



SUPERB PAPERS LIMITED

**ANNUAL REPORT
2010-11**

SUPERB PAPERS LIMITED

Twenty Second Annual Report - 2010 - 2011

BOARD OF DIRECTORS

- | | |
|-----------------------------|----------|
| 1. MR. DHANSUKHBHAI PANCHAL | Director |
| 2. MR. VISHAL GADA | Director |
| 3. MR. PRADIP SHAH | Director |

REGISTERED OFFICE

Block No. 224-225, AT & Post,
Village Tarsadi, Tal- Mahuva,
Dist. Surat, Gujarat-394356

BANKERS

Bank of India SVP Road Mumbai-400004.

AUDITORS

MANOJ MEHTA & CO
Chartered Accountants
1/5, Sitaram Bldg., 204, Pricess Street,
Mumbai-400002.

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NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the shareholders of Superb Papers Limited will be held on Monday the 19th September, 2011 at the registered office at Block No. 224-225, AT & Post, Village Tarsadi, Tal- Mahuva, Dist. Surat, Gujarat-394356, of the Company at 10.00 am to transact the following business:

ORDINARY BUSINESS

To consider and if thought fit, to pass with or without modifications, the following resolutions as ORDINARY RESOLUTIONS

1. “RESOLVED that the audited balance sheet of the Company as at 31st March, 2011 and the profit and loss account for the year ended on that date and the reports of the directors' and auditors' thereon, as placed before the meeting be and are hereby adopted.”
2. “RESOLVED that Mr. Pradip Shah, a director in the Company, who retires at this meeting by rotation and being eligible, has offered himself for re-appointment, be and is hereby appointed as director of the Company.”
3. “RESOLVED that M/s. Manoj Mehta & Company, Chartered Accountants, who has offered his services as an Auditor of the Company and being eligible, be and is hereby appointed as Auditor for the financial year ended on 31st March, 2012.

By order of the board

Sd/-

Chr. & Mg. Director

Surat, 1st August, 2011

NOTES

1. The member entitled to attend and vote is entitled to appoint a Proxy to attend and vote on his/her behalf. The proxy need not be a member of the Company. The proxies, in order to be effective, must be received by the Company not less than 48 hours before The meeting.
2. The members desiring any information at the annual general meeting are requested to write to the Company at least 7 days before the meeting to enable the Company to keep the information at hand.
3. The register of members and the share transfer books shall remain closed from 14th September, 2011 to 17th September, 2011 (both days inclusive). Members are requested to intimate any changes in their address or shareholdings immediately to the Company.
4. Members/Proxy holders must bring the attendance slip to the meeting and hand it over at the entrance duly signed.

DIRECTOR'S REPORT

Dear Members,

Your directors have pleasure in presenting the Twenty First Annual Report of the Company for the year ended 31st March, 2011.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March 2011 is summarized as under:

S.NO.	PARTICULARS	31-03-2011	31-03-2010
1.	Total Sales/Income	695485	444000
2.	Net profit/loss before depreciation & tax	156329	94470
3.	Depreciation	-	-
4.	Net Profit/loss before Taxation	156329	94470
5.	Provision for tax (incl. deferred taxes)	48306	29191
6.	Net Profit /loss after tax	108023	65279
7.	Appropriations / Preliminary Expenses W/off.	0	38346
8.	Balance brought forward	-35521437	-35625062
9.	Balance carried forward	-35413414	-35521437

REVIEW OF OPERATIONS

As can be seen from the financial statements of your company, your company does not own fixed assets. The company has not carried out any manufacturing activity during the year.

However, your company hopes to do better in future. Your Company is working out the future strategy accordingly and pursuing the business from the other objects of the company mainly from the training and consultancy services.

DIVIDEND

Your board does not recommend any dividends on equity shares for the year.

FIXED DEPOSITS

The Company has not invited any deposits from the public within the meaning of sections 58A of the Companies Act, 1956 (hereinafter "the Act" and any reference of section pertains to sections of this Act in this Annual Report unless stated otherwise) read with the Companies (Acceptance of deposits) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE ACT

The directors hereby confirm that-

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and the profit & loss account for the year ended on that date;
- the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors have prepared the annual accounts on accrual basis following the historical cost convention in accordance with Accounting Standards referred to in Section 211(3C) and other requirements of the Companies Act, 1956.

DIRECTORATE

Your Board comprises of efficient and able directors who have vast experience in this line of business. During the year **Mr. Pradip Shah, Director of the Company retires** by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

All the appointment of the Directors of the company are in compliance with the provisions of the Companies Act.

CORPORATE GOVERNANCE

Report on Corporate Governance along with Certificate of the Auditors of your Company pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, have been included in this Report as **Annexure-A and the Auditors' Report**.

In terms of sub-clause (v) of Clause 49 of the Listing Agreement, Certificate of CEO/CFO, inter alia, confirming the correctness of the financial statements, adequacy of internal control measures and reporting of matters to the Audit Committee in terms of the said Clause, is also enclosed as a part of the Reports mentioned above.

PARTICULARS OF CONSERVATION OF ENERGY. TECHNOLOGY ABSORPTION. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with respect to conservation of Energy, Technology absorption and foreign exchange earning & outgo pursuant to section 217(i)(e) read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1986 and under section 217(2A) read with Companies (Particulars of Employees) Rules, 1975, of the Act is set out here under.

S.NO.	PARTICULARS	DISCLOSURE
1.	Conservation of Energy and Power consumption	The company continued to accord priority to conservation of energy and is continuing its efforts to utilize energy more efficiently.
2.	Technology Absorption and Research & Development	The company has not absorbed any technology or any research & no development work has been carried out.
3.	Foreign Exch. - Earnings Outgo	Nil Nil
4.	Particulars of Employees	There are no employees of <he category specified under section 217(2A).

AUDITORS

'The current Auditor M/s. Manoj Mehta & Co., Chartered Accountants, retire at the Conclusion of the ensuing annual general meeting and being eligible offers himself for re-appointment as Auditor for the ensuing year.

None of the Directors of the Company are interested in passing of the said Resolution.

ACKNOWLEDGEMENTS

The Board wishes to place on record their appreciation for the sincere efforts of the employees and the co-operation extended by the Bankers, Shareholders, clients & associates for there continue support towards the conduct of the Company.

On behalf of the board
Sd/-

Chr. & Mg. Director
Surat, 01ST AUGUST, 2011

SURAT, 01ST AUGUST, 2011

ANNEXURE-A

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2010-2011

(Pursuant to Clause 49 of the Listing Agreement with Stock Exchange)

THE REPORT & ITS APPLICABILITY

The Corporate Governance represents the value, ethical and moral framework under which business decisions are taken. Corporate Governance is the mechanism by which the values, principles, policies and procedures of the organization are inculcated and manifested. The essence lies in promoting and maintaining transparency, integrity and accountability throughout the organization.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Corporate Governance is to achieve business excellence and to create and enhance the value for its Shareholders, employees, Banks & Financial Institution, creditors, customers and the government thereby, to make a significant contribution to the social responsibility. SPL endeavors to achieve the highest levels of transparency, accountability, integrity and responsibility and continues to focus on good Corporate Governance, in line with local and global standards.

COMPOSITION OF BOARD OF DIRECTORS

The Board comprises of an optimum combination of independent professionals as well as Company Executives having in-depth knowledge of the business of the Industry. The Board of directors consists of One Executive Director and two non-executive, independent Directors.

None of the Directors hold directorships in more than the permissible number of companies under the relevant provisions. Further, none of the directors on the Board is a member of more than ten committees or Chairman of more than five committees.

During the financial year under review i.e.2010-2011 Board Meetings were held on the following dates:- 07/05/2010, 30/06/2010, 06/08/2010, 10/09/2010, 16/12/2010 and 18/03/2011.

The names of the Directors and the category to which they belong to, along with their attendance at Board Meetings during the period under review and at the last Annual General Meeting, and the number of directorships and committee memberships held by them in other companies are as herein below:-

Name of Director	Designation	Category	Attendance		Particulars of other Directorship, Committee membership / Chairmanship (excluding Private Companies, Foreign Companies and Section 25 Companies)		
			Board Meeting	Last AGM	Director	Chairman	Member
Dhansukhbhai Panchal	Executive Director	Promoter, Executive	6	Yes	--	--	--
Vishal Gada	Director	Non-Executive	6	Yes	--	--	--
Pradip Shah	Chairman/ Director	Non-Executive	6	Yes	--	--	--

Appointment / Re-appointment of Directors:

- Mr. Pradip Shah, Director liable to retire by rotation, appointed as director of the company.

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING

Particulars	
Date of Birth	12/01/1958
Date of appointment	20/07/2004
Qualifications	HSC
Expertise in specific functional area	PAPER MACHINE MANUFACTURER
Directorship held in other Public Companies	NIL
Membership/chairmanship of committees of other Public Companies	NIL

AUDIT COMMITTEE

The Company has a qualified and independent Audit Committee constituted in line with the provisions of clause 49 of the Agreement with the stock exchanges read with Section 292A of the Companies Act, 1956.

The committee is headed under the stewardship of Mr. Dhansukhbhai Panchal executive Director. Mr. Vishal Gada independent non-executive director is a member of the Committee, has requisite financial and management experience. Mr. Pradip Shah, Chairman of the Company is also a member of the Committee.

The terms of reference are broadly as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into

matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition, Meetings and Attendance:

Audit Committee met 6 times during the year on 07/05/2010, 30/06/2010, 06/08/2010, 10/09/2010, 16/12/2010 and 18/03/2011. Attendance: -

S. No.	Name of the Member	Status	No. of Meetings held	No. of Meetings Attended
1.	Pradip Shah	Chairman	6	6
2.	Vishal Gada	Member	6	6
3.	Dhansukhbhai Panchal	Member	6	6

Note:

Mr. Bhavin Shah acts as the Secretary to the Committee.

SHARE TRANSFER COMMITTEE

The Share Transfer Committee headed by Mr. Vishal Gada, a Non-executive Independent Director and Mr. Pradip Shah and Mr. Dhansukhbhai Panchal are the other members of the committee. The Committee looks into the matters of share transfers, transmissions, issue of duplicate share certificates and related matters.

Mr. Ravindra Pembarthi acts as the Secretary to the Committee and is the Compliance Officer.

The Committee met 6 times and at least once in every fortnight during the financial year to consider the request for transfer and transmissions and the members were present at all the meetings.

SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE:

The Shareholders' / Investors' Grievance Committee comprises of Mr. Vishal Gada a Non-Executive Independent Director, as Chairman and Mr. Pradip Shah and Mr. Dhansukhbhai Panchal are the other members of the Committee.

Mr. Ravindra Pembarthi acts as the Secretary to the Committee and is the Compliance Officer.

The Committee met 4 times during the financial year and all the members were present at the meeting. The Company has not received any serious complaints and the routine complaints received were attended to promptly and no complaint as such is pending with the company.

REMUNERATION COMMITTEE:-

The Remuneration Committee consists of two Independent directors Mr. Vishal Gada and Mr. Pradip Shah. The Committee is headed by Mr. Pradip Shah.

The Committee is constituted to formulate and recommend to the Board from time to time, a compensation structure for whole-time members of the Board and managers.

No remuneration or sitting fees was paid to any Directors during the year 2010-11.

Your Company does not have any stock option scheme for its Directors and employees.

GENERAL BODY MEETINGS:-

<u>Year</u>	<u>Location</u>	<u>Date</u>	<u>Time</u>
2007-2008	Block No.224-225, At & Post, Village Tarsadi, Tal Mahuva, Surat, Gujarat-394356	30 th September 2008	10.00 a.m.
2008-2009	Block No.224-225, At & Post, Village Tarsadi, Tal Mahuva, Surat, Gujarat-394356	30 th September 2009	10.00 a.m.
2009-2010	Block No.224-225, At & Post, Village Tarsadi, Tal Mahuva, Surat, Gujarat-394356	5 th August 2010	10.00 a.m.

- All the resolutions set out in the respective Notices were passed by the members. No postal Ballot was conducted during the year.
- There were no matters to be passed by special resolutions by the members during the previous three Annual General Meetings:

Other Information:

a) Risk Management Framework:

The Company has in place mechanism to inform Board of Directors about the Risk assessment and risk minimization procedures and periodical reviews to ensure that risk is controlled by the Management through the means of a properly laid-out framework.

b) Code of Conduct:

The Company has laid down a code of conduct for the Board of Directors and Senior Management personnel of the Company. The code of conduct is available on the website of the Company www.superbin.co.in The declaration of Chairman is given below:

To the Shareholders of Superb Papers Limited

Sub: Compliances with Code of Conduct

I hereby declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Mumbai, 01.08.2011

Sd/
Chairman & Director

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification, issued pursuant to the provisions of Clause 49 of the Listing Agreement:

To the Board of Directors of Superb Papers Limited

Dear Sirs,

Sub: CEO/CFO Certificate

We have reviewed the financial statements, read with the cash flow statement of Superb Papers Limited for the year ended March 31st 2011 and that to the best of our knowledge and belief, we state that:-

(a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

(ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

(b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

(d) we have indicated to the Auditors and the Audit Committee:

(i) significant changes in the internal control over financial reporting during the year, if any;

(ii) significant changes in accounting policies made during the year, if any, and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely,

Chairman & Director

Prevention of Insider Trading:

The Company has framed a code of conduct for Prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. This code is applicable to all Directors/Designated Employees. The code insures the prevention of dealing in Company's shares by persons having access to unpublished price sensitive information.

Disclosures:

There are no materially significant transactions made by the Company with its promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

The Company is in a process of regularizing all the regulations mentioned in the listing agreements of the Stock Exchanges (in which the companies' shares are dealt with).

The Company has been providing the Chairman of the Company with the resources required to implement its role.

The Company has a process in place that meets the objectives of the Whistle blower policy. The Board annually reviews the findings and action taken, if any, on matters initiated through this mode. In the opinion of the Board there are no cases where a person was denied access to the grievance process set up by the Company.

MEANS OF COMMUNICATION: -

Company's results and official news releases, if any, are also displayed on the Company's website www.superbin.co.in

GENERAL SHAREHOLDER INFORMATION

AGM Date, time and venue	Monday, 19 th September 2011 at 10.00 a.m Block No. 224-225, At & Post, Village Tarsadi, Tal Mahuva, Surat, Gujarat-394356
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Financial Calendar for 2011-12 (Tentative)

2 nd Quarter Results	2 nd week of November 2011
3 rd Quarter Results	2 nd week of February 2012
4 th Quarter Results	2 nd week of May 2012
Results for the year ending March 2011	End June 2012

DATE OF BOOK CLOSURE

14th Sept. 2011 to 17th Sept. 2011
(Both days inclusive)

**LISTING ON STOCK EXCHANGES
(Suspended)**

Bombay Stock Exchange, Mumbai
Ahemdabad Stock Exchange,
Ahemdabad
Vadodra Stock Exchange, Vadodra.

STOCK CODE

532070 on Bombay Stock Exchange
57725 on Ahemdabad Stock Exchange
526 on Vadodra Stock Exchange

DEMAT ISIN No. FOR NSDL & CDSL

The ISIN No. is not yet been allotted.

SHARE TRANSFER SYSTEM

All the transfers received are processed by the Registrar & Transfer Agents and are approved by the Share Transfer Committee, which meets once in a fortnight. Every effort is made to dispose off the Share Transfer / Transmission requests within 10 days of the receipts of the same.

PLANT LOCATION

NA

ADDRESS FOR COMMUNICATION

Corporate Office:
Superb Papers Ltd.
427/429, K N Trust Building, SVP
Road, Prarthana Samaj, Charni Road,
Mumbai 400004.

**DESIGNATED E-MAIL ID FOR
SHAREHOLDERS**

superbpaper@gmail.com

Dividend Information:

Since no dividend were declared from 2003-04 onwards up to 2010-11, the provisions of Section 205A of the Companies Act, 1956, is not applicable.

Stock Market Data (BSE): Since the company was suspended, no dealing in shares of the company was done.

Distribution of Shareholding as on March 31st 2011:-

Sr. No.	No. of Equity Shares held		Nos.	%	In Rs.	%
	From	To				
1	UPTO	5000	1252	60.11	6243200	11.48
2	5001	10000	726	34.85	4763700	8.76
3	10001	20000	11	0.53	149000	0.27
4	20001	30000	1	0.05	26000	0.05
5	30001	40000	5	0.24	176500	0.32
6	40001	50000	17	0.82	753000	1.38
7	50001	100000	8	0.38	545000	1.00
8	100001 and above		63	3.02	41748600	76.74
TOTAL			2083	100.00	54405000	100.00

Shareholding Pattern as on March 31st 2011

Category code	Category of Shareholder	Total no. of shares	Percentage of Shareholding
(A)	Promoter and Promoter Group Holding		
1	Indian Promoters	1192300	21.92
	Foreign Promoters	-	-
2.	Persons acting in concert	-	-
	Sub Total (A)	1192300	21.92
(B)	Non-Prmoter shareholding		
1	Institutions		
(a)	Mutual Funds/ UTI	-	-
(b)	Financial Institutions / Banks	-	-
(c)	Central Government/ State Government(s)	-	-
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	-	-
	Sub-Total (B)	0.00	0.00
(C)	Non-institutions		
(a)	Private Bodies Corporate	2600	0.05
(b)	Individuals	3335000	61.30
(c)	Any Other (Clearing Member)	-	-
(d)	NRI	910000	16.72
(e)	Hindu Undivided Family	600	0.01
	Sub-Total (C)	4248200	78.08
	GRAND TOTAL (A)+(B)+(C)	5440500	100.00

For and on behalf of the Board

Place: Surat

Dated: 01.08.2011

Chairman & Director

AUDITORS' REPORT TO THE MEMBERS

We have audited the attached balance sheet of **Superb Papers Limited** as at 31st March, 2011 and the profit and loss account for the year ended on that date (all together referred to as 'financial statements'). These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

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 misstatements. An audit includes examining, on 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003 (hereafter referred to as CARO) issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 (hereafter referred to as the Act) and on the basis of such verification of the books and records as we considered appropriate and according to the information and explanations given to us, we give in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. 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 purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books maintained at the registered office at Surat. Besides the registered office, there are no branches;
 - c. the balance sheet and profit and loss account referred to in this report are in agreement with the books of account;
 - d. in our opinion, the balance sheet and the profit and loss account comply with the accounting standards referred to in section 211 (3C) of the Act;
 - e. Based on the written representation and information available on record, all the directors are disqualified from being a director of the Company as on 31st March, 2011 in terms of section 274 (1)(g) of the Act;
3. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the notes thereon, give the information required under the Act 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, 2011;
- in the case of the profit and loss account, of the profit for the year ended on that date.

Manoj M.Mehta
Proprietor

For and on behalf of
MANOJ MEHTA & CO
Chartered Accountants

Mumbai, 01st August, 2011

**ANNEXURE TO THE AUDITORS' REPORT DATED 01ST AUGUST, 2011 OF
SUPERB PAPERS LIMITED**

i. The company does not own any fixed assets consequently clauses (i)(a) to (i)(c) of paragraph 4 of CARO, are not applicable.

ii. There were no inventories in the company during or at the end of the year consequently clauses (ii)(a) to (ii)(c) of paragraph 4 of CARO, are not applicable.

iii. According to the explanations provided and books of account produced before us

a. The Company has not granted any secured or unsecured loans to parties listed in the register maintained under section 301 of the Act, consequently clause (iii) (b) to (iii)(d) of paragraph 4 of CARO, are not applicable; and

b. The Company has taken unsecured loans from parties listed in the register maintained under section 301 of the Act (refer point "J" of Schedule I for details); and

c. The rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the company; and

d. During the year the Company has made part repayment of unsecured loan of ₹ 190,000/-.

iv. In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods.

v. To the best of our knowledge and based on the information and records provided to us, the transactions (if any) which are needed to be recorded in the register specified under section 301 of the Act, are under updation.

vi. As per the information made available to us and as per the explanations

given to us, the Company has not accepted any deposits from public, in terms of section 58A of the Act and rules framed there under.

vii. In our opinion, the Company has an adequate system of internal checks on its day to day affairs, which acts as an internal audit system.

viii. We are informed that, the central government has not prescribed maintenance of cost records under section 209(1)(d) of the Act.

ix. On the basis of the information and explanations made available to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, cess and other dues with the appropriate authorities during the year. Consequently clauses (ix) (b) of paragraph 4 of the order i.e. CARO, is not applicable.

x. As it appears from the books and record produced before us, the Company has an accumulated loss (after appropriations) of ₹ 35413414/- during the financial year & ₹ 35521437/- during the immediately preceding financial year. The Company however has not incurred any cash losses during the financial year or immediately preceding financial year.

xi. In our opinion and based on the information and explanations made available to us, the Company has not taken any loan from any financial institution, banks or debenture holders.

xii. Based on our examinations of the books and record and according to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of

pledge of shares, debentures or other securities.

xiii. As explained to us, the provisions of any special statute applicable to a chit fund, nidhi or mutual benefit fund / societies, are not applicable to the Company.

xiv. According to the explanations provided and books of account produced before us, the Company has not dealt or traded in shares, securities, debentures or other investments during the year except investments made as per point "E" of schedule "I".

xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

xvi. As per the explanations given to us and on the basis of our examination of the books of account, the Company has not

availed any term loans from banks or financial institutions.

xvii. According to the cash flow statement and other record examined by us and the information and explanations given to us, the Company has not raised any short term funds during the year.

xviii. The Company has not made any preferential allotment of any shares during the year.

xix. The Company has not issued any debentures during the year.

xx. The Company has not raised any money by way of public issue of its shares or securities during the year.

xxi. To the best of our knowledge and belief and according to the information and explanations made available to us, there have been no cases of fraud on or by the Company noticed or reported during the year.

Balance Sheet As At 31st March, 2011

SOURCES OF FUNDS	SCH	31-03-2011 (₹)	31-03-2010 (₹)
<u>Shareholders' Funds</u>			
Share Capital	A	47989000	42302000
Reserves & Surpluses	B	4940132	4940132
		52929132	47242132
<u>Loan Funds</u>			
Secured loans		0	0
Unsecured loans	C	6064090	6254090
TOTAL -		58993222	53496222
<u>APPLICATION OF FUNDS</u>			
<u>Fixed Assets :</u>			
Gross Block		0	0
(-) Depreciation		0	0
Net Block		0	0
Investments	D	648535	5500
<u>Current Assets, Loans & Advances :</u>			
Cash and Bank balance	E	242997	44257
Other Current Assets (on capital account)		5554791	5554791
Loans & Advances	F	18933005	14741415
		24730793	20340463
<u>(-) Current Liabilities & Provisions :</u>			
Sundry Creditors		1672388	2322133
Provisions	G	127132	49045
		1799520	2371178
<u>Net Current Assets</u>		22931273	17969285
Miscellaneous Expenditure to the extent not written off or adjusted		0	0
Profit & Loss account		35413414	35521437
TOTAL -		58993222	53496222
Significant Accounting Policies and Notes to the accounts	I	0	0

Per our report attached
Manoj M.Mehta
Proprietor

On behalf of the board

Director

For and on behalf of
MANOJ MEHTA & CO
Chartered Accountants
Mumbai, 01st August, 2011

Director
Surat, 01st August, 2011

Profit and Loss Account for the year ended 31st March, 2011

I N C O M E	SCH	31-03-2011 (₹)	31-03-2010 (₹)
Turnover / Receipts		695485	444000
		695485	444000
EXPENDITURE			
Operating expenses	H	539156	349530
Amortisations		0	0
		539156	349530
NET PROFIT BEFORE TAX		156329	94470
(-) Provision for current taxation		48306	29191
(-) Provision for Net deferred tax liability		0	0
NET PROFIT AFTER TAXATION		108023	65279
(-) Proposed dividend		0	0
(-) Tax on dividends		0	0
(-) Transferred to General Reserves		0	0
TOTAL APPROPRIATIONS		0	0
NET PROFIT AFTER APPROPRIATIONS		108023	65279
(+) Excess Preliminary exp. W/off in earlier year		0	38346
(+) Balance b/fd		-35521437	-35625062
BALANCE CARRIED FORWARD		-35413414	-35521437
Basic & Diluted EPS (refer note K of schedule I)		0.0199	0.0120
Significant Accounting Policies and Notes to the accounts	I		

Per our report attached
Manoj M.Mehta
Proprietor

For and on behalf of
MANOJ MEHTA & CO
Chartered Accountants
Mumbai, 01st August, 2011

On behalf of the board

Director

Director
Surat, 01st August, 2011

SCHEDULES TO THE BALANCE SHEET

SCHEDULE A - SHARE CAPITAL	31-03-2011 (₹)	31-03-2010 (₹)
<u>Authorised</u> 60,00,000 Equity shares of ₹ 10 each	60000000	60000000
<u>Issued</u> 54,40,500 Equity Shares of ₹ 10 each	54405000	54405000
<u>Subscribed</u> 41,57,300 Equity Shares of ₹ 10 each fully paid	41573000	30199000
12,83,200 Equity shares of ₹ 10/- each partly paid	12832000	24206000
Less: Calls in arrears	54405000	54405000
i) By Directors	0	0
ii) By Others (₹ 5/- on 12,83,200 Equity shares)	(6416000)	(12103000)
	47989000	42302000
SCHEDULE B - RESERVES & SURPLUSES		
Capital Reserve	4940132	4940132
Additions during the year	0	0
	4940132	4940132
SCHEDULE C - UNSECURED LOANS		
From Members	3536570	3536570
From Others	2527520	2717520
	6064090	6254090
SCHEDULE D - INVESTMENT		
Unquoted investments (also refer point E of Schedule - I i.e. notes to the accounts)	648535	5500
	648535	5500
SCHEDULE E - CASH & BANK BALANCES (certified by the management)		
Cash on hand	125683	44257
Balances in scheduled banks in current account	117314	0
	242997	44257
SCHEDULE F - LOANS & ADVANCES (recoverable in cash or kind or for value to be received)		
<u>Advances</u>		
Trade	14487300	14255300
Central Excise PLA A/c.	1868	1868
R.G. 23 C Part II	45046	45046
R.G. 23 A Part II	3971	3971
TDS	9590	0
Share Applications	3950000	0
	18497775	14306185
Govt. Deposits	435230	435230
	18933005	14741415

Cont.....

SCHEDULE G - PROVISION		
Provision for taxation	77497	29191
Provision for expenses	49635	19854
	127132	49045

SCHEDULES TO PROFIT AND LOSS ACCOUNT

SCHEDULE H - OPERATING EXPENSES	31-03-2011 (₹)	31-03-2010 (₹)
Auditors Remuneration	29781	19854
Bank charges	575	0
Conveyance	22435	18670
Legal & Professional fees	15000	15000
Listing fees	37226	37226
Miscellaneous exp.	34549	21780
Postage & Courier	6580	2000
Professional fees - training	45000	0
Printing & Stationery	25010	13000
Salary & wages	323000	222000
	539156	349530

SIGNIFICANT ACCOUNTING POLICIES

A. Method of Accounting

- a. The accounts have been prepared to comply in all material aspects with the accounting principles generally accepted in India, the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act. The accounts are drawn up on the basis of the historical cost convention.
- b. The Company generally follows the accrual method of accounting.
- c. Provision for expenses is considered with regards to the materiality concept and wherever ascertainable.

B. Revenue Recognition

- a. Sale of goods is accounted on dispatches to customers and includes sales tax and duties.
- b. Receipts from training & consultancy activity are recorded on issue of invoice.
- c. Revenue is otherwise generally recognised on accrual basis.

C. Fixed Assets There were no fixed assets owned by the company.

D. Inventories The Company has not acquired any inventories during the year.

E. Investments

- a. The investments comprises of equity shares of various companies. It also includes investments in group companies and concerns.
- b. These investments were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- c. The investments comprises of equity shares of companies which are either delisted from the stock exchange or of unquoted companies, hence the market value of these investments is not available. The details of these investments are as given below:-

SN	PARTICULARS	NOS.	₹ (at cost)
A.	UNQUOTED / DELISTED (EQUITY SHARES)		
1.	Bloom Industries	300	300.00
2.	Camphor & Allied Products Ltd.	75	7,358.00
3.	Carina Finvest Ltd.	20	20.00
4.	Consolidated Foundation Ltd.	20	40.00
5.	Deccan Petroliums Ltd.	200	200.00
6.	Digvijay Finlease Ltd.	10	160.00
7.	Electra Financial Services Ltd.	100	1,700.00
8.	Future Securities Ltd.	200	200.00
9.	Gama Infoway Exalt Ltd.	200	400.00
10.	Glaxo Smithkline India Ltd.	4	6,996.00
11.	Gujarat Telephone Cable Ltd.	100	100.00
12.	Gujarat Texspin Ltd.	100	100.00
13.	Gupta Carpets Udyog Ltd.	150	150.00
14.	Hansu Controls Ltd.	900	17,100.00
15.	Hindustan Development Corporation Ltd.	300	300.00
16.	Icici Bank Ltd.	1	954.00

17.	Incap Financial Services Ltd.	400	4,000.00
18.	Ispat Profiles India Ltd.	60	60.00
19.	Jaiprakash Associates Ltd.	9	1,350.00
20.	Jayent Paper Mills Ltd.	200	200.00
21.	KEC International Ltd.	13	7,319.00
22.	Keynote Corporate Services Ltd.	450	26,100.00
23.	Khatau Makhanji Spinning & Weaving Co. Ltd.	1	1.00
24.	Leasing Finance India Ltd.	300	300.00
25.	Mahindra Geaco Development India Ltd.	1	398.00
26.	Manna Glass Tech Industries Ltd.	2850	100,035.00
27.	Niyati Leasing Ltd.	275	171.00
28.	Nutrapius Product Ltd.	10300	154,500.00
29.	Orissa Synthetic Ltd.	400	400.00
30.	Park Devis Ltd.	1	938.00
31.	P B M Polytex Ltd.	200	5,200.00
32.	Peacock Industrial Ltd.	100	397.00
33.	P&G Ltd.	1	1,910.00
34.	Polson Ltd.	1	1.00
35.	Praj Syndicate	4400	114,400.00
36.	Prime Securities Ltd.	200	6,400.00
37.	Priyadarshani Thread Ltd.	200	200.00
38.	Ram Krishna Ispat Ltd.	200	1,000.00
39.	Ranbaxy Lab Ltd.	1	470.00
40.	Rander Finance Ltd.	2100	12,600.00
41.	Rashel Agro Ltd.	10180	10,180.00
42.	Ravileela Dairy Products Ltd.	100	100.00
43.	Ready Foods Ltd.	200	200.00
44.	Reckit Benkiser Ltd.	1	1.00
45.	Reliance Capital Venture Ltd.	1	1.00
46.	Rolex Pharmaceuticals Ltd.	500	500.00
47.	Ross Mur. Finance Ltd.	1	2.00
48.	Rutvij Chemicals Ltd.	100	100.00
49.	Saw Pipes Ltd.	228	41,040.00
50.	SLM Menaklal Ltd.	1	1.00
51.	S M Dychem	25	25.00
52.	SNS Leasing Ltd.	100	100.00
53.	Spil Finance Ltd.	10000	10,000.00
54.	Stock Net International Ltd.	600	72,000.00
55.	Suvarna Appareel & Fashion Eports Ltd.	1000	1,000.00
56.	Tatia Intimate Exports Ltd.	100	11,800.00
57.	The Great Eastern Shipping Co. Ltd.	22	6,358.00
58.	Unity Steel Ltd.	4000	4,000.00
59.	Varindra Agro Chemicals Ltd.	200	200.00
60.	V R Woodart Ltd.	1000	11,000.00
61.	Bardoli Nagrik Sahkari Bank Ltd.	55	5500.00
	Total		648535.00

d. During the year, the Company has applied for 8,37,500 preferential warrants of ` 16/- per warrant of “Vantage Corporate Services Ltd.” for which ` 4/- has been paid as an application money, pending allotment.

e. During the year, the Company has applied for 60,000 equity shares of ` 10/- each in “Vicinity RFID Solutions Pvt. Ltd.”, pending allotment.

F. Foreign Currency Transactions The Company has not entered into any foreign currency transactions during the year.

G. Retirement Benefits The management is of the opinion that no provisions for employees retirement benefits are required to be made.

H. Borrowing Costs Generally the borrowing costs attributable to acquisition and construction of assets are capitalised as a part of the cost of such asset upto the date when such asset is ready for its intended use. Other borrowing costs are charged to the profit and loss account. During the year no fixed assets were acquired by the company.

I. Segmental Information Pursuant to Accounting Standard 17 - “Segmental Reporting” issued by the Institute of Chartered Accountants of India, the management is of the opinion that, since there is no significant revenue from the principle operating segment, reporting under the said accounting standard is not necessary.

J. Related Party Transactions Pursuant to Accounting Standard 18 - “Related Party Disclosures” issued by the Institute of Chartered Accountants of India, the details are specified below :

SN.	NAME OF RELATED PARTY	RELATION-SHIP	NATURE OF TRANSACTION	AMOUNT (₹)
1.	Mr. Babubhai Panchal	Member	Loan taken*	9,43,000
2.	Mr. Dipak Panchal	Member	Loan taken*	5,18,000
3.	Ms. Hasuben Panchal	Member	Loan taken*	9,75,570
4.	M J Patel & Others	Member	Loan taken*	11,00,000
5.	Mr. B. M. Agarwal	Associate of Directors / Promoters	Loan taken*	3,10,000
			Loan Repaid	1,90,000
6.	Mr. Manubhai Panchal	Associate of Directors / Promoters	Loan taken*	9,11,358
7.	Ms. Sheetal Panchal	Associate of Directors / Promoters	Loan taken*	2,50,439
8.	Ms. Ekta Shah	Associate of Directors / Promoters	Loan taken*	10,55,723

NOTES – (a) Control exists in all the above cases. (b) * Denotes outstanding balances as at the year end. (c) The management is of the opinion that these transactions are in the ordinary course of business, as per the prevailing norms of the industry and not prejudicial to the interests of the Company.

K. Earnings Per Share Pursuant to the requirements of Accounting Standard 20 - “Earnings Per Share” issued by the Institute of Chartered Accountants of India, the calculations of earnings per share (EPS) are specified below :

SN	PARTICULARS	31-03-2011	31-03-2010
A.	Profits available for equity shareholders (before appropriation)	108023	65279
B.	Basic and weighted average number of equity shares outstanding during the year	5440500	5440500
C.	Nominal value of equity shares	10	10
D.	Basic & Diluted EPS	0.0199	0.0120

L. Deferred Taxes The specification of details pursuant to Accounting Standard 22 - “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, is not applicable to the Company since there is no deferment of taxes arising on account of timing differences.

M. Prior Period Items The Company follows the accrual system of accounting, but provision for expenses is made on the basis of the materially concept and where ever ascertainable.

N. Managerial Remuneration The management has not been paid any remuneration during the year.

O. There are no outstanding dues towards suppliers as defined under the “Micro, Small & Medium Enterprises Development Act, 2006”.

P. In respect of certain payments made for expenses or otherwise where, the payees' acknowledgements and/or other supporting evidences of payments were not available for our verification, the management confirms the propriety of the payments and of the debits given to the respective account heads.

Q. None of the revenue expenses are capitalized during the year or vies versa.

R. Third party confirmations of receivables and payables were not immediately available for our verification.

S. Previous year figures may be regrouped, recast or reclassified wherever necessary. Figures in brackets are pertaining to previous year. All figures are rounded off to the nearest rupee.

Additional information pursuant to the provisions of paragraph 3 & 4 of Part II of Schedule VI to the Companies Act, 1956.

S.NO.	PARTICULARS	31-03-2011	31-03-2010
1.	Capacity & Production	---	---
2.	Raw Material Consumption	---	---
3.	Turnover/Receipts (Rupees)	695485.00	444000.00
4.	Inventories	0.00	0.00
5.	Earnings/Receipts in Foreign Exchange	0.00	0.00
6.	Expenditure/imports in Foreign Exchange	0.00	0.00

Notes –

- a. Since the Company is no longer engaged in manufacturing activity, the question of licensed or installed capacity, raw material consumption and quantitative details does not arise.
- b. Information in only value terms (and not quantitative) is applicable and specified accordingly.
- c. The values are to be understood as Indian Rupees unless specifically stated to the contrary.

Per our report attached
Manoj M.Mehta
Proprietor

On behalf of the board

Director

For and on behalf of
MANOJ MEHTA & CO
Chartered Accountants
Mumbai, 01st August, 2011

Director
Surat, 01st August, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Information pursuant to part IV of schedule VI to the Companies Act, 1956)

I.	Registration Details			[₹'000]
	Registration Number	L21019GJ1989PLC012410		
	State Code	11		
	Balance Sheet Date	31-03-2011		
II.	Capital Raised During The Year			
	Public Issue	0	Rights Issue	0
	Bonus Issue	0	Private Placements	0
III.	Position Of Mobilisation & Deployment of Funds			
	Total Liabilities	58993	Total Assets	58993
	Sources Of Funds			
	Paid-up Capital	47989	Reserves/Surpluses	4940
	Secured Loans	0	Unsecured Loans	6064
	Share Appln. Money	0		
	Application Of Funds			
	Net Fixed Assets	0	Investments	649
	Net Current Assets	22931	Misc. Expenditure	0
	Accumulated losses	35413	Net Accumulated Def. Tax Asset	0
IV.	Performance Of The Company			
	Turnover (Income)	695	Total Expenditure	539
	Profit Before Tax	156	Profit After Tax	108
	Earnings Per Share	0.0199	Dividend Rate (%)	---
V.	Generic Names Of Three Principle Products/Services Of the Company			
	Item Code No. (ITC Code)	Nil		
	Products/Services Description	Paper, Training, Consultancy		

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

A.	Cash Flow From Operating Activities :	2011 (₹)	2010 (₹)
	Net Profit before tax & extraordinary items	156329	94470
	Adjustment for non-cash items :		
	Depreciation provision	0	0
	Net Deferred Taxes.	0	0
	Amortization of expenses	0	0
	Operating profit before working capital changes	156329	94470
	Working Capital Adjustments :		
	Trade and other receivables	-241590	0
	Inventories	0	0
	Trade payables	-619964	-63921
	Cash Generated from Operations	-705225	30549
	Interest paid	0	0
	Cash Flow before Extraordinary Items	-705225	30549
	Extraordinary items	- 0	0
	Net Cash from operating activities (A)	-705225	30549
B.	Cash Flow From Investing Activities :		
	Purchase of fixed assets	0	0
	Purchase of shares & Securities	-643035	
	Share application money paid	-3950000	0
	Net cash used in investing activities (B)	-4593035	0
C.	Cash Flow From Financing Activities :		
	Proceeds from issue of share capital (calls in arrears)	5687000	0
	Proceeds from borrowings	0	0
	Repayment for borrowings	-190000	-129828
	Interest paid	0	0
	Dividend paid	0	0
	Tax on dividends	0	0
	Net cash from financing activities (C)	5497000	-129828
	Net increase in cash (A + B + C)	198740	-99279
	Opening Cash/Bank Balances	44257	143536
	Closing Cash/Bank Balances	242997	44257
		0	0

On behalf of the Board

Surat, 01st August, 2011

Director Director

AUDITORS' CERTIFICATE TO THE BOARD OF DIRECTORS

We have examined the attached cash flow statement of Superb Papers Limited for the year ended 31st March, 2011. The statement has been prepared by the Company in accordance with the requirement of clause 32 of the listing agreement with the stock exchange and is based on and in agreement with the Corresponding profit and loss account and balance sheet of the Company covered by our report dated 1st August, 2011, to the members of the Company.

Manoj M.Mehta
Proprietor

Mumbai, 01st August, 2011

For and on behalf of
MANOJ MEHTA & CO
Chartered Accountants

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