW VORA BUILDING, 59, NAKODA STREET, MAHARASHTRA, MUMBAI - 400003 ON FRIDAY, 21<sup>ST</sup> DAY OF SEPTEMBER, 2012 AT 03:00 P.M. TO TRANSACT THE FOLLOWING BUSINESS.**

**ORDINARY BUSINESS:**

1. To consider & adopt Balance Sheet as at 31<sup>st</sup> March, 2012 & Profit & Loss Account for the year ended on that date and the Reports' of the Board of Directors & Auditors thereon.
2. To appoint Auditors, Gupta Saharia & Co., Chartered Accountants, Mumbai (Firm Reg. no. 103446W) the retiring auditors, as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General and to 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. Suryakant Rasal, who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office as such upto the date of this Annual General Meeting and in respect of whom notice in writing under Section 257 of the Companies Act, 1956, has been received from a member signifying his intention proposing Mr. Suryakant Rasal as a candidate for the office of Director, be and is hereby appointed as a Director of the Company and that his period of office shall be liable to determination by retirement of Directors by rotation.”

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

“**RESOLVED THAT** Mr. Fulchand Jain, who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office as such upto the date of this Annual General Meeting and in respect of whom notice in writing under Section 257 of the Companies Act, 1956, has been received from a member signifying his intention proposing Mr. Fulchand Jain as a candidate for the office of Director, be and is hereby appointed as a Director of the Company and that his period of office shall be liable to determination by retirement of Directors by rotation.”

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

“**RESOLVED THAT** Mr. Mahavir Jain, who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, and who holds office as such upto the date of this Annual General Meeting and in respect of whom notice in writing under Section 257 of the Companies Act, 1956, has been received

from a member signifying his intention proposing Mr. Mahavir Jain as a candidate for the office of Director, be and is hereby appointed as a Director of the Company”.

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309 and 310 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, if any, consent of the members of the Company be and is hereby accorded to the appointment of Mr. Mahavir Jain as Managing Director of the Company, for a period of 3 years w.e.f. 13.08.2012, upon such terms and conditions as are set out in the draft agreement to be executed with Mr. Mahavir Jain, with specific Authority to the Board of Directors to alter or vary the terms and conditions of the said appointment and / or agreement including the remuneration which shall not exceed an overall ceiling of Rs.3,00,000/- per annum including all the perquisites, as may be agreed to between the Board of Directors and Mr. Mahavir Jain.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient, to give effect to this Resolution.”

By Order of the Board  
For **Grandma Trading and Agencies Limited**

Place: Mumbai  
Date: 13.08.2012

Sd/-  
Mahavir 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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The details under Clause 49 of the Listing Agreement with Stock Exchanges in respect of Directors proposed to be appointed / reappointed at the Annual General Meeting, is annexed hereto.
3. For convenience of Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and hand over the Attendance Slip at the place of Meeting. The Proxy of a Member should mark on the Attendance Slip as a Proxy.
4. The Register of Members and the Shares Transfer Books of the Company will be closed from Monday, the 10<sup>th</sup> day of September, 2012 to Friday, the 21<sup>st</sup> day of September, 2012 (both days inclusive).
5. The members are requested to:
  - (a) Intimate to the Company changes, if any, in their Registered Address, Bank Account Number / details etc. at an early date;
  - (b) Quote ledger folio numbers / DP ID and Client ID in all their correspondences;
  - (c) Approach the Company for consolidation of folios, if shareholdings are under multiple folios;
  - (d) Bring their copies of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;
  - (e) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the registered office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.

**EXPLNATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS OF THE NOTICE PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**Item No. 3 & 4**

Mr. Suryakant Rasal and Mr. Fulchand Jain were appointed as Additional Director of the Company with effect from 14<sup>th</sup> November, 2011 and 12<sup>th</sup> May, 2012, respectively, by the Board of Directors. Pursuant to Section 260 of the Companies Act, 1956, Mr. Suryakant Rasal and Mr. Fulchand Jain shall hold office up to the date of the next Annual General Meeting.

Mr. Suryakant Rasal is Commerce Graduate having experience in the field of Accounting and Taxation and have a good knowledge of finance and his appointment as Director of the Company would immensely benefit the Company.

Mr. Fulchand Jain is matriculate and having experience and good knowledge of trading of metal industry and dealing in various ferrous and non - ferrous metal and his appointment as Director of the Company would immensely benefit the Company.

None of the Directors of the Company except Mr. Suryakant Rasal and Mr. Fulchand Jain are in any way concerned or interested in this Resolution.

**Item No. 5 & 6**

Mr. Mahavir Jain was appointed as Additional Director of the Company with effect from 14<sup>th</sup> November, 2011 by the Board of Directors. Pursuant to the said Section of the Companies Act, 1956, Mr. Mahavir Jain holds office up to the date of the Next Annual General Meeting.

Further Consequent to the preferential issue of the Company the paid up capital of the Company has increased to Rs.13,06,00,000. In terms of the provisions of Section 269 of the Companies Act, 1956 every public Company having paid up share capital of Rs.5 crores or more is required to appoint managerial personnel.

The Board of Directors at their meeting held on 13.08.2012 had approved appointment of Mr. Mahavir Jain as Managing Director with effect from 13.08.2012 for a period of Three years, on the terms and conditions as contained in the draft agreement to be executed with Mr. Mahavir Jain, subject to the approval of the members. Mr. Mahavir Jain is a Commerce Graduate having experience in the field of manufacturing, trading metal industry and in various ferrous and non-ferrous metal and his appointment as Managing Director of the Company would immensely benefit the Company. Mr. Jain does not hold any shares in the Company. The remuneration of Mr. Jain is to be so fixed by the Board of Directors from time to time, such that the salary and the aggregate value of all perquisites and allowances shall not exceed the overall ceiling on remuneration approved by the members. Your Directors have recommended a ceiling of Rs.3,00,000/- per annum. For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

In the event of loss or inadequacy of profits in any financial year, the Managing Director shall be paid remuneration by way of salary and perquisites as specified above subject to the approval of the Central Government, if required.

The Managing Director shall not be eligible for any sitting fees for attending the Company's Board or Committee Meetings. The Board of Directors may, in its discretion pay to Mr. Jain lower remuneration than the maximum remuneration herein above stipulated and revise the same from time to time within the maximum limit stipulated by this resolution.

The proposed remuneration is within the limits prescribed under Schedule XIII of the Companies Act, 1956.

A copy of the draft Agreement to be executed with Mr. Jain is available for inspection by the Members of the Company at the Company's Registered Office and will be available at the Annual General Meeting.

In view of his rich experience, the appointment of Mr. Jain, as a Managing Director of the Company would be in the best interest of the Company.

None of the Directors of your Company except Mr. Mahavir Jain is interested either directly or indirectly in the resolution.

The Board recommends the Resolutions set out at item No. 5 and 6 of the Notice for your approval.

By Order of the Board  
For Grandma Trading and Agencies Limited

Place: Mumbai  
Date: 13.08.2012

Sd/-  
Mahavir Jain  
Managing Director

**Details of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges)**

<b>Name of the Director</b>	<b>Mr. Mahavir Jain</b>	<b>Mr. Suryakant Rasal</b>	<b>Mr. Fulchand Jain</b>
Date of Birth	03.05.1976	27.06.1965	10.12.1961
Relationship with other Directors Interse	No	No	No
Date of Appointment	14.11.2011	14.11.2011	12.05.2012
Expertise in specific functional area	Metal Industry	Accounts, Finance and Taxation	Metal Industry
Qualification	B. Com	B. Com	Matric
No. of Equity Shares held in the Company	Nil	Nil	Nil
Directorship in other Indian Public Limited Companies as on 31.03.2012	Nil	Nil	Nil
Chairmanship / Membership of Committees in other Indian Public Limited Companies as on 31.03.2012	Nil	Nil	Nil



**DIRECTORS REPORT**

**Dear Shareholders,**

Your Directors have pleasure in presenting the Annual Report and Audited Statements of Accounts for the financial year ended on 31<sup>st</sup> March 2012.

**FINANCIAL RESULTS:****(Rs. in Lakhs)**

<b>Particulars</b>	<b>2011 - 12</b>	<b>2010 - 11</b>
Sales and Other Income	28.70	13.78
Profit before Depreciation and Tax	12.33	0.81
Depreciation	0.00	0.00
Profit before Tax	12.33	0.81
Provision for Tax	3.81	0.27
Provision for Deferred Tax	0.00	0.00
Prior Year Tax Adjustment	0.31	0.00
Profit After Tax	8.21	0.53
<b>Add:</b> Profit brought forward from previous year	(57.60)	(58.14)
Balance Carried to Balance Sheet	(49.39)	(57.60)

During the year your Company has received income of Rs.28.70 lakhs as compared to 13.78 lakhs in previous year and has generated net profit of Rs.12.33 lakhs as compared to profit of Rs.0.81 lakhs during the previous year.

**DIVIDEND:**

Your Directors regret their inability to recommend any dividend until carry forward losses are hopefully wiped out.

**REVOCATION OF SUSPENSION:**

During the year, BSE Limited (BSE), where the Company's securities are listed, have restored the listing status, earlier suspended due to penal reasons, and permitted trading in equity shares of the Company w.e.f. 27.06.2011. Further, the Company's securities were admitted into both Central Depository Services (India) Limited as well as National Securities Depository Limited. Consequently, the securities are now traded in both physical as well as dematerialised form. The Company has made payment of annual listing fees to the Stock Exchange.

**CHANGES IN THE CAPITAL STRUCTURE****INCREASE IN AUTHORISED CAPITAL:**

During the year the authorized capital of the Company has increased from Rs.15,00,000 to Rs.16,00,00,000 divided into 1,60,00,000 Equity Shares of Rs.10 each.

**ALLOTMENT OF EQUITY SHARES:**

During the year pursuant to shareholders approval at Extra Ordinary General Meeting held on 12<sup>th</sup> December, 2012 the Board of Director have allotted 1,29,10,000 Equity Shares of Rs.10 each at

par to certain investors and consequently, the Paid-up capital increased from Rs.15,00,000 to Rs.13,06,00,000.

**BOARD OF DIRECTORS AND CHANGE IN MANAGEMENT****i. Composition of Board of Directors:**

The Board comprises of four Directors, of which two are Independent Directors. Mr. Mahavir Jain is appointed as the Managing Director of the company, subject to approval of shareholder.

**ii. Changes during the year:**

During the year Mr. Sanjay Deora and Mr. Siddharth Panjri have resigned as Director of the Company w.e.f. 17<sup>th</sup> November, 2011.

Mr. Mahavir Jain and Mr. Suryakant Rasal were appointed as Additional Director of the Company w.e.f. 14<sup>th</sup> November 2011 and to enhance the Board strength Mr. Fulchand Jain was appointed as Additional Director of the Company w.e.f 12<sup>th</sup> May, 2012.

**DEPOSITS:**

The Company has not accepted any Deposit from the Public during the year under review. As on 31<sup>st</sup> March, 2012 no unclaimed deposits are lying with the Company.

**PARTICULARS OF EMPLOYEES:**

The Company does not have any employee of the category specified in Section 217 (2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**AUDITORS:**

The auditor of the Company M/s. GUPTA SAHARIA & CO. hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appoint. The Company has received certificate from the Auditors to the effect that their appointment, if made would be within the prescribed limits under section 224 (1-B) of The Companies Act, 1956.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

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

- a) That in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2012, the applicable accounting standards have been followed and there has been no material departure;
- b) That the Directors have selected such accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of financial year and of profit of the company for that year under review;

- c) That the directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) That the annual accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE**

Compliance of Clause 49 is applicable to the company from the current year and therefore the Company has adopted to follow the requirements of Corporate Governance as stipulated under clause 49 of the Equity Listing Agreement of Stock Exchange and accordingly, the Report on Corporate Governance forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company M/s. Gupta Saharia & Co., regarding compliance with the conditions of Corporate Governance as stipulated in Clause 49 is annexed to this Report.

**MANAGEMENT DISCUSSION AND ANALYSIS****Industry Overview:**

The Indian economy has undergone a tough phase in the year 2011-12. After a rebound in growth in 2010-11, the Indian economy has slowed down to 6.5% in the fiscal year 2011-12. With increasing global integration, the Indian economy was impacted by global uncertainties, while at the same time it faced significant domestic challenges of persistent and high inflation, tight monetary conditions, low investment and delays in policy making. The industrial growth remained subdued at 3.4% as compared to 7.2% in the year 2010-11.

**Business Overview:**

Your Company is currently engaged in the areas of trading, distribution, import and export of commodities. Your Company has raised funds from certain investors to expend the network.

**Internal Control Systems:**

The Company has in place adequate systems of internal control to ensure compliance with policies and procedures. The internal audit report along with implementation and recommendations contained therein are constantly reviewed by the Audit Committee of the Board.

**Human Resources:**

Human resource is a valuable asset and the Company endeavors to provide an environment that each employee is motivated to contribute his best to achieve the Company's goals.

**Cautionary Statement:**

Statements made in the Management Discussion and analysis describing the Company's objectives, projections, estimates, predictions and expectations may be 'forward looking

statements' within the meaning of applicable securities law and regulations. Actual results might differ materially from those either expressed or implied.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

As there is nil expenditure on the points mentioned above, no particulars furnished in this report as required under Section 217(1)(e) of the Companies Act'1956 read with Companies (Disclosures of Particulars in the report of the Board of Directors) Rules'1988 regarding conservation of energy, technology, absorption and foreign exchange earnings and outgo.

**ACKNOWLEDGEMENT**

The Board wishes to place on record its sincere appreciation for the assistance and co-operation received from Bankers, Government Departments and other Business Associates for their continued support towards the conduct of operations of the Company efficiently.

The directors express their gratitude to the shareholders for their continuing confidence in the Company. The directors also acknowledge the hard work and persuasive efforts put in by the employees of the Company in carrying forward Company's

By Order of the Board  
For Grandma Trading and Agencies Limited

Place: Mumbai  
Date: 13.08.2012

Sd/-  
Mahavir Jain  
Managing Director

**REPORT ON CORPORATE GOVERNANCE FOR THE F.Y. 2011 – 12****1. COMPANY'S PHILOSOPHY:**

Good corporate governance is a synonym for sound management, transparency and disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a Company to take sound decisions, thus maximizing long-term stakeholder value without compromising on integrity, social obligations and regulatory compliances. The Company believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders.

The Company's philosophy on Corporate Governance finds its roots in the rich legacy of ethical governance practices. The Company will continue to focus its energies and resources in creating and safeguarding of shareholders' wealth and, at the same time, protect the interests of all its stakeholders.

During the year after allotment of equity shares on 16<sup>th</sup> January, 2012 under the preferential issue the paid up capital has increased to Rs. 13,06,00,000 and the Company is required to confirm with the compliances of Corporate Governance as contained in Clause 49 of the Listing Agreement, the details of which are given below.

**2. BOARD OF DIRECTORS:****2.1 Composition:**

The Board of Directors as on date viz: 13<sup>th</sup> August, 2012 comprises of Four Directors, of which 2 are Non-Executive Independent who brings in a wide range of skills and experience to the Board. The Chairman is Non-Executive and the number of Independent Directors is two. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

None of the Directors of the Company are related to each other.

Seven Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates were: 30<sup>th</sup> May 2011; 13<sup>th</sup> August, 2011; 31<sup>st</sup> October, 2011; 14<sup>th</sup> November, 2011; 17<sup>th</sup> November, 2011; 16<sup>th</sup> January, 2012 and 13<sup>th</sup> February 2012.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The information as required under Annexure IA to Clause 49 is being made available to the Board.

**2.2 Composition of Board and attendance record:**

Name of Director	Category of Directorship	Attendance at		No. of other Directorships and other Committee Memberships / Chairmanship		
		Board Meetings	Last AGM	Other Directorships #	Committee Memberships ##	Committee Chairmanships
Mr. Krishna K. Mansingka	Non-Executive	6	Yes	2	-	-
Mr .Mahavir Jain (Appointed w.e.f. 14.11.2011)	Executive	4	No	Nil	-	-
Mr. Suryakant Rasal (Appointed w.e.f. 14.11.2011)	Non-Executive, Independent	4	No	Nil	-	-
Mr. Fulchand Jain (Appointed w.e.f. 12.05.2012)	Non-Executive, Independent	-	No	Nil	-	-
Mr. siddharth Panjari (Resigned w.e.f. 17.11.2012)	Non-Executive	4	Yes	1	-	-
Mr. Sanjay Deora (Resigned w.e.f.17.11.2012)	Non-Executive	4	Yes	Nil	-	-

# Alternate Directorships and directorships in private companies, foreign companies and Section 25 Companies are excluded.

## Represents Memberships / Chairmanships of Audit Committee and Shareholders' / Investors' Grievance Committee.

**3. AUDIT COMMITTEE:**

The composition of the Audit Committee which is constituted w.e.f. 13<sup>th</sup> February, 2012 and composition as on 13<sup>th</sup> August, 2012 is as under;

- Mr. Suryakant Rasal
- Mr. Fulchand Jain
- Mr. K. K. Mansingka

The members possess adequate knowledge of Accounts, Audit and Finance etc. Mr. Suryakant Rasal is the Chairman of the Audit Committee.

The broad terms and reference of Audit Committee are to review the financial statements before submission to Board, to review reports of the Auditors and Internal Audit department and to review the weaknesses in internal controls, if any, reported by Internal and Statutory Auditors etc. In addition, the powers and role of the Audit Committee are as laid down under Clause 49 II C & D of the Listing Agreement entered with the Stock Exchanges and Section 292A of the Companies Act, 1956.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Statutory Auditors are also invited to the meetings.

**4. REMUNERATION COMMITTEE:**

The Remuneration Committee was constituted on 13<sup>th</sup> February, 2012 and no meeting has taken place during the year. Mr. Suryakant Rasal is the Chairman of Remuneration Committee. The Constitution of the Committee is as given below:

- i. Mr. Suryakant Rasal
- ii. Mr .Mahavir Jain
- iii. Mr. K. K. Mansingka

The terms of reference of the 'Remuneration Committee' are as follows:

- 1) To determine on behalf of the Board and on behalf of the Shareholders the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.
- 2) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The details of the remuneration paid to executive director are disclosed in the related party transactions in the notes to accounts section of the report. However, there is no sitting fees paid to Non – Executive Directors for attending Board and Committee Meetings.

#### **DETAILS OF SHARES HELD:**

The shares held by the Directors of the Company as on 31<sup>st</sup> March 2012 is given below:

<b>Name of Director</b>	<b>No. of Shares held</b>
Mr. Krishna Kumar Mansingka	3,000

#### **5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:**

The Shareholders / Investors Grievance Committee was constituted w.e.f. 13<sup>th</sup> February, 2012 and as on 13<sup>th</sup> August, 2012 it comprises of following 3 Directors.

- i. Mr. Mr. Suryakant Rasal
- ii. Mr. Mahavir Jain
- iii. Mr. Fulchand Jain

The terms of reference of the committee are *interalia* as follows:

- (a). Review the reports submitted by the Registrars and Share Transfer Agents of the Company at half yearly intervals.
- (b). Investor relations and redressal of shareholders grievances including relating to non-receipt of dividend, Annual Report, non – receipt of shares etc.
- (c). Oversee the performance of the Registrars and Share Transfer Agents of the Company.

Mr. Mahavir Jain is the Compliance Officer. His address and contact details are as given below:

**Address:** Office No. 12, 2<sup>nd</sup> Floor, New Vora Building, 59, Nakoda Street, Mumbai – 400 003  
Phone 022 – 66311134; 022 – 66510835 / Email: [grandmatrading@gmail.com](mailto:grandmatrading@gmail.com)

#### **6. ANNUAL GENERAL MEETINGS:**

The details of date, time and location of Annual General Meetings (AGM) held in previous three years are as under:

AGM / EGM	Date	Time	Venue
EGM	12.12.2011	02.30 pm	Office No. 12, 2 <sup>nd</sup> Floor, New Vora Building, 59, Nakoda Street, Mumbai – 400 003
AGM	30.09.2011	11.00 am	212, 2 <sup>nd</sup> Floor, Marine Chambers, New Marine Lines, Churchgate, Mumbai – 400 020
AGM	30.09.2010	11.30 am	11, Mansingka Chambers, 258, Kalbadevi Road, Mumbai – 400 002
AGM	26.09.2009	11.00 am	11, Mansingka Chambers, 258, Kalbadevi Road, Mumbai – 400 002

There are no Special Resolutions passed in the previous three Annual General Meetings.

Following Special Resolutions was passed at the Extra Ordinary General Meeting held on 12-12-2011

- i. Increase in Authorized Capital of Company from existing Rs.15,00,000 to Rs.16,00,00,000.
- ii. Issue and allotment of 1,50,00,000 Equity Shares of Rs.10 each on preferential basis to other than Promoters.

During the year following Special Resolutions were passed through postal ballot: Nil

No Court-convened Meetings were held during the last three years.

#### 7. DISCLOSURES:

- 1.1 There were no materially significant related party transactions i.e. transaction of the Company of material nature with its Promoters, Directors or the Management or their relatives etc. that would conflict with the interests of the Company.
- 1.2 No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years. Excepting payment being made to BSE Limited for revocation of suspension.
- 1.3 The Whistle Blower Policy (WBP) adopted by the Company in line with Clause 7 of Annexure 1D to Clause 49 of the Listing Agreement during year. The Company affirms that no employee has been denied access to the Audit Committee.
- 1.4 All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company. However the provisions are applicable during the year.
- 1.5 The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.
- 1.6 In terms of Clause 49(V) of the Listing Agreement, the Managing Director's certification to the Board of Directors in the prescribed format will be done.





Unit: Grandma Trading & Agencies Limited  
 Unit no. 9, Shiv Shakti Ind. Estate,  
 J.R. Boricha marg, Opp. Kasturba Hospital Lane,  
 Lower Parel (E), Mumbai - 400 011  
 Tel: 91-22-2301 6761 / 8261 ; Fax : 91-22-2301 2517  
 E-mail: busicmp@vsnl.com; Website: [www.purvashare.com](http://www.purvashare.com)

**f. Distribution of Shareholding:**

The distribution of shareholding as on 31<sup>st</sup> March, 2012 is given below:

Sr. No	No of Equity Shares	No. of Shareholders	No. of Shares	% of Total shares
1.	1 - 5,000	49	12,950	0.10
2.	5,001 - 10,000	15	12,150	0.09
3.	10,001 - 20,000	14	19,800	0.15
4.	20,001 - 30,000	14	39,800	0.30
5.	30,001 - 40,000	1	3,200	0.02
6.	40,001 - 50,000	1	5,000	0.04
7.	50,001 - 1,00,000	2	15,500	0.12
8.	1,00,001 & Above	45	1,29,51,600	99.17
	<b>TOTAL</b>	<b>141</b>	<b>1,30,60,000</b>	<b>100.00</b>

**g. Dematerialisation of Shares and Liquidity:**

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Particulars of Shares	Equity Shares of Rs.10 each	
	Number	% of total
<b>Dematerialised form</b>		
NSDL	51,65,850	39.55
CDSL	77,81,100	59.58
<b>Sub Total</b>	<b>1,29,46,950</b>	<b>99.13</b>
Physical form	1,13,050	0.87
<b>Total</b>	<b>1,30,60,000</b>	<b>100.00</b>

**h. Registered Office:** Office No. 12, 2<sup>nd</sup> Floor, New Vora Building, 59, Nakoda Street, Mumbai – 400003  
 Phone 022 – 66311134; 022 - 66510835  
 Email: [grandmatrading@gmail.com](mailto:grandmatrading@gmail.com)

Designated exclusive e-mail id for Investor servicing: [grandmatrading@gmail.com](mailto:grandmatrading@gmail.com)

The website of the Company is [www.grandmatrading.com](http://www.grandmatrading.com)

**10. CORPORATE ETHICS**

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. A Code of Conduct for Board Members and a Code of Conduct for Prevention of Insider Trading has been adopted pursuant to clause 49 (D) of the Listing Agreement & the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended), respectively:

**a. Code of Conduct for Board Members and Senior Management:**

The Board of Directors of the Company adopted the Code of Conduct for its members and Senior Management at their meeting held on 16<sup>th</sup> February, 2012.

**b. Declaration affirming compliance of Code of Conduct:**

The Company has received confirmations from the Directors regarding compliance of the Code of Conduct during the year under review.

A declaration by Managing Director affirming compliance of Board members and senior management personnel to the Code is also annexed herewith.

**c. Code of Conduct for Prevention of Insider Trading:**

The Company has adopted the Code of Conduct for Prevention of Insider Trading for its Management and Directors. The Code lays down guidelines and procedures to be followed and disclosures to be made by directors, top level executives and staff whilst dealing in shares. The Managing Director has been appointed as the Compliance Officer and is responsible for adherence to the Code.

**d. Compliance Certificate by Auditors:**

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of corporate governance as stipulated in clause 49, which is annexed herewith.

AS PROVIDED UNDER CLAUSE 49 OF THE LISTING AGREEMENT, THE BOARD MEMBERS HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT FOR THE YEAR ENDED 31.03.2012.

By Order of the Board  
For Grandma Trading and Agencies Limited

Place: Mumbai  
Date: 13.08.2012

Sd/-  
Mahavir Jain  
Managing Director

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:**

We have examined the compliance of the conditions of Corporate Governance by GRANDMA TRADING AND AGENCIES LIMITED for the year ended 31<sup>st</sup> March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the BSE Limited.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s Gupta Saharia & Co.  
Chartered Accountants

Sd/-  
(S.S. Rathi)  
Partner  
Membership No.: 73373  
Firm Reg. No. 103446W

Place: Mumbai  
Date: 13<sup>th</sup> August, 2012

**AUDITORS REPORT**

To the member of,  
Grandma Trading and Agencies Limited,

We have audited the attached Balance Sheet of **GRANDMA TRADING AND AGENCIES LIMITED** as at 31<sup>st</sup> March 2012 and the Profit and Loss Account of the Company for the year ended as 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.

We conducted our audit in accordance with auditing standard 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 test basis evidence supporting the amounts and disclosure 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 the reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in Paragraphs 4 and 5 of the said order.

Further to our comments in the annexure referred to in paragraph above, we state that:

1. 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.
2. In our opinion, the Company, as required by law, has kept proper books of account, so far, as appears from our examination of the books.
3. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts, maintained by the Company and examined by us.
4. In our opinion, the Profit and Loss Account & Balance Sheet comply with the accounting standard referred in subsection (3C) of section 211 of the Companies Act, 1956 to the extent applicable.
5. On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2012 and taken on the record by the Board of Directors we report that none of the Directors of the Company is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a Director in terms of clause (g) of subsection (1) of Section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to Notes appended thereto, 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 :

- in the case of the Balance sheet, of the state of affairs of the company as at 31st March, 2012 and
- in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

For M/s Gupta Saharia & Co.  
Chartered Accountants

Sd/-  
(S.S. Rathi)  
Partner  
M. No.: 73373  
Firm Reg. No.103446W

Place: Mumbai  
Date: 13<sup>th</sup> August, 2012

**Annexure to Auditors Reports**

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227 of the Companies Act, 1956, we further report that.

1. (a) The Stock has been physically verified by the management during the year. The management has verified / reconciled the stock during the year. In our opinion, the frequency of the verification is reasonable.
  - (b) Our opinion and according to the information and explanation given to us, the procedures of physical verification of stocks followed by the Management were found reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its stock and no material discrepancies were noticed on such physical verification.
2. In respect of Loans, secured or unsecured, granted or taken by the Company to / from Companies, Firm or the other parties covered in the register maintained under section 301 of the Companies Act, 1956, according to the information or explanation given to us:
  - (a) The Company has not taken loans secured or unsecured from the Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
  - (b) The Company has not given any loan secured or unsecured to Companies, from or the other parties covered in the register maintained under section 301 of the Companies Act, 1956 or the Companies under the same management within the meaning of Section 370(1-B) of the Companies Act, 1956.
  - (c) The other terms and conditions of these unsecured loans are not prima facie prejudicial to the interest of the Company.
  - (d) There is no overdue amount.
3. In our Opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regards to the purchase of shares, fixed asset and with regards to the sale of shares / fixed assets.
4. (a) According to the information and explanation given to us, the transaction that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered. However there are no such transactions that are required to be entered into in the 301 Register.

- (b) In our opinion and according to the information and explanation given to us, for purchase of goods, sale of goods and services made in pursuance of contracts or arrangements entered into the register in pursuance of section 301 of the Act and exceeding the value of Rs.5,00,000 in respect of each party during the year, have been made at prices which are reasonable having regard to the prevailing market prices for such goods & services have been made with the other parties.
5. The Company has not accepted any deposit from the public within the meaning of Section 58A and 58AA of Companies Act, 1956 and rules framed there under.
6. In our opinion, the Company's internal audit system is commensurate with its size and the nature of its business.
7. The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the Company.
8. (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion the Company is generally regular in depositing the undisputed statutory dues including Service Tax, Stamp Duty, Income Tax, and other applicable material statutory dues as applicable with appropriate authorities of India.
- (b) According to the Information and explanation given to us, no undisputed amounts payable in respect of Income tax as at 31<sup>st</sup> March, 2012 for a period of more than six months from the date they become payable.
- (c) According to the Information and explanation given to us and records of the Company examined by us, the dues of Income tax as at 31<sup>st</sup> March 2012 which have not been deposited on account of dispute are Nil.
9. The Company has accumulated losses of Rs.49.39 Lacs and it has not incurred cash loss during the financial year and has not incurred cash losses during the immediately preceding financial year.
10. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any Financial Institution or Bank.
11. The Company has not granted any Loans and Advances on the basis of Security by way of Pledge of share, debentures and other securities.
12. The provisions of any statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the provisions of any special aspect of chit fund, nidhi / mutual fund / societies are not applicable to the Company.
14. Company is not dealing or trading in shares, securities, debentures and other investments.



15. In our opinion, and according to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from Banks / Financial Institutions during the year.
16. The Company has not taken any term loan during the current year.
17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short terms basis have been used for long term investments. No long term funds have been used to finance short term assets.
18. The Company has not made any preferential allotment of Shares to Parties and Companies covered in the Register maintained under Sec. 301 of the Act during the year.
19. The Company has not issued any Debentures during the year.
20. The Company has not raised any money by Public Issue during the year. However Company has raised Rs.1291.00Lacs via preferential issue of Equity Shares to non existing shareholders.
21. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our Audit.

For M/s Gupta Saharia & Co.  
Chartered Accountants

Sd/-  
(S.S. Rathi)  
Partner  
M. No.: 73373  
Firm Reg.No.103446W

Place: Mumbai  
Date: 13<sup>th</sup> August, 2012

**GRANDMA TRADING AND AGENCIES LIMITED**

**Balance Sheet as at 31 March, 2012**

Particulars		Note No.	As at 31 March, 2012	As at 31 March, 2011
			₹	₹
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2.1	13,06,00,000	15,00,000
	(b) Reserves and surplus	2.2	(49,38,734)	(57,60,115)
<b>2</b>	<b>Non-current liabilities</b>		0	0
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	2.3	0	44,50,000
	(b) Trade payables	2.4	21,44,523	21,59,039
	(d) Short-term provisions	2.5	7,87,543	1,49,426
	<b>TOTAL</b>		<b>12,85,93,332</b>	<b>24,98,350</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets		0	0
	(b) Other non-current assets	2.6	10,37,840	0
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	2.7	79,656	79,656
	(b) Trade receivables	2.8	19,76,516	19,76,516
	(c) Cash and cash equivalents	2.9	19,50,841	4,42,178
	(d) Short-term loans and advances	2.10	12,35,48,479	0
	<b>TOTAL</b>		<b>12,85,93,332</b>	<b>24,98,350</b>
	<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.

**For GUPTA SAHARIA & CO.**

Chartered Accountants

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

Sd/-

**(S.S Rathi)**

**Partner**

**M. No.73373**

**Reg. No. 103446W**

Sd/-

**Mahavir Jain**

**Managing Director**

Sd/-

**Suryakant Rasal**

**Director**

Place : Mumbai

Date : 13.08.2012

**GRANDMA TRADING AND AGENCIES 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
			₹	₹
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
1	Revenue from operations	2.11	0	13,77,944
2	Other income	2.12	28,69,626	0
3	<b>Total revenue (1+2)</b>		<b>28,69,626</b>	<b>13,77,944</b>
4	<b>Expenses</b>			
	(b) Purchases of stock-in-trade	2.13	0	10,59,494
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.14	0	-25,494
	(d) Employee benefits expense	2.15	7,01,620	1,25,172
	(e) Finance costs		0	0
	(f) Depreciation and amortisation expense		0	0
	(g) Other expenses	2.16	9,34,770	1,38,117
	<b>Total expenses</b>		<b>16,36,390</b>	<b>12,97,289</b>
5	<b>Profit before exceptional and extraordinary items and tax (3 - 4)</b>		<b>12,33,236</b>	<b>80,655</b>
6	Exceptional items		0	0
7	<b>Profit before extraordinary items and tax (5 ± 6)</b>		<b>12,33,236</b>	<b>80,655</b>
8	Extraordinary items		0	0
9	<b>Profit before tax (7 ± 8)</b>		<b>12,33,236</b>	<b>80,655</b>
10	<b>Tax expense:</b>			
	(a) Current tax expense for current year		3,81,071	27,176
	(b) Current tax expense relating to prior years		30,784	0
			<b>4,11,855</b>	<b>27,176</b>
11	<b>Profit for the year (9 ± 10)</b>		<b>8,21,381</b>	<b>53,479</b>
9	<b>Earnings per share (of ₹ 10/- each):</b>			
	(a) Basic		0.06	0.36
	(b) Diluted		0.06	0.36
	<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.

**For GUPTA SAHARIA & CO.**  
Chartered Accountants

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

Sd/-  
(S.S Rathi)  
Partner  
M. No.73373  
Reg. No. 103446W

Sd/-  
Mahavir Jain  
Managing Director

Sd/-  
Suryakant Rasal  
Director

Place : Mumbai  
Date : 13.08.2012

**GRANDMA TRADING AND AGENCIES LIMITED**  
**Cash Flow Statement for the year ended March 31, 2012**

(Amount in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
<b>A Cash flow from Operating Activities</b>		
Net profit before taxation	12,33,236	80,655
<b>Adjustments for:</b>		
Interest income	(28,69,626)	0.00
Taxes	(4,11,855)	(31,920)
Preliminary expenses written off	2,59,460	0.00
<b>Operating profit before Working Capital changes</b>	<b>(17,88,785)</b>	<b>48,735</b>
<b>Changes in Working Capital</b>		
(Increase)/decrease in Trade and Other Receivables	0	78,89,340
(Increase)/decrease in Inventories	0	0
Increase/(decrease) in Trade and Other Payables	6,23,601	(1,39,14,810)
(Increase)/decrease in short term loans	(12,35,48,479)	0
<b>Cash generated from operations</b>	<b>(12,47,13,663)</b>	<b>(59,76,735)</b>
Income Taxes (paid)/ refund	0	0
<b>Net cash inflow from/(outflow) from Operating Activities</b>	<b>(12,47,13,663)</b>	<b>(59,76,735)</b>
<b>B. Cash flow from Investing Activities</b>		
Profit on sale of Investments	0	17,17,440
Interest received	28,69,626	0
<b>Net cash inflow from/(outflow) from Investing Activities</b>	<b>28,69,626</b>	<b>17,17,440</b>
<b>C. Cash flow from Financing Activities</b>		
Proceeds from issue of shares	12,91,00,000	0
Money/(repaid) from/to borrowings	(44,50,000)	44,50,000
Preliminary Expense	(12,97,300)	0
<b>Net cash inflow from/(outflow) from Financing Activities</b>	<b>12,33,52,700</b>	<b>44,50,000</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>	<b>15,08,663</b>	<b>1,90,705</b>
<b>Opening Cash and Cash Equivalents</b>	<b>4,42,178</b>	<b>2,51,473</b>
<b>Closing Cash and Cash Equivalents</b>	<b>19,50,841</b>	<b>4,42,178</b>

In terms of our report attached.

**For GUPTA SAHARIA & CO.**

Chartered Accountants

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

Sd/-  
(S. S. Rathi)

Partner

M. No.73373

Reg. No. 103446W

Place : Mumbai

Date : 13.08.2012

Sd/-  
**Mahavir Jain**  
Managing Director

Sd/-  
**Suryakant Rasal**  
Director

**NOTE - 1**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS  
FORMING PART OF THE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

**A) SIGNIFICANT ACCOUNTING POLICIES**

**1. GENERAL:**

- a) 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.
- b) Financial Statements are prepared on historical cost basis and in consonance with the Generally Accepted Accounting Principles.
- c) All revenues and expenses are accounted on accrual basis except to the extent stated otherwise.

**2. FIXED ASSETS:**

Fixed Assets are stated at cost of acquisition and other direct cost incurred up to the date the assets is put to use. However there were no fixed assets during the year.

**3. DEPRECIATION:**

Since the Company has no fixed assets no depreciation has been charged for the Financial Year 2011-2012.

**4. INVENTORIES:**

Inventories are valued at lower of Cost or Net Realizable Value.

**5. MISCELLANEOUS EXPENDITURE:**

Miscellaneous Expenditure comprising of share issue expenses and are written off in five equal installments.

**6. SUNDRY DEBTORS AND RECEIVABLES:**

Sundry Debtors and Loans and Advances are stated at the value if realized in the ordinary course of business. Irrecoverable amounts, if any are accounted and / or provided for as per management's judgment or only upon final settlement of accounts with the parties.

**7. TAXES ON INCOME:**

Provision for income tax is made on the basis of estimated taxable income for the current year at current rates.

Current Tax represents the amount of Income Tax payable in respect of the taxable income for the reporting period as determined in accordance with the provisions of the Income Tax Act, 1961.

**8. EARNING PER SHARE**

The Company reports basic and diluted Earning Per Share (EPS) in accordance with Accounting Standard 20 on “Earning Per Share”. Basic and Diluted EPS are Computed by dividing the net profit for the year attributable to equity share holders by the number of equity shares outstanding during the year.

**B) NOTES TO ACCOUNTS:**

1. The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

2. There was no amount due as on March 31, 2012 as reported to us from/to Micro, small & Medium Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006.

**3. PAYMENT TO DIRECTORS:**

	<b>2011-12</b>	<b>2010-2011</b>
Remuneration	NIL	NIL

**4. EARNING PER SHARE (EPS):**

Basic and Diluted EPS as per Accounting Standard 20 is Rs.0.06 (Previous year Rs.0.36).

**5. AUDITOR'S REMUNERATION:**

<b>AUDITOR'S REMUNERATION</b>	<b>2011-12</b>	<b>2010-2011</b>
Statutory Audit Fees	22,472.00	2500.00
<b>Total</b>	<b>22,472.00</b>	<b>2500.00</b>

**6. CONTINGENT LIABILITIES: NIL****7. RELATED PARTIES DISCLOSURE: NIL**

8. The Balance reflected under the head Sundry Debtors, Loans & Advances, Deposits and Sundry Creditors are subject to confirmation.

9. Foreign Exchange earnings	NIL	NIL
Foreign Exchange expenditure	NIL	NIL

10. As per management's view none of the current employees shall complete their term of service of five years, hence actuarial valuation of gratuity is not done.

11. Previous year's figures have been rearranged and regrouped wherever necessary.

**For GUPTA SAHARIA & CO.  
Chartered Accountants**

**On Behalf of the Board of Directors**

**Sd/-  
(S.S. Rathi)  
Partner  
M. No.73373  
Reg. No. 103446W**

**Sd/-  
Mahavir Jain  
Managing Director**

**Sd/-  
Suryakant Rasal  
Director**

**Place: Mumbai  
Date: 13.08.2012**

**GRANDMA TRADING AND AGENCIES LIMITED**  
Notes forming part of the financial statements

**Note 2.1 Share capital**

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares	₹	Number of shares	₹
<b>(a) Authorised</b> Equity shares of Rs.10 each with voting rights	1,60,00,000	16,00,00,000	1,50,000	15,00,000
<b>(b) Issued</b> Equity shares of Rs.10 each with voting rights	1,30,60,000	13,06,00,000	1,50,000	15,00,000
<b>(c) Subscribed and fully paid up</b> Equity shares of Rs.10 each with voting rights	1,30,60,000	13,06,00,000	1,50,000	15,00,000
<b>Total</b>	<b>1,30,60,000</b>	<b>13,06,00,000</b>	<b>1,50,000</b>	<b>15,00,000</b>

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2012			
- Number of Equity Shares	1,50,000	1,29,10,000	1,30,60,000
- Amount (Rs.)	15,00,000.00	12,91,00,000.00	13,06,00,000.00
Year ended 31 March, 2011			
- Number of Equity Shares	1,50,000	0	1,50,000
- Amount (Rs.)	15,00,000.00	0.00	15,00,000.00

**(ii) Details of shares held by each shareholder holding more than 5% Equity Shares:**

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity Shares with voting rights</b>				
Ms. AARTI SINGAL	7,50,000	5.74	0	0.00
Mr. SANJAY SINGAL	7,50,000	5.74	0	0.00
Mr. ANIKET SINGAL	7,50,000	5.74	0	0.00
SUNDERJI M SHAH HUF	7,00,000	5.35	0	0.00
DINESH S SHAH HUF	7,00,000	5.35	0	0.00
DEVCHAND M SHAH HUF	7,00,000	5.35	0	0.00
Mr. BHARAT BANSILAL JAIN	7,00,000	5.35	0	0.00
Ms. NIRMALA FATEHPURIA	0	0.00	12,500	8.33
Mr. G. P. MORARAKA	0	0.00	12,500	8.33
Mr. PANKAJ MANSINGKA	0	0.00	15,000	10.00
Ms. ANUJA MANSINGKA	0	0.00	9,250	6.17
<b>Total</b>	<b>50,50,000</b>	<b>38.62</b>	<b>49,250</b>	<b>32.83</b>

**Note 2.2 Reserves and surplus**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	(57,60,115.00)	(58,13,594.00)
Add: Profit / (Loss) for the year	8,21,381.00	53,479.00
Closing balance	<b>(49,38,734.00)</b>	<b>(57,60,115.00)</b>
<b>Total</b>	<b>(49,38,734.00)</b>	<b>(57,60,115.00)</b>



**GRANDMA TRADING AND AGENCIES LIMITED**  
**Notes forming part of the financial statements**

**Note 2.3 Short-term borrowings**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
<b>(a) Loans repayable on demand</b>		
<b>Unsecured</b>		
From other parties	0	44,50,000
<b>Total</b>	<b>0</b>	<b>44,50,000</b>

**Note 2.4 Trade payables**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
<b>Trade payables:</b>		
Acceptances	21,44,523	21,59,039
Other than Acceptances	0	0
<b>Total</b>	<b>21,44,523</b>	<b>21,59,039</b>

**Note 2.5 Short-term provisions**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
<b>(a) Provision - Others:</b>		
(i) Provision for tax	3,81,071	27,176
(ii) Provision for Other Expenses	4,06,472	1,22,250
<b>Total</b>	<b>7,87,543</b>	<b>1,49,426</b>

**GRANDMA TRADING AND AGENCIES LIMITED****Notes forming part of the financial statements****Note 2.6 Other Non current assets**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Unamortised expenses		
Preliminary Expense	10,37,840.00	0.00
<b>Total</b>	<b>10,37,840.00</b>	<b>0.00</b>

**Note 2.7 Inventories**

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Finished goods		
Goods-in-transit	79,656.00	79,656.00
<b>Total</b>	<b>79,656.00</b>	<b>79,656.00</b>

**Note 2.8 Trade receivables**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
<b>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
Unsecured, considered good	19,76,516	14,27,531
Less: Provision for doubtful trade receivables	0	0
	19,76,516	14,27,531
<b>Other Trade receivables</b>		
Unsecured, considered good	0	5,48,985
Less: Provision for doubtful trade receivables	0	0
	0	5,48,985
<b>Total</b>	<b>19,76,516</b>	<b>19,76,516</b>

**Note 2.9 Cash and cash equivalents**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
<b>(a) Cash on hand</b>	6,219	3,81,528
<b>(b) Balances with banks</b>		
In current accounts		
a) State Bank of Indore	0	35,650
b) ING Vysya Bank	0	25,000
c) New ING Vysya Bank	19,44,622	0
<b>Total</b>	<b>19,50,841</b>	<b>4,42,178</b>

**Note 2.10 Short-term loans and advances**

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
<b>(a) Balances with government authorities</b>		
TDS For A.Y. 2012 - 2013	2,86,963	0
<b>(b) Inter-corporate deposits</b>		
Unsecured, considered good	12,32,61,516	0
<b>Total</b>	<b>12,35,48,479</b>	<b>0</b>

**GRANDMA TRADING AND AGENCIES LIMITED**

**Notes forming part of the financial statements**

**Note 2.11 Revenue from operations**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
<b>Sale of products</b>		
Traded Goods	0	13,77,944
<b>Total</b>	<b>0</b>	<b>13,77,944</b>

**Note 2.12 Other Income**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
<b>Interest income</b>		
Interest on loans and advances	28,69,626	0
<b>Total</b>	<b>28,69,626</b>	<b>0</b>

**Note 2.13 Purchase of traded goods**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Suitings	0	1059494
<b>Total</b>	<b>0</b>	<b>1059494</b>

**Note 2.14 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
<b>Inventories at the end of the year:</b>		
Finished goods	79,656.0	79,656.0
Work-in-progress	0	0
Stock-in-trade	0	0
	79,656.0	79,656.0
<b>Inventories at the beginning of the year:</b>		
Finished goods	79,656.0	54,162.0
Work-in-progress	0	0
Stock-in-trade	0	0
	79,656.0	54,162.0
<b>Net (increase) / decrease</b>	<b>0</b>	<b>(25,494.0)</b>

**GRANDMA TRADING AND AGENCIES LIMITED****Notes forming part of the financial statements****Note 2.15 Employee benefits expense**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Salaries and wages	6,41,000	1,20,000
Staff welfare expenses	60,620	5,172
<b>Total</b>	<b>7,01,620</b>	<b>1,25,172</b>

**Note 2.16 Other expenses**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
<b><u>Communication</u></b>		
Postage & Courier Charges	12,730	0
Travelling and conveyance	30,520	5,070
Printing and stationery	22,090	3,040
<b><u>Business Promotion</u></b>		
Advertising Charges	23,119	0
Accounting Charges	24,500	0
<b><u>Legal and professional</u></b>		
a) Roc Fillings Fees	2,000	1,09,750
b) Listing Fees	3,05,795	11,330
c) Professional Fees	76,500	0
<b><u>Payments to auditors</u></b>		
Statutory Audit	22,472	2,500
Professional Tax	0	2,500
Bank Charges	2,705	1,114
Office Expense	32,354	2,813
Sundry Expense	22,970	0
Share Transfer Agents Fees	30,823	0
Custody Fees	66,732	0
<b><u>Miscellaneous expenses</u></b>		
Preliminary Expense Written off	2,59,460	0
<b>Total</b>	<b>9,34,770</b>	<b>1,38,117</b>

**GRANDMA TRADING AND AGENCIES LIMITED**

Office No. 12, 2<sup>nd</sup> Floor, New Vora Building, 59, Nakoda Street, Mumbai – 400 003

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**Attendance Slip**

Name of the attending Member (In Block Letters): \_\_\_\_\_

Folio No : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_

(To be filled in if the Proxy attends instead of the Member)

No. of Shares held : \_\_\_\_\_ (in words) \_\_\_\_\_

I hereby record my presence at the Annual General Meeting of the Company at Office No. 12, 2<sup>nd</sup> Floor, New Vora Building, 59, Nakoda Street, Mumbai – 400 003 on Friday, 21<sup>st</sup> Day of September, 2012 at 3.00 AM and at any adjournment thereof.

\_\_\_\_\_  
Member's/Proxy's Signature

(To be signed at the time of handing over this slip)

{NOTE: Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over the same at the entrance after the same has been duly signed}

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**GRANDMA TRADING AND AGENCIES LIMITED**

Office No. 12, 2<sup>nd</sup> Floor, New Vora Building, 59, Nakoda Street, Mumbai – 400 003

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**PROXY FORM**

I/We ..... of..... being a Member/Members of the above named Company, hereby appoint .....or failing him..... as my / our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, 21<sup>st</sup> September, 2012, at 3.00 p.m. and at any adjournment thereof.

Signed this ..... day of ..... 2012.

Folio No: \_\_\_\_\_ No. of Shares: \_\_\_\_\_

DP ID: \_\_\_\_\_ Signature \_\_\_\_\_

Affix Re. 1.00 Revenue Stamp
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**N.B.:** This proxy must be deposited at the Registered Office of the Company Office No. 12, 2<sup>nd</sup> Floor, New Vora Building, 59, Nakoda Street, Mumbai – 400 003, at least 48 hours before the meeting.

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**BOOK POST**

If undelivered, return to  
Grandma Trading and Agencies Limited  
**Regd. Off.:** Office No.12,  
2<sup>nd</sup> Floor, New Vora Building,  
59, Nakoda Street, Mumbai-400 003