

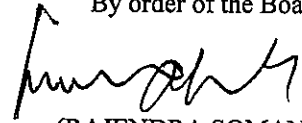
SARVAMANGAL MERCATILE CO. LIMITED

NOTICE

NOTICE is hereby given that the TWENTY-SEVENTH Annual General Meeting of the Company will be held at 1076 Dr. E. Moses Road, Worli, Mumbai 400 018, on Thursday the 30th September'2010 at 12.00 Noon to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March'2010 and the Profit & Loss Account for the year ended on that date of the Company and the Report of Directors' And Auditors' thereon.
2. To appoint a Director in place of Shri Rajendra Somani & Shri Adarsh Somani who retires by rotation and being eligible , offers himself for reappointment
3. To appoint Auditors and fix their remuneration.

By order of the Board



(RAJENDRA SOMANI)
Director

Place :- Mumbai

Date :- 2nd September'2010

NOTES :

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend vote instead of himself and the proxy need not be a member of the Company.

SARVAMANGAL MERCANTILE CO. LIMITED

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the TWENTY-SEVENTH Annual Report together with the Audited Statement of Accounts for the year ended 31st March' 2010.

FINANCIAL HIGHLIGHTS :

	Rs. In Lacs	
	Current Year	Previous Year
Gross Profit/(Loss)	10.76	(125.02)
Less : Interest	0.56	0.80
Depreciation	1.97	2.63
Provision for Income tax	0.00	0.24
Leaving a Balance	8.23	(128.69)
Balance brought forward from previous year	544.61	673.30
Balance transferred from General Reserve	--	--
Profit / (Loss) available for appropriation	552.84	544.61
Surplus carried to Balance Sheet	552.84	544.61
Balance carried to Balance Sheet	552.84	544.61

DIVIDEND :

Your Directors do not recommend any dividend, for the year.

FIXED DEPOSITS :

During the year under review the Company has not accepted any deposit from the public.

PARTICULARS OF EMPLOYEES :

None of the employees are drawing salary and allowance exceeding the limits prescribed U/S. 217(2A) of the Companies Act, 1956 hence the information need not to be given.

CONSOLIDATION OF ACCOUNTS:

In accordance with the Accounting Standard 21 issued by ICAI Consolidated Financial Statement forms part of this Report & accounts.

CONSERVATION OF ENERGY, TECHNOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since the Company has no manufacturing activities the disclosure of particulars as required under Section 217 (1) (e) of the Companies Act 1956, read with the (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 are not applicable in so far it relates to the conservation of energy and technology absorptions.

There were no foreign exchange earnings and outgo during the year under review :

DIRECTORS RESPONSIBILITY STATEMENT AS PER SECTION 217(2AA) OF THE COMPANIES ACT,1956.

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to director's responsibility statement, it is hereby confirmed.

- that in the preparation of the accounts for the financial year ended 31st March'2010 the applicable accounting standards have been followed
- that the director's have selected such accounting policies and applied them consistently and made judgement and estimates that were reasonable and prudent so as to give a true and fair view of the

state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review.

- c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguard of the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the directors have prepared the accounts for the financial year ended 31st March'2010 on a 'going concern' basis.

CERTIFICATE OF COMPLIANCE :

The Certificate of Compliance for all the provisions the Companies Act 1956, by a secretary in whole time practice is attached hereto, as required under section 383 A of the said Act.

LISITING :

Your Company is listed with The Bombay Stock Exchange Limited P.J. Towers, Dalal Street, Mumbai 400 001.

DIRECTORS :

Shri Rajendra Somani & Shri Adarsh Somani Director of the Company retires by rotation under the Company's Articles of Association and is eligible for re-appointment

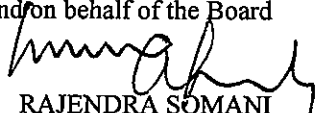
AUDITORS :

Members are requested to appoint Auditors for the current year and fix their remuneration, M/s. S.G. Kabra & Co. Chartered Accountants, the existing Auditors have informed their eligibility for re-appointment.

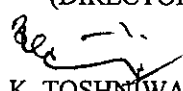
QUALIFICATION BY AUDITORS

The observation of auditors in their Report on the Accounts read with relevant note is self explanatory.

For and on behalf of the Board


RAJENDRA SOMANI
(DIRECTOR)


ADARSH SOMANI
(DIRECTOR)


B. K. TOSHNIWAL
(DIRECTOR)

Place : Mumbai

Date : 2nd September'2010



S. G. KABRA & CO.

CHARTERED ACCOUNTANTS

Wavell House, 1st Floor, 1st Dhobi Talao Lane, Mumbai - 400 002.

Tel.: 2201 0708 / 2200 4533 • Fax : 2200 1497 • E-mail : info@sgkabra.com • Website : www.sgkabra.com

AUDITORS' REPORT

To,
THE MEMBERS OF SARVAMANGAL MERCANTILE COMPANY LIMITED.

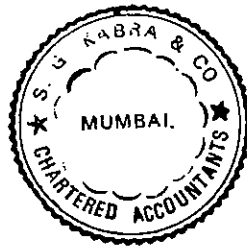
We have audited the attached Balance Sheet of M/S. SARVAMANGAL MERCANTILE COMPANY LIMITED, as at 31st March, 2010 and also Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 and read with the amendments made by the Companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of books and records of the company as we considered appropriate and according to the information and explanation given to us we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent they are applicable to the Company.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books.
 - (c) The Balance Sheet and Profit and 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 and Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable.
 - (e) On the basis of written representations received from the directors of the company, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) We further report that :-
 - (a) Note No. 2 regarding some of balances of sundry debtors, sundry creditors, deposits, loans & advances and unsecured loan are subject to confirmation and adjustments necessary upon

reconciliation, if any consequential impact thereof on the financial statement is not ascertainable.

- (g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to para (f) above and read together with the significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view, in conformity with the accounting principles generally accepted in India:
- (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - (ii) In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Place : Mumbai
Date : 02-09-2010



For S. G. Kabra & Co.,
Chartered Accountants

A handwritten signature in black ink, appearing to read "Malvika P. Mitra".

(Malvika P. Mitra)
Partner
Membership No. 44105

Annexure to Auditors' Report

Referred to in paragraph 2 of our report of even date

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

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
 - b) We have been informed that most of fixed assets have been physically verified by the management during the year. In our opinion the frequency of the verification is reasonable. No material discrepancies were noticed on such verification.
 - c) No substantial part of fixed assets has been disposed off during the year.

2.
 - (a) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) According to the information and explanations given to us, the procedures followed for physical verification of the inventory are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business;
 - (c) According to the records produced before us for our verification, there were no material discrepancies notices on physical verification of stocks referred to in para 2(a) above as compared to the books records;

3. In respect to loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - a) The Company has not granted/taken any loan secured or unsecured to/from firms or other parties listed in register maintained under section 301 of the Companies Act, 1956 during the year under audit. Therefore, Clause (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company for the year.
 - b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the Register maintained under Section 301 of the Act.
 - c) In our opinion and according to the information and explanation given to us the rate of interest and other terms and conditions on which these loans have been taken/granted are not prima facie prejudicial to the interest of the Company.
 - d) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.

4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.

5. In respect of transactions covered under Section 301 of the Companies Act, 1956

- a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, have been entered in the register required to be maintained under that section.
 - b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of Cost Records under Sanction 209 (1) (d) of the Companies Act, 1956 for any of the product of the Company.
9. In respect of statutory dues.
 - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.
 - b) There are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities
10. The Company has no accumulated losses but has not incurred cash losses during the financial year covered by our audit, but has incurred cash losses in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name except to the extent of the exemption granted under section 49 of the Company Act 1956 and save for certain share which are either lodged for transfer or held with valid transfer form.
15. The Company has not given any guarantees for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company except

for certain shares pledged by the company for loan taken by the other company. However, in the opinion of the management, the same is not prejudicial to the interest of the company.

16. The Company has not raised any new term loans during the year.
17. In our opinion, the funds raised on short - term or long - term basis have been used for the purpose for which they were raised.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not made any debenture issue.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

Place : Mumbai
Date : 02-09-2010



For S. G. Kabra & Co,
Chartered Accountants

A handwritten signature in black ink, appearing to read "Malvika P. Mitra".

(Malvika P. Mitra)

Partner

Membership No. 44105

Sarvamangal Mercantile Co. Limited

Balance Sheet as at 31st March'2010

	Schedule	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
SOURCES OF FUNDS			
SHARE HOLDER FUND	1		
SHARE CAPITAL		4,990,000.00	4,990,000.00
RESERVES AND SURPLUS	2	55,283,361.82	54,460,593.27
LOAN FUNDS			
Unsecured Loan	3	8,060,000.00	26,221,375.00
DEFFERED SALES TAX LIABILITIES		241,342,708.00	241,342,708.00
Less :- Discounting value		64,680,017.00	80,741,805.00
		<u>176,662,691.00</u>	<u>160,600,903.00</u>
TOTAL FUNDS EMPLOYED		<u><u>244,996,052.82</u></u>	<u><u>246,272,871.27</u></u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	2,586,199.50	2,586,199.50
Less : Depreciation		1,899,439.50	1,702,411.50
NET BLOCK		686,760.00	883,788.00
INVESTMENT	5	129,175,533.96	77,102,271.71
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	6	26,407,317.16	26,229,917.16
Sundry Debtors	7	773,258.00	1,362,827.00
Cash & Bank Balance	8	640,990.31	358,075.86
Other Current Assets	9	188,798.00	299,655.00
Loan & Advances	10	90,596,655.41	154,717,856.35
		<u>118,607,018.88</u>	<u>182,968,331.37</u>
Less: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	11	3,473,260.02	14,681,519.81
Provisions	12	0.00	0.00
		<u>3,473,260.02</u>	<u>14,681,519.81</u>
NET CURRENT ASSETS		<u>115,133,758.86</u>	<u>168,286,811.56</u>
TOTAL FUNDS UTILISED		<u><u>244,996,052.82</u></u>	<u><u>246,272,871.27</u></u>
Significant Accounting Policies & Notes on Accounts	15		

As per our Report of even date

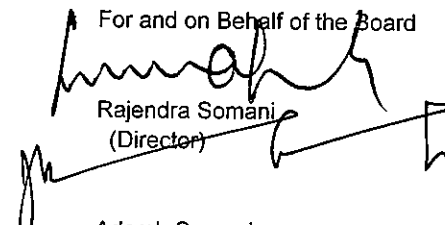
For S. G. KABRA & CO
Chartered Accountants


(MALVIKA P. MITRA)
Partner
Membership No. 44105

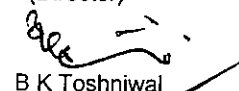


Place :- Mumbai
Date :- 2nd September'2010

For and on Behalf of the Board


Rajendra Somani
(Director)


Adarsh Somani
(Director)


B K Toshniwal
(Director)

Sarvamangal Mercantile Co. Limited

Profit & Loss Account for the year ended 31st March'2010
SCHEDULE

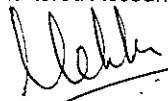
		Current year Rupees	Previous year Rupees
INCOME :			
Sale of Shares/Debentures		15,550,000.00	0.00
Reinstatement of Investment		1,172,899.00	0.00
Trading Sale		1,026,000.00	1,323,111.00
Other Income	13	2,478,337.00	5,511,589.71
Increase / (Decrease) in Stock	14	177,400.00	(867,508.00)
		<u>20,404,636.00</u>	<u>5,967,192.71</u>
EXPENDITURE :			
Shares transfer from Investment to Inventory		1,500,000.00	0.00
Loss on sale of Investments		858,236.75	0.00
Discount Charges		16,061,788.00	12,884,200.00
Trading Purchase		0.00	1,574,318.00
Demat Charges		4,054.58	29,859.08
Salaries		412,720.00	3,587,416.00
Staff Welfare Expenses		15,058.00	4,905.00
Rent Rates & Taxes		165,528.00	135,389.00
Interest Paid		56,046.62	80,565.40
Legal & Professional		162,758.00	154,500.00
Auditors' Remuneration :			
Audit Fees		11,030.00	11,030.00
Tax Audit Fees		6,618.00	6,618.00
Directors Sitting Fees		3,200.00	4,000.00
Miscellaneous Expenses		74,656.50	76,096.99
Depreciation		197,028.00	263,603.00
		<u>19,528,722.45</u>	<u>18,812,500.47</u>
Profit /(Loss) Before Taxation		875,913.55	(12,845,307.76)
Add/(Less) : Prior Period Adjustment		(24,784.00)	0.00
Add/(Less) : Vat paid for earlier year		(28,361.00)	0.00
Less : Provision for Income Tax		0.00	0.00
Less : Provision for Fringe Benefit Tax		0.00	24,050.00
Profit /(Loss) After Tax		<u>822,768.55</u>	<u>(12,869,357.76)</u>
Balance Carried from earlier year		54,460,593.27	67,329,951.03
PROFIT /(LOSS) AVAILABLE FOR APPROPRIATION		<u>55,283,361.82</u>	<u>54,460,593.27</u>
Proposed Dividend on Preference Shares		0.00	0.00
Tax on Proposed Dividend		0.00	0.00
Balance Carried to Balance Sheet		<u>55,283,361.82</u>	<u>54,460,593.27</u>
		<u>55,283,361.82</u>	<u>54,460,593.27</u>
Basic/Diluted Earning Per share (Refer Note No.4 of Schedule 15)		3.30	(51.68)

Notes on Accounts

15

As per our Report of even date

For S. G. KABRA & CO
Chartered Accountants


(Malvika P. Mitra)
Partner

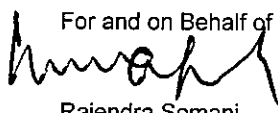
Membership No. 44105

Place :- Mumbai

Date :- 2nd September'2010



For and on Behalf of the Board


Rajendra Somani
(Director)


Adarsh Somani
(Director)


B K Toshniwal
(Director)

Sarvamangal Mercantile Co. Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE '1'	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
SHARE CAPITAL		
Authorised :		
2,50,000 (Prev. Year 2,50,000) Equity Shares of Rs.10/- each	2,500,000.00	2,500,000.00
2,50,000 (Prev. Year 2,50,000) Redeemable Cumulative Preference Shares of Rs.10/- each	2,500,000.00	2,500,000.00
	<u>5,000,000.00</u>	<u>5,000,000.00</u>
Issued ,Subscribed and Paid-up		
2,49,000 (Prev. Year 2,49,000) Equity Shares of Rs.10/- each	2,490,000.00	2,490,000.00
2,50,000 (Prev. Year 2,20,000) 11% Redeemable Cumulative Pref. Shares of Rs.10/- each	2,500,000.00	2,500,000.00
	<u>4,990,000.00</u>	<u>4,990,000.00</u>
 SCHEDULE '2'		
RESERVES AND SURPLUS :		
Surplus as per Profit and Loss A/c	55,283,361.82	54,460,593.27
TOTAL	<u>55,283,361.82</u>	<u>54,460,593.27</u>
 SCHEDULE '3'		
UNSECURED LOAN :		
From Companies	8,060,000.00	26,221,375.00
From Oriental Bank of Commerce	0.00	0.00
	<u>8,060,000.00</u>	<u>26,221,375.00</u>

SARVAMANGAL MERCANTILE CO. LIMITED

SCHEDULE 4

Fixed Assets

Particulars	Gross Block			Depreciation			Net Block			
	As at 01.04.2009	Additions during the year	Deduction and adjustment	As at 31.03.2010	upto 01.04.2009	for the year	Deduction and adjustment	Upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
Motor Car	2,063,876.00	-	-	2,063,876.00	1,332,258.00	189,416.00	-	1,521,674.00	542,202.00	731,618.00
Fire & Fighting Equipment	1,127.50	-	-	1,127.50	1,109.50	3.00	-	1,112.50	15.00	18.00
Premises	426,196.00	-	-	426,196.00	274,047.00	7,607.00	-	281,654.00	144,542.00	152,149.00
Computer	95,000.00	-	-	95,000.00	94,997.00	2.00	-	94,999.00	1.00	3.00
Total	2,586,199.50	-	-	2,586,199.50	1,702,411.50	197,028.00	-	1,899,439.50	686,760.00	883,788.00
Previous Year	2,586,199.50	-	-	2,586,199.50	1,438,808.50	263,603.00	-	1,702,411.50	883,788.00	1,147,391.00

Sarvamangal Mercantile Co. Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE '5'	As at 31st March, 2010		As at 31st March, 2009	
INVESTMENTS (AT COST)				
LONG TERM INVESTMENT				
(As certified by Director)				
(A) QUOTED - Fully paid up Equity Shares				
Face Value	Nos.	Rupees	Nos.	Rupees
10 Videocon Industries Ltd	40	18,449.00	40	18,449.00
10 Oricon Enterprises Limited	26830	1,366,945.00	426830	21,734,945.00
10 Kopran Ltd.,	2168056	44,646,718.55	2168056	44,646,718.55
10 KDL Bio-Tech Limited	100	1,009.41	100	1,009.41
10 Sampada Chemicals Ltd.	0	0.00	170,000	1,700,000.00
10 Supreme Petrochem Limited	1,900	14,060.00	1,900	14,060.00
TOTAL (A)		46,047,181.96		68,115,181.96
(B) UNQUOTED -				
Fully paid up Equity and Preference Shares				
10 United Shippers Ltd	0	0.00	566300	6,058,236.75
100 Hotel Empire Ltd.	9790	27,622,900.00	290	1,372,900.00
Less :-Diminution in the value of Investment		0.00		1,172,899.00
		27,622,900.00		200,001.00
10 Suraj Containers Ltd.	5000	50,000.00	5000	50,000.00
Less :-Diminution in the value of Investment		49,999.00		49,999.00
		1.00		1.00
10 2% Redeemable Preference Shares of Kempo Finvest Pvt. Ltd.	100000	1,000,000.00	100000	1,000,000.00
Less :-Diminution in the value of Investment		999,999.00		999,999.00
		1.00		1.00
10 Shree Venkatesh Karriers Pvt. Limi	11,000	830,150.00	11,000	830,150.00
100 Kamla Udyoga Limited	2,155	215,500.00	2,155	215,500.00
10 Kopran Laboratories Limited	0	0.00	150,000	1,500,000.00
10 Vishnu Vijay Packaging Ltd.	150,000	37,500.00	150,000	37,500.00
10 Malvika Steel Ltd.	145,700	145,700.00	145,700	145,700.00
10 Manish Pharma Pvt. Ltd.	40,000	48,000,000.00	0	0.00
10 Zeuxite Investments Ltd.	627,660	6,276,600.00	0	0.00
TOTAL (B)		83,128,352.00		8,987,089.75
TOTAL (A+B)		129,175,533.96		77,102,271.71
Aggregate Book Value - Unquoted		83,128,352.00		8,987,089.75
Quoted		46,047,181.96		68,115,181.96
Aggregate Market Value - Quoted		71,849,765.90		18,794,925.68

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE '6'

INVENTORIES :

(As taken, valued and certified by a Director)

Face Value	Nos.	As at 31st March, 2010 Rupees	Nos.	As at 31st March, 2009 Rupees
(A) QUOTED - (At cost or market value which ever is lower)				
1. Fully Paid up Equity Shares :				
10 Alstom Projects India Limited (Market value Rs. 1,86,165/-)	300	0.00	300	0.00
10 Atash Industries Ltd. (Cost Rs. 11,25,000/-)	37500	37,500.00	37500	37,500.00
10 Can India Limited (Cost Rs. 500/-)	100	100.00	100	100.00
10 Cyberscepe Multimedia Limited (Cost Rs. 64,69,690/-)	100000	147,000.00	100000	100,000.00
10 Coroneli Indys Limited (Cost Rs. 1,57,86,644.50)	195000	195,000.00	195000	195,000.00
10 DSQ Biotech Limited (Cost Rs. 2,00,505.01)	1,000	1,000.00	1,000	1,000.00
10 Ensa Steel Ltd. (Cost Rs. 19,250/-)	350	4,200.00	350	5,250.00
10 Globe Stock Limited (Cost Rs. 87,98,177.50)	300,000	300,000.00	300,000	300,000.00
10 Kilburn Chemical Limited (Market Value Rs. 1,975/-)	50	500.00	50	500.00
10 Kayveear Limited (Cost Rs. 79,31,880/-)	200,000	200,000.00	200,000	200,000.00
10 Libord Securities Limited (Market value Rs. 18,30,800/-)	159200	245,168.00	159200	245,168.00
10 Morgan Stanley Growth Fund (Cost Rs. 13,780.66)	1600	13,780.66	1600	13,780.66
10 Sharp Industries Limited (Cost Rs. 8,980/-)	500	500.00	500	500.00
10 Spartak Ceramics (I) Ltd. (Cost Rs. 1,08,372/-)	1486	1,486.00	1486	1,486.00
10 SBEC Sugar Limited (Market value Rs. 14,00,000/-)	100000	1,000,000.00	100000	800,000.00
10 The Aluminium Industries Ltd. (Cost Rs. 4,24,850/-)	24000	24,000.00	24000	24,000.00
10 21st Century Management Limited (Market Value Rs. 6,97,500/-)	25000	45,062.50	25000	45,062.50

Sarvamangal Mercantile Co. Limited

10 Videocon Industries Limited (Cost Rs.1,15,176/-)	220	50,028.00	220	19,195.00
TOTAL		<u>2,265,325.16</u>		<u>1,988,542.16</u>
 II. Fully Paid up Debentures :				
30 16% Debentures of Essar Shipping (Cost Rs. 30,000/-)	1000	30,000.00	1000	30,000.00
100 15% Debentures of Supreme Industries Limited (Cost Rs. 1,60,000/-)	1600	160,000.00	1600	160,000.00
140 14% Debentures of Spartak Granites Limited (Cost Rs.7000/-)	50	7,000.00	50	7,000.00
TOTAL		<u>197,000.00</u>		<u>197,000.00</u>
 III. Fully Paid up Debentures :				
10 1% Non Convertible Cumulative Redeemable Preference Shares of Kopran Limited	0	0.00	5580000	0.00
TOTAL		<u>0.00</u>		<u>0.00</u>
 (B) UNQUOTED - (At Cost)				
Fully Paid Up Equity Shares				
100 Hyderabad Construction Co Ltd	100	6,717.00	100	6,717.00
10 Co Nick Alloy (I) Ltd	2500	25,000.00	2500	25,000.00
10 G. Claridge & Co Ltd	804,000	22,413,275.00	804,000	22,413,275.00
10 United Shippers Limited	0	0.00	55,000	552,270.00
10 Kopran Laboratories Limited	150,000	1,500,000.00	0	0.00
TOTAL		<u>23,944,992.00</u>		<u>22,997,262.00</u>
 (C) STOCK OF TRADING GOODS - (At cost)				
		<u>0.00</u>		<u>1,047,113.00</u>
GRAND TOTAL :-		<u>26,407,317.16</u>		<u>26,229,917.16</u>

Sarvamangal Mercantile Co. Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
SCHEDULE '7'		
SUNDRY DEBTORS:		
Unsecured & Considered Doubtful:		
Debts outstanding for a period exceeding six months	791,032.00	1,464,651.00
Other Debts	84,050.00	0.00
	875,082.00	1,464,651.00
Less :- Provision for bad & doubtful debts	101,824.00	101,824.00
	773,258.00	1,362,827.00
SCHEDULE '8'		
CASH AND BANK BALANCES:		
Cash on hand	22,176.45	271,904.45
Balance with Scheduled Banks In Current account	618,813.86	86,171.41
TOTAL	640,990.31	358,075.86
SCHEDULE '9'		
OTHER CURRENT ASSETS		
Interest Accrued	0.00	8,918.00
Dividend Receivable	124,000.00	124,000.00
Rent Receivable	64,798.00	166,737.00
TOTAL	188,798.00	299,655.00
SCHEDULE '10'		
Loans and Advances:		
(Unsecured, Considered Good)		
Loans & Intercompany Deposits	86,507,616.00	150,539,906.94
Advances recoverable in cash or kind or for value to be received	3,449,948.75	3,463,448.75
Deposits	77,134.66	77,134.66
Advance payment of Income Tax (net of Provision)	561,956.00	637,366.00
TOTAL	90,596,655.41	154,717,856.35

Sarvamangal Mercantile Co. Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31st March,2010 Rupees	As at 31st March,2009 Rupees
SCHEDULE '11'		
CURRENT LIABILITIES		
Sundry Creditors	113,540.00	710,894.00
Other Liabilities	2,553,131.02	3,164,036.81
Deposits	806,589.00	10,806,589.00
TOTAL	3,473,260.02	14,681,519.81
SCHEDULE '12'		
PROVISIONS		
Provision for Income Tax (Net of advance tax paid)	0.00	0.00
	0.00	0.00
SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT		
	Current Year Rupees	Previous Year Rupees
SCHEDULE '13'		
OTHER INCOME		
Dividend from Long Term Investment (Gross)	1,466,731.00	2,025,798.00
Interest received from Income Tax Authorities	23,456.00	0.00
Interest received from others (TDS Nil Previous Year 1,024/-)	0.00	9,942.00
Rent Received (TDS Rs.1,41,090/- Previous year Rs.1,95,780/-)	864,000.00	864,000.00
Profit on sale of Long Term Investment	0.00	2,199,061.30
Service Charges Received (TDS Rs.12,020/- Previous year Rs.Nil)	124,150.00	0.00
Prior Period Income	0.00	98,683.03
Sundry Balances Written Back	0.00	309,063.38
Excess Provision of Bonus written back	0.00	93.00
Excess Provision of Leave wages written back	0.00	4,949.00
TOTAL	2,478,337.00	5,511,589.71
SCHEDULE '14'		
INCREASE/DECREASE IN STOCK IN SHARES		
Closing Stock	26,407,317.16	25,182,804.16
Opening Stock	25,182,804.16	25,430,893.16
INCREASE/(DECREASE) IN STOCK IN SHARES	1,224,513.00	(248,089.00)
INCREASE/DECREASE IN TRADING STOCK		
Closing Stock	0.00	1,047,113.00
Opening Stock	1,047,113.00	1,666,532.00
INCREASE/(DECREASE) IN STOCK	(1,047,113.00)	(619,419.00)
TOTAL	177,400.00	(867,508.00)

SARVAMANGAL MERCANTILE CO. LIMITED

Schedule – 15

Notes forming part of Accounts for the year ended 31st March 2010

1. SIGNIFICANT ACCOUNTING POLICIES :

- a) The books of accounts are maintained on accrual basis.
 - b) Dividend Income in the books is accounted when right to receive the payment is established
 - c) Fixed Assets are stated at historical cost.
 - d) Depreciation has been provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956.
 - e) Long Term Investments are stated at cost. Cost is determined on average method.
 - f) Stock in Trade (quoted) are shown at Cost or Market value whichever is lower.
 - g) Stock in Trade (unquoted) are valued at Cost.
 - h) Taxation
 - i. Income-tax expenses comprise current tax and deferred tax charge or credit
 - ii. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax loss that have been enacted or substantially enacted by the Balance Sheet date.
 - iii. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation.
 - iv. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassess realisation.
 - i) Other Accounting Policies are consistent with generally accepted account practices.
2. Some of the balances of sundry debtors, sundry creditors, deposits, loans and advances and unsecured loan are subject to confirmation and adjustments necessary upon reconciliation, if any consequential impact thereof on the financial statement is not ascertainable.

3. Related Party Disclosure

Disclosure requirement as per Accounting Standard 18(AS-18) "Related Party Disclosures" issued by the institute of Chartered Accountants of India .

List of Related Parties:

Key Management Personnel

- 1 Mr. Rajendra Somani
- 2 Mr. Adarsh Somani

2. Mr. B.K. Toshniwal

Note: Related Party Relationships have been identified by the Management and relied upon by the Auditors

Details of Transactions between the Company & related parties & the status of outstanding balances as on 31st March'2010

Nature of Transaction	Key Management Personnel
1. Directors Sitting Fees	Rs. 2,400/-
2. Balances as on 31.03.2010. Directors Sitting Fees	Rs. 5,600/-

4. Earnings per shares :

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Net Profit/(Loss) attributable to share holder (in Rs.)	8,22,769	(12,869,357.76)
Weighted average number of equity shares (in No.)	249000	249000
Basic earning per shares of Rs.10/- each	3.30	(51.68)

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the company remain the same.

5. In view of time limitations on carry forward of losses and as a matter of prudence Deferred Tax Assets arising on account of brought forward losses and unabsorbed Depreciation under tax laws has not been recognised.
6. In the opinion of the Board, the Current Assets, Loans, and advances are approximately of the value stated in the Balance Sheets if realised in ordinary courses of the business and the provision of all known liabilities is made and is adequate and is not in excess of the amount reasonable considered necessary.
7. Quantitative details of Inventories (Shares & Debentures)

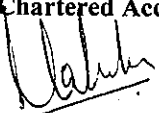
Particulars	No. of Shares		No. of Debentures	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Opening Stock	75,87,906	75,87,906	2,650	2,650
Add:-Tfd. from Investment	1,50,000	-	-	-
	77,37,906	75,87,906	2,650	2,650
Less :- Sale	56,35,000	-	-	-
Closing Stock	21,02,906	75,87,906	2,650	2,650

8. Other additional information pursuant of the provisions of paragraph 3, 4C and 4D of part II of schedule VI of Companies Act,1956, are not applicable to the company.
9. Previous years figures are regrouped, reclassified and recasted whenever necessary.


As per our Report of even date

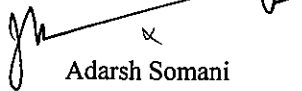
For and on behalf of the board


For S. G. KABRA & CO.
Chartered Accountants


(Malvika P. Mitra)
Partner
Membership No. 44105




Rajendra Somani
(Director)


Adarsh Somani
(Director)


B.K. Toshniwal
(Director)

Place :- Mumbai

Date :- 2nd September'2010