

GANON TRADING AND FINANCE COMPANY LIMITED

ANNUAL REPORT 2011-2012

BOARD OF DIRECTORS	Mr. Madanlal Goyal Mr. Hari Prasad Agarwal Mr. Manish Tiwari Mr. Dwarka Prasad Agarwal
AUDITORS	M/s K. K. Khadaria & Co.
REGISTERED OFFICE	303, Sapphire Arcade, Above Sejal Jewellers, M.G. Road, Ghatkoper (East), Mumbai 400 077 Tel. No. 022 2501 0506 Fax No. 022 2501 0508 Web Address: - www.ganontrading.com Email: - ganontrading@gmail.com
REGISTRAR & TRANSFER AGENT	Sharex Dynamic India Private Limited Unit 1, Luthra Ind Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072
LISTING INFORMATION	Bombay Stock Exchange Limited (BSE) Scrip Code 512443
CONNECTIVITY	National Depository Services Limited (NSDL) Central Depository Services (India) Limited (CDSL) ISIN: - INE162L01017

GANON TRADING AND FINANCE COMPANY LIMITED

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 27th ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF GANON TRADING AND FINANCE COMPANY LIMITED WILL BE HELD ON SATURDAY, 29TH SEPTEMBER, 2012 AT THE REGISTERED OFFICE OF THE COMPANY AT 303, SAPPHIRE ARCADE, ABOVE SEJAL JEWELLERS, M.G. ROAD, GHATKOPER (EAST), MUMBAI 400 077 AT 10.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Statement of Profit and Loss for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. The retiring Auditors M/s. K. K. Khadaria & Co., Chartered Accountants, have informed the Company that they do not wish to seek re-appointment as Statutory Auditors of the Company. The Company has received a special notice from a member proposing the appointment of M/s. K. M. Tulsian & Associates, Chartered Accountants (Firm Registration Number 111075W) as Statutory Auditors of the Company in the place of K. K. Khadaria & Co., Chartered Accountants.

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. Dwarka Prasad Agarwal, who was appointed as an Additional Director of the company with effect from March 24, 2012 in accordance with the provisions of the Articles of Association of the Company and subject to the provisions of Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and for the appointment of whom the Company has received a notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Dwarka Prasad Agarwal for the office of a Director of the Company, be and is hereby appointed as Director of the Company, whose period of office shall be subject to retirement by rotation.”

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

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- “RESOLVED THAT Mr. Manish Tiwari, who was appointed as an Additional Director of the company with effect from July 27, 2012 in accordance with the provisions of the Articles of Association of the Company and subject to the provisions of Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and for the appointment of whom the Company has received a notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Manish Tiwari for the office of a Director of the Company, be and is hereby appointed as Director of the Company, whose period of office shall be subject to retirement 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. Madanlal Goyal, who was appointed as an Additional Director of the company with effect from August 27, 2012 in accordance with the provisions of the Articles of Association of the Company and subject to the provisions of Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and for the appointment of whom the Company has received a notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Madanlal Goyal for the office of a Director of the Company, be and is hereby appointed as Director of the Company, whose period of office shall be subject to retirement by rotation.”
6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
- “RESOLVED THAT Mr. Hariprasad Agarwal, who was appointed as an Additional Director of the company with effect from August 27, 2012 in accordance with the provisions of the Articles of Association of the Company and subject to the provisions of Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and for the appointment of whom the Company has received a notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Hariprasad Agarwal for the office of a Director of the Company, be and is hereby appointed as Director of the Company, whose period of office shall be subject to retirement by rotation.”
7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
- “RESOLVED THAT pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be increased from the present Rs. 40,00,000/- (Rupees Forty Lacs only) divided into 4,00,000 (Four Lac) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs.10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each by creation of 96,00,000 (Ninety Six Lakhs) new Equity Shares of Rs. 10/- (Rupees Ten only) each ranking pari passu with the existing Equity Shares and that the Memorandum of Association and the Articles of Association be altered accordingly.”

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RESOLVED FURTHER THAT pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the existing Clause "V" of the Memorandum of Association of the Company be and is hereby amended by deletion of the same and substituting in place and stead thereof the following new Clause "V":

- V. The Authorised Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crore only), divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign and file requisite application(s)/intimation(s) with the Securities and Exchange Board of India (SEBI), BSE Limited (BSE), the National Stock Exchange of India Limited (NSE), Central Depository Services (India) Limited (CDSL), National Securities Depository Services Limited (NSDL), the Registrar of Companies, Maharashtra, Mumbai (ROC) and such other authorities; as may be required; in connection with aforesaid alteration of Articles of Association of the Company and to sign, execute and submit necessary undertakings, declarations, to submit necessary statements and details, to make representations to the said authorities and to take all such actions and do all such things as may be considered necessary from time to time for giving effect to the above resolutions."

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

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing Article 5 of the Articles of Association be and is hereby deleted and the following article be substituted in its place as new Article 5:

5. The Authorized Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- each."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign and file requisite application(s)/intimation(s) with the Securities and Exchange Board of India (SEBI), BSE Limited (BSE), the National Stock Exchange of India Limited (NSE), Central Depository Services (India) Limited (CDSL), National Securities Depository Services Limited (NSDL), the Registrar of Companies, Maharashtra, Mumbai (ROC) and such other authorities; as may be required; in connection with aforesaid alteration of Articles of Association of the Company and to sign, execute and submit necessary undertakings, declarations, to submit necessary statements and details, to make representations to the said authorities and to take all such actions and do all such things as may be considered necessary from time to time for giving effect to the above resolutions."

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

“RESOLVED THAT pursuant to the recommendation of the Board of Directors and the applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the provisions in the Articles of Association of the Company and such other approvals, permissions and sanctions as may be necessary and subject further to such terms, conditions, alterations, modifications, changes and variations as may be specified while according such approvals which the Board of Directors of the Company be and are hereby authorised to accept, if it thinks fit, the Company be and is hereby authorised to capitalize upto Rs.9,30,00,000/- (Rupees Nine Crore Thirty Lakhs only) out of the ‘Reserves and Surplus’ and transfer to Share Capital Account towards issue and allotment of Equity Shares not exceeding 90,30,000 Equity Shares of Rs.10/- each, as bonus shares credited as fully paid-up, to members of the Company holding Equity Shares of Rs.10/- each whose names stand in the register of members of the Company on such date as the directors may determine, in that behalf in the proportion of 30 new fully paid-up Equity Shares of Rs.10/- each for every 1 Equity Share of Rs.10/- each, held as on that date and that the bonus shares so issued and allotted be treated for all purposes as an increase of the nominal amount of the Equity Capital of the Company held by each such member/person and not as income and that the said Equity Shares be issued and allotted, inter-alia, on the following terms and conditions:

- (a) The new Equity Shares of Rs.10/- each to be issued and allotted as Bonus Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects and carry the same rights as the then existing Equity Shares of the Company, notwithstanding the date or dates of allotment thereof, including entitlement to payment of dividend, if declared, for the financial year in which the same are allotted.
- (b) No letters of Allotment shall be issued for the Bonus Shares and the Share Certificates in respect thereof shall be delivered within the prescribed period from the date of their allotment.

RESOLVED FURTHER THAT the Board be and are hereby authorised to take necessary steps for listing of the Bonus Shares so allotted on the Stock Exchange where the securities of the Company are listed as per the provisions of the Listing Agreement with the Stock Exchange concerned, the Regulations and other applicable laws and regulations.

RESOLVED FURTHER THAT the allotment of the fully paid new Equity Shares as Bonus Shares to the extent that they relate to non-resident members of the Company shall be subject to such Statutory Approvals (as required, necessary or applicable, as the case may be), under the Foreign Exchange Management Act, 1999.

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RESOLVED FURTHER THAT the Board be and are hereby authorised to do all such acts, deeds, matters and things as may in its sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the issue and allotment of Bonus Shares as aforesaid or any other matter incidental or consequential thereto.”

By Order of the Board of Directors
For **Ganon Trading and Finance Company Limited**

Madanlal Goyal
Director

Date: August 31, 2012
Place: Mumbai

Registered Office:
303, Sapphire Arcade,
Above Sejal Jewellers,
M.G. Road, Ghatkoper (East),
Mumbai 400 077

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NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Instrument of Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 (forty-eight) hours before the commencement of the meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.
4. The Register of Director's Shareholding maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the Members at the Annual General Meeting.
5. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out all material facts and the Statement of particulars of Directors seeking re-appointment, as required under Clause 49 of the Listing Agreement are annexed hereto.

REQUEST TO MEMBERS:

1. All the members are requested to bring the attendance slip at the Annual General Meeting. Members, to whom physical copy of the Annual Report has been provided, are requested to bring their copy of the Annual Report.
2. Members who hold shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their folio number in the attendance slip.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item Nos. 3:

Mr. Dwarka Prasad Agarwal was appointed as an Additional Director of the Company with effect from 24th March, 2012. Pursuant to the provisions of the Section 260 of the Companies Act, 1956, Mr. Dwarka Prasad Agarwal shall hold office upto the date of ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Dwarka Prasad Agarwal for the office of Director.

None of the Directors except Mr. Dwarka Prasad Agarwal are interested or concerned in the aforesaid Resolution. Your Directors recommend the above resolutions for your approval.

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Item Nos. 4:

Mr. Manish Tiwari was appointed as an Additional Director of the Company with effect from 27th July, 2012. Pursuant to the provisions of the Section 260 of the Companies Act, 1956, Mr. Manish Tiwari shall hold office upto the date of ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Manish Tiwari for the office of Director.

None of the Directors except Mr. Manish Tiwari are interested or concerned in the aforesaid Resolution. Your Directors recommend the above resolutions for your approval.

Item Nos. 5:

Mr. Madanlal Goyal was appointed as an Additional Director of the Company with effect from 27th August, 2012. Pursuant to the provisions of the Section 260 of the Companies Act, 1956, Mr. Madanlal Goyal shall hold office upto the date of ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Madanlal Goyal for the office of Director.

None of the Directors except Mr. Madanlal Goyal are interested or concerned in the aforesaid Resolution. Your Directors recommend the above resolutions for your approval.

Item Nos. 6:

Mr. Hariprasad Agarwal was appointed as an Additional Director of the Company with effect from 27th August, 2012. Pursuant to the provisions of the Section 260 of the Companies Act, 1956, Mr. Hariprasad Agarwal shall hold office upto the date of ensuing Annual General Meeting of the Company. The Company has received notice under Section 257 of the said Act from a shareholder proposing the candidature of Mr. Hariprasad Agarwal for the office of Director.

None of the Directors except Mr. Hariprasad Agarwal are interested or concerned in the aforesaid Resolution. Your Directors recommend the above resolutions for your approval.

Item Nos. 7, 8 & 9:

At present, the Authorised Share Capital of the Company is Rs. 40,00,000/- divided into 4,00,000 Equity Shares of Rs. 10/- each. The Board of Directors is of the opinion that the Company is comfortably placed to reward its Shareholders by way of issue and allotment of Bonus Shares by capitalization of a portion of the profit and loss account. It is recommended that bonus equity shares be issued and allotted in the ratio of 30 (Thirty) new fully paid-up Equity Shares of Rs. 10/- each for every 1 (One) existing equity share held. The Board of Directors at their Meeting

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held on August 31, 2012 have recommended the issue of Bonus Shares to the existing members of the Company in the ratio of 30 fully paid up Equity Shares of Rs.10/- each for every 1 fully paid up Equity Share of Rs. 10/- held as on record date/book closure date to be determined for the purpose. The issue of Bonus shares on being approved by the members of the Company will increase the issued and paid up share capital of the Company beyond the existing Authorised Share Capital and hence the Authorized Share Capital of the Company needs to be increased to accommodate the issue of Bonus shares.

In view of the same, it is proposed to increase the Authorized Share Capital from Rs.40,00,000/- (Rupees Forty Lacs) divided into 4,00,000 Equity Shares of Rs.10/- each to Rs.10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 Equity Shares of Rs. 10/- each.

Consequent to the increase in the Authorised Share Capital of the Company, Clause V of the Memorandum of Association and the Article 5 of the Articles of Association of the Company shall be required to be altered suitably so as to reflect the increase in the Authorised Share Capital.

None of the directors shall be deemed to be concerned or interested in the above resolution.

By Order of the Board of Directors
For **Ganon Trading and Finance Company Limited**

Madanlal Goyal
Director

Date: August 31, 2012
Place: Mumbai

Registered Office:
303, Sapphire Arcade,
Above Sejal Jewellers,
M.G. Road, Ghatkoper (East),
Mumbai 400 077

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Details of the directors seeking re-appointment / appointment at the forthcoming Annual General Meeting [Revised Clause 49(IV)(G) of the Listing Agreement]

Name Directors'	Madanlal Goyal	Hari Prasad Agrawal	Manish Tiwari	Dwarka Prasad Agrawal
Identification Number (DIN)	00456394	02476724	01845134	01764827
Date of Birth	20.01.1947	12.04.1966	13.06.1969	01.4.1970
Date of appointment on the Board	27.08.2012	27.08.2012	28.07.2012	24.03.2012
Qualification(s)	B.Com	B.Com	B.Com	B.Com
Expertise & Experience	He is the key person of the company having vast knowledge and through experience in Accounts and several fields of business and he is in a business for more than 3 decades.	He is Post Graduate and Having vast Knowledge in Finance and holding key position of is Financial in the Company.	Mr. Manish Tiwari aged 43 years is graduate with a Bachelors Degree in Commerce. He has very good knowledge in Finance and Account and also having vast Experience in other field of Business for more than 2 decades.	Mr. Dwarka Prasad aged 42 years is graduated with a Bachelors Degree in Commerce. He has vast Knowledge in Finance and Account and also having vast Experience in trading mostly in field of cotton business.
Directorships held in other companies (excluding private & foreign cos.)	Nil	Nil	Nil	Nil
Committee position held in other companies	Nil	Nil	Nil	Nil
No. of shares held by Non-Executive Directors	Nil	Nil	Nil	Nil

GANON TRADING AND FINANCE COMPANY LIMITED

DIRECTORS' REPORT

To
Dear Shareholders,

Your Directors have pleasure in presenting Twenty Seventh Annual Report on the operations of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2012.

FINANCIAL RESULTS

(Amount in ₹)

Particulars	2011-12	2010-2011
Contract Revenue(Net of Vat)/ Other Operating Income	31,060,053	821,311
Profit before depreciation and tax	29,898,702	85,787
Less: Depreciation	NIL	NIL
Profit before Tax	29,898,702	85,787
Less: Income Tax	5,531,631	NIL
Deferred Tax	NIL	NIL
MAT Credit Entitlement	(2,380,556)	NIL
Profit after Tax	26,725,627	85,787
Add : Balance brought forward from previous year	73,581,421	74,015,634
Less : Issue of Bonus Shares	Nil	520,000
Balance carried forward to Balance Sheet	100,307,048	73,581,421

OPERATING PERFORMANCE

During the year ended March 31, 2012, your Company achieved a total income aggregating to Rs.31,060,053/-. The Expenses including employee costs amounted to Rs.1,161,351/-. After providing for Finance Charges and Taxation, the Company has earned a Net Profit of Rs. 26,725,627/- which has been carried to the Balance Sheet.

DIVIDEND

Considering the conservative Dividend Policy of the Company, your Directors have thought it prudent to conserve the resources for future for better future prospects of the Company.

CHANGE OF MANAGEMENT OF THE COMPANY

The most significant happening during the course of the year under review has been the acquisition of the substantial block of the existing Promoters shareholding of 25.25% in your Company by Krishnamani Holdings Private Limited ("Krishnamani"). Krishnamani acquired 25.25.% of the Equity Shares of the Company through an open Offer pursuant to SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 from the Promoter of the Company and existing Shareholders of the Company.

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As a corollary to the change in management and control, the Board of Directors of the Company was reconstituted as under:

The existing Promoter Directors i.e. Mr. Radhakishan Damani, Mr. Gopikishan Damani and Mrs. Shrikantadevi Damani stepped down from the Board with effect from August 27, 2012.

Mr. Rajendra Singhvi, Non-executive Independent Director, resigned with effect from July 26, 2012.

Mr. Dwarka Prasad Agarwal and Mr. Manish Tiwari, Non-executive Independent Directors were inducted on the Company's Board with effect from March 24, 2012 and July 28, 2012 respectively.

Mr. Madanlal Goyal and Mr. Hariprasad Agarwal, Non Executive Promoter Directors were inducted on the Company's Board with effect from August 27, 2012 respectively.

Also, consequent upon the change in Management of the Company, the Registered Office of the Company was shifted to 303, Sapphire Arcade, Above Sejal Jewellers, M.G. Road, Ghatkoper (East), Mumbai - 400 077 with effect from August 27, 2012.

BONUS ISSUE

The Board of Directors is of the opinion that the Company is comfortably placed to reward its Shareholders by way of issue and allotment of Bonus Shares by capitalization of a portion of the profit and loss account. It is recommended that bonus equity shares be issued and allotted in the ratio of 30 (Thirty) new fully paid-up Equity Shares of Rs. 10/- each for every 1 (One) existing equity share held. The Board of Directors at their Meeting held on August 31, 2012 have recommended the issue of Bonus Shares to the existing members of the Company in the ratio of 30 fully paid up Equity Shares of Rs.10/- each for every 1 fully paid up Equity Share of Rs. 10/- held as on record date/book closure date to be determined for the purpose.

In order to issue Bonus Shares to the Shareholders of the Company, the Authorized Share Capital of the Company shall have to be increased to Rs.10,00,00,000/- and Article 5 of the Articles of Association of the Company shall have to be altered accordingly.

The alteration of Memorandum and Articles of Association and issue of Bonus Shares is subject to your approval at the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;

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- (ii) that the Directors have approved 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 at the end of the financial year ended 31st March, 2012 and of the profit of the Company for that year;
- (iii) 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 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

AUDITORS

The Statutory Auditors of the Company, M/s K. K. Khadaria & Co., Chartered Accountants, Mumbai have expressed their inability to continue as the auditors of the Company. The Board proposes to appoint M/s. K. M. Tulsian & Associates, Chartered Accountants as the Statutory Auditors of the Company. M/s K. M. Tulsian & Associates, Chartered Accountants have expressed their willingness to act as the Statutory Auditors of the Company, and furnished to the Company a certificate from that their appointment, if made, would be in conformity with the provisions of Section 224 (1B) of Companies Act, 1956.

AUDITORS' REPORT

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes to Accounts for the year ended 31st March, 2012, are self-explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

SECRETARIAL COMPLIANCE CERTIFICATE

Pursuant to the provisions of Section 383A of the Companies Act, 1956, the Secretarial Compliance Certificate issued by M/s. Rathi & Associates, Company Secretaries, Mumbai for the year ended 31st March, 2012 forms part of this report.

DEPOSITORY SYSTEM

Your Company's Equity Shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2012, 78.87% of the Equity Shares of the Company were in dematerialized form.

FIXED DEPOSITS

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

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PARTICULARS OF EMPLOYEES

In terms of provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, and the notification issued by the Ministry of Corporate Affairs dated 31st March, 2012, none of the employee is in receipt of the remuneration exceeding the said Rules.

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

Conservation of Energy & Technological Absorption:

In view of the nature of activities which are being carried on by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption respectively are not applicable to the Company.

Information about Foreign Exchange Earnings and outgo

There were no foreign exchange earnings and outgoing during the year under review.

- (i) Foreign Exchange outgo - Nil
- (ii) Foreign Exchange Inflow - Nil

ACKNOWLEDGMENT

The relationship of the Company with the employees at all the levels continues to be cordial and healthy. Your Directors wish to place on record their appreciation of the significant contribution made by each and every employee of the Company and expect continued support for achieving the targets set for the future.

The Board acknowledges the support and co-operation received from the Government, Bankers, Financial Institutions, Shareholders, suppliers, associates & sub-contractors and looks forward to their continued support.

For and on behalf of the Board of Directors
For **Ganon Trading and Finance Company Limited**

Place: Mumbai
Date: August 31, 2012

Madanlal Goyal
Director

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SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH, 2012 IN RESPECT OF GANON TRADING AND FINANCE COMPANY LIMITED

CIN: L51900MH1985PLC036708

Nominal Capital: Rs. 40,00,000/-

Paid-up Capital : Rs. 30,10,000/-

To,

The Members

Ganon Trading and Finance Company Limited

Mumbai

We have examined the registers, records, books, and papers of **Ganon Trading and Finance Company Limited** ("the Company") as required to be maintained under the Companies Act, 1956, ("the Act") and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2012 ("financial year"). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a Public limited company, comments are not required.
4. The Board of Directors duly met **Six** times respectively on **13th May, 2011, 27th July, 2011, 8th November, 2011, 31st January, 2012, 24th March, 2012 and 29th March, 2012** and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Register of Members was closed from **1st August, 2011 to 5th August, 2011** during the financial year under scrutiny.
6. The Annual General Meeting for the financial year ended on **31st March, 2011** was held on **5th August, 2011** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the year under scrutiny.

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8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under Section 295 of the Act during the year under scrutiny.
9. The Company has entered into transactions falling within the purview of Section 297 of the Act and has complied with the provisions of the Act.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year under scrutiny.
13. The Company:
 - (i) There was no allotment/transfer/transmission of securities during the year under scrutiny.
 - (ii) was not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) was not required to transfer any amount to the Investor Education and Protection Fund.
 - (v) has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. Mr. Dwarka Prasad Agarwal was appointed as an Additional Director pursuant to the provisions of Section 260 of the Act. Mr. Rajendra Singhvi was appointed as a Director of the Company by way of Ordinary Resolution passed by the Members at the Annual General Meeting held on 5th August, 2011.

Apart from the aforesaid appointment, there was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/ Whole Time Director during the financial year.

GANON TRADING AND FINANCE COMPANY LIMITED

16. The Company has not appointed any sole selling agents during the financial year under scrutiny.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year under scrutiny.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year under scrutiny.
20. The Company has not bought back any shares during the financial year under scrutiny.
21. There were no outstanding Preference shares / Debentures hence there was no redemption of preference shares or debentures during the year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year under scrutiny.
24. The Company has not borrowed loans in excess of its paid up capital and free reserves during the financial year under scrutiny.
25. The Company being an principal business is the acquisition of shares, stock, debentures or other securities, the provisions of Section 372A are not applicable.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of Memorandum with respect to Name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year under scrutiny.

GANON TRADING AND FINANCE COMPANY LIMITED

31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year under scrutiny.
33. The Company has not deducted any contribution towards Provident Fund during the financial year.

For RATHI & ASSOCIATES
COMPANY SECRETARIES

JAYESH M. SHAH
PARTNER
C P No.:2535
F.C.S No: 5637

Place: Mumbai
Date: 29th May, 2012

“Annexure A”

Statutory Registers as maintained by the Company:

1. Register of Members u/s.150.
2. Register of Directors, Managing Director, Manager and Secretary u/s.303.
3. Register of Directors Shareholdings u/s.307.
4. Register of Disclosures of Interest by Directors u/s. 301(3).
5. Minutes Book u/s. 193.
6. Register of Contracts u/s 301.
7. Register of Investments u/s. 372A.

Other Registers:

1. Register of Transfers.
2. Register of Applications and Allotments.

GANON TRADING AND FINANCE COMPANY LIMITED

GANON TRADING AND FINANCE COMPANY LIMITED “Annexure B”

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2012.

Sr. No.	Form No./ Return	Filed under Section	For	Date of Filing	Whether filed within prescribed time Yes/ No	If delay in filing whether requisite additional fee paid Yes/No
1.	Form 32	303 (2)	Appointment of Mr. Rajendra Singhvi as a Director of the Company by way of Ordinary Resolution passed by the Shareholders at their Annual General Meeting held on 5 th August, 2011.	16/08/2011	Yes	N.A.
2.	Form 66	383A	Secretarial Compliance Certificate for the year ended 31 st March, 2011.	03/09/2011	Yes	N. A.
3.	Form 20B	159	Annual Return made up to 5 th August, 2011.	28/09/2011	Yes	N.A.
4.	Form 23AC-XBRL	220	Filing XBRL document in respect of the Audited Balance Sheet as at 31 st March, 2011.	11/10/2011	Yes	N. A.
5.	Form 23ACA-XBRL	220	Filing XBRL document in respect of the Audited Profit & Loss Account for the financial year ended 31st March, 2011.	11/10/2011	Yes	N.A.
6.	Form No. 32	303	Appointment of Mr. Dwarka Prasad Agarwal as an Additional Director of the Company pursuant to the provisions of Section 260 of the Act.	26/03/2012	Yes	N. A.

GANON TRADING AND FINANCE COMPANY LIMITED

AUDITORS' REPORT

TO THE MEMBERS OF GANON TRADING & FINANCE COMPANY LIMITED

We have audited the attached Balance Sheet of GANON TRADING & FINANCE COMPANY LIMITED as at 31st March, 2012 and also the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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 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.

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Department of Company Affairs, in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 & 5 of the said Order.
2. Further to our comments on the Annexure referred to in paragraph 1 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 those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow statement dealt with by this report comply with the Accounting Standards referred in subsection (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of the written representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of Clause (g) of sub-section 1 of Section 274 of the Companies Act, 1956.

GANON TRADING AND FINANCE COMPANY LIMITED

- f) In our opinion and to the best of our information and according to explanations given to us, the said financial statements together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India;
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
- ii) in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For K K KHADARIA & CO
CHARTERED ACCOUNTANTS
(Firm Reg. No.105013W)

PLACE : Mumbai
DATED: 29th May, 2012

AJAY DAGA
PARTNER
M.NO.44162

GANON TRADING AND FINANCE COMPANY LIMITED

ANNEXURE referred to in paragraph (1) of our Report of even date on the Accounts for the year ended 31st March, 2012 of GANON TRADING & FINANCE COMPANY LIMITED.

1. The Company does not have any fixed assets and hence the question of maintaining records, physical verification & disposal of the same does not arise.
2.
 - a. Shares in custody of the Company have been physically verified by the management at reasonable intervals. For shares held with the custodian and depository participant, statements from them have been obtained on a regular basis.
 - b. In our opinion, the procedures of verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. The discrepancies noticed on reconciliation of physical inventories as compared to book records have been properly dealt with in the books of accounts.
3.
 - (a) The Company has, during the year, not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained u/s.301 of the Companies Act, 1956. Accordingly, the clause 4(iii)(b) to (d) of the Order are not applicable.
 - (b) The Company has taken interest free unsecured loan from a party covered in the register maintained u/s.301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.2.00 Crores & the year-end balance of loan taken from such party was Rs. NIL/-.
 - (c) In our opinion, the other terms and conditions on which the loan was taken is not prima facie prejudicial to the interest of the Company.
 - (d) As per the information made available to us, the aforesaid loan taken by the Company was repayable on demand.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to sale of shares (inventory). There is no purchase of inventory and fixed assets. The Company does not provide any services. During the course of our audit, no major weaknesses have been observed in the internal control system.

GANON TRADING AND FINANCE COMPANY LIMITED

5.
 - a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangement that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanation given to us, there are no transactions in pursuance of contacts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs.500000/- (Rupees Five Lacs only) or more in respect of any party.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits to which the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
7. The Company does not have formal system of internal audit, but there are adequate checks & controls at all levels.
8. The provisions of Section 209 (1)(d) of the Companies Act, 1956 regarding maintenance of Cost records is not applicable to the Company.
9.
 - (a) In our opinion and according to the information and explanations given to us, the Company has been regular in depositing undisputed statutory dues with the appropriate authorities.
 - (b) In our opinion and according to the information & explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.
10. The Company does not have accumulated losses at the end of the year and the Company has not incurred cash losses during the current and in the immediately preceding financial year.
11. In our opinion & according to the information & explanation given to us, the Company has not taken any loans from financial institution or bank or through issue of debentures. Therefore, the question of repayment or default does not arise.
12. The Company has not granted any loans and advances 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.
14. In respect of Company's activity for dealing in shares, proper records have been maintained in regard to the transactions and contracts and timely entries have been made therein. The shares have been held by the Company in its own name.

GANON TRADING AND FINANCE COMPANY LIMITED

15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not taken any term loan during the year &, therefore, provisions of Clause (xvi) of CARO, 2003 is not applicable to the Company.
17. According to information & explanations given to us and on overall examination of Balance Sheet of the Company, we report that Company has not raised any short term loan during the year.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money by way of public issues during the year.
21. According to the information and explanations given to us and to the best of our knowledge & belief, no fraud on or by the Company has been noticed or reported by the Company during the year.

**For K K KHADARIA & CO
CHARTERED ACCOUNTANTS
(Firm Reg. No.105013W)**

**PLACE: MUMBAI
DATED: 29th May, 2012**

**AJAY DAGA
PARTNER
M.NO.44162**

GANON TRADING AND FINANCE COMPANY LIMITED

BALANCE SHEET AS AT 31 MARCH, 2012

	Note No.	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	3,010,000	3,010,000
Reserves and Surplus	3	100,307,048	73,581,421
		<u>103,317,048</u>	<u>76,591,421</u>
Current Liabilities			
Other current liabilities	4	43,190	48,952
Short-term provisions	5	95,281	NIL
		138,471	48,952
TOTAL		<u>103,455,519</u>	<u>76,640,373</u>
ASSETS			
Non-current assets			
Non-current investments	6	NIL	66,097,539
Long term loans and advances	7	11,493,717	9,113,161
		11,493,717	75,210,700
Current assets			
Inventories	8	NIL	515,051
Cash and cash equivalents	9	347,926	887,047
Short-term loans and advances	10	91,613,876	27,575
		91,961,802	1,429,673
TOTAL		<u>103,455,519</u>	<u>76,640,373</u>

Summary of Significant Accounting Policies 1
The accompanying notes form an integral part of the Financial Statements.

As per our Report of even date

For and on behalf of the Board of Directors

For **K K KHADARIA & CO**

Rajendra Singhvi - Director

CHARTERED ACCOUNTANTS

Gopikishan Damani - Director

AJAY DAGA

Partner

Place : Mumbai

Dated : 29th May, 2012

GANON TRADING AND FINANCE COMPANY LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2012**

	Note No.	Year ended 31.03.2012 Amt (Rs.)	Year ended 31.03.2011 Amt (Rs.)
Revenue			
Revenue from operations	11	31,060,053	821,311
Total Revenue		31,060,053	821,311
Expenses			
Changes in inventories	12	505,987	(26,016)
Financial costs	13	277,974	NIL
Other expenses	14	377,390	761,540
Total Expenses		1,161,351	735,524
Profit before tax		29,898,702	85,787
Tax expense:			
- Current tax		5,553,631	NIL
- MAT Credit Entitlement		(2,380,556)	NIL
Profit/(Loss) for the year		26,725,627	85,787

Earnings per equity share of face value of Rs.10/-each

Basic and Diluted (Rs.)	17	88.79	0.31
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the Financial Statements.			

As per our Report of even date

For and on behalf of the Board of Directors

For **K K KHADARIA & CO**

Rajendra Singhvi - Director

CHARTERED ACCOUNTANTS

Gopikishan Damani - Director

AJAY DAGA

Partner

Place : Mumbai

Dated : 29th May, 2012

GANON TRADING AND FINANCE COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
a) Net Profit/ (Loss) before operating activities	29,898,702	85,787
Adjustment For		
(Profit)/Loss on sale of Investment	(17,683,479)	1,899,163
Interest Received	(95,890)	NIL
Dividend Received	(2,596,588)	(2,720,474)
Interest Paid	277,974	NIL
b) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	9,800,719	(735,524)
ADJUSTMENTS FOR:		
Decrease in Inventories	515,051	(26,016)
Short Term Loans and Advances	(91,586,301)	(27,575)
Other current liabilities	(5,762)	34,479
CASH GENERATED FROM OPERATIONS	(81,276,293)	(754,636)
Direct Tax (Paid)/refund	(5,458,350)	(348,543)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(86,734,643)	(1,103,179)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Investment	(54,800,000)	(13,387,670)
Sale of Investment	138,581,018	12,257,943
Interest Received	95,890	NIL
Dividend Received	2,596,588	2,720,474
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	86,473,496	1,590,747
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(277,974)	NIL
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	(277,974)	NIL
NET INCREASE IN CASH AND CASH EQUIVALENTS	(539,121)	487,567
CASH AND CASH EQUIVALENTS	887,047	399,480
(At the beginning of the year)		
CASH AND CASH EQUIVALENTS	347,926	887,047
(At the end of the year)		

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement issued by The Institute of Chartered accountants of India.
2. Previous Year's figure have been regrouped, rearranged, wherever necessary, to correspond with the current year's classification/disclosure.

As per our Report of even date

For and on behalf of the Board of Directors

For **K K KHADARIA & CO**
CHARTERED ACCOUNTANTS

Rajendra Singhvi - Director

AJAY DAGA

Gopikishan Damani - Director

Partner

Place : Mumbai

Dated : 29th May, 2012

GANON TRADING AND FINANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
2 Share Capital		
Authorised :		
400000 (P.Y. 400000) Equity Shares of Rs. 10/- each	4,000,000	4,000,000
Issued, Subscribed and fully Paid-up:		
301000 (P.Y. 301000) Equity Shares of Rs. 10/- each	3,010,000	3,010,000
	<u>3,010,000</u>	<u>3,010,000</u>

a. Reconciliation of number of Equity Shares outstanding

	As At 31.03.2012		As At 31.03.2011	
	Nos.	Amt (Rs.)	Nos.	Amt (Rs.)
As at beginning of the year	301000	3,010,000	249000	2,490,000
Add: Issue of Bonus Shares	NIL	NIL	52000	520,000
Outstanding at end of the year	<u>301000</u>	<u>3,010,000</u>	<u>301000</u>	<u>3,010,000</u>

b. The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to same right in all the assets.

c. Shares in the Company held by each shareholders holding more than 5% shares:

	No. of Shares Held Percentage of holding	No. of Shares Held Percentage of holding
No. of Shareholders each holding more than 5% of the share capital		
One shareholder (P.Y. Two Shareholders)	76000 25.25%	200000 66.44%

d. Equity Shares allotted as fully paid up bonus shares during the last five years

	52000	52000
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GANON TRADING AND FINANCE COMPANY LIMITED

	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
3 Reserves & Surplus		
Surplus in Statement of Profit and Loss		
Opening Balance	73,581,421	74,015,634
Add: Net Profit for the current year	26,725,627	85,787
	<u>100,307,048</u>	<u>74,101,421</u>
Less: Issue of Bonus Shares	NIL	520,000
Closing Balance	<u>100,307,048</u>	<u>73,581,421</u>
4 Other Current Liabilities		
Statutory Dues	4,798	1,668
Other Payables	<u>38,392</u>	<u>47,284</u>
	<u>43,190</u>	<u>48,952</u>
<p>Based on the information so far available with the Company, there are no dues payable to MSME as defined in the Micro, Small and Medium Enterprises Development Act, 2006.</p>		
5 Short-Term Provisions		
Provision for Income Tax (net of advance tax and tds)	95,281	NIL
	<u>95,281</u>	<u>NIL</u>

GANON TRADING AND FINANCE COMPANY LIMITED

	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
6 Non-Current Investments		
Non Trade Investments		
Quoted		
Investment in Equity Instruments		
NIL (28000) Eq. Shares of Rs.10/- each of B.P.C.L.	NIL	14,285,788
NIL (120244) Eq. Shares of Rs.10/- each of H.P.C.L.	NIL	37,307,099
NIL (753) Eq. Shares of Rs.10/- each of Indian Oil Corporation Ltd.	NIL	307,037
NIL (100) Eq. Shares of Rs.10/- each of Wyeth Ltd.	NIL	6,389
NIL (100) Eq. Shares of Rs.10/- each of Nestle India Ltd.	NIL	83,625
NIL (8500) Eq. Shares of Rs.10/- each of Gillette India Ltd.	NIL	13,387,670
NIL (19000) Eq. Shares of Rs.10/- each of Henkel India Ltd.	NIL	439,181
NIL (223) Eq. Shares of Re.1/- each of Indian Hotels Co.Ltd.	NIL	15,610
NIL (3000) Eq. Shares of Rs.5/- each of TV Today Network Ltd.	NIL	265,140
Aggregate Book Value of Quoted Investments	<u>NIL</u>	<u>66,097,539</u>
Market Value of Quoted Investments	<u>NIL</u>	<u>85401063</u>
7 Long-Term Loans & Advances		
Other Loans & Advances		
— MAT credit entitlement	11,493,717	9,113,161
	<u>11,493,717</u>	<u>9,113,161</u>
8 Inventories		
Stock in trade	NIL	515,051
	<u>NIL</u>	<u>515,051</u>
9 Cash & Cash Equivalents		
Cash & Bank balances		
—Cash on Hand	4,075	5,985
—Balance with Bank in Current Account	343,851	881,062
	<u>347,926</u>	<u>887,047</u>
10 Short-term Loans & Advances (Unsecured, considered good)		
Other loans & advances	91,613,876	27,575
	<u>91,613,876</u>	<u>27,575</u>

GANON TRADING AND FINANCE COMPANY LIMITED

	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
11 Revenue From Operations		
Sales	10,684,096	NIL
Profit/(Loss) on sale of Investment		
- Current	267,233	NIL
- Long Term	17,416,246	(1,899,163)
Dividend Income		
- Current	2,463,763	2,518,111
- Long Term	132,825	202,363
Interest on Loan	95,890	NIL
	<u>31,060,053</u>	<u>821,311</u>
12 Changes in Inventories		
Stock at commencement	515,051	489,035
Less: Stock W/off	9,064	NIL
	<u>505,987</u>	<u>489,035</u>
Stock at close	NIL	515,051
	NIL	515,051
	<u>505,987</u>	<u>(26,016)</u>
13 Financial Cost		
Interest on deferred payment of income tax	277,974	NIL
	<u>277,974</u>	<u>NIL</u>
14 Other Expenses		
Listing Fees	16,950	518,605
Legal & Professional Fees	69,948	24,406
Depository & Registrar Charges	43,380	72,937
Advertisement	41,882	40,113
Auditors' Remuneration		
- For Audit	22,472	13,788
- For Income Tax Matters	15,516	NIL
- For Certification Work	9,989	9,927
Demat Charges	10,781	4,754
Filing Fees	2,300	4,120
Expenses for Increase in Auth. Share Capital	NIL	33,000
Share Transaction Charges	17,575	3,457
Miscellaneous Expenses	322	869
Printing & Stationery	600	8,295
Loss on Stock W/off	9,064	NIL
Securities Transaction Tax	116,611	27,269
	<u>377,390</u>	<u>761,540</u>

GANON TRADING AND FINANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

15 Segment Reporting

The Company is engaged solely in investment activity segment and all activities of the Company revolve around this business. As such there are no other reportable segment as defined by Accounting Standard 17 on "Segment Reporting" issued by the Institute Chartered Accountants of India.

16 Related Party Disclosures

i. List of Related Parties with whom transaction have taken place & Relationship.

Name of the Related Parties	Relationship
a. Radhakishan Damani	Key Management Person
b. Mutual Growth Fund of India Pvt. Ltd.	Enterprises over which Key Management Personnel are able to exercise significant influence

ii. Transaction with related parties during the year

	Amt(Rs.) 2011-12	Amt(Rs.) 2010-11
a. Enterprises over which Key Management Personnel are able to exercise significant influence		
Sale of Stock in Trade	174,311	NIL
b. Key Management Person		
Loan taken	20,000,000	NIL
Loan Repayment	20,000,000	NIL
iii. Balance outstanding at the year end in respect of related parties is NIL (P.Y. Rs.NIL).		

GANON TRADING AND FINANCE COMPANY LIMITED

17 Earnings Per Share (EPS)	<u>2011-2012</u>	<u>2010-2011</u>
a) Weighted Average Number of Equity Shares outstanding during the year	301000	277066
b) Net Profit after tax available for Equity Shareholders (Rs.)	26,725,627	85,787
c) Basic and Diluted Earnings Per Share (Rs.)	88.79	0.31
d) Nominal Value Per Share (Rs.)	10.00	10.00

The Company does not have any outstanding dilutive potential equity shares.

18 Previous year figures

The Revised Schedule VI has become effective from April 1, 2011 for the preparation and presentation of financial statements. This has significantly impacted the disclosures 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/disclosures.

As per our report of even date

For K K KHADARIA & CO

**CHARTERED ACCOUNTANTS
AJAY DAGA
PARTNER**

PLACE : MUMBAI
Dated : 29th May, 2012

For and on behalf of the Board of
Directors

Rajendra Singhvi - Director
Gopikishan Damani - Director

GANON TRADING AND FINANCE COMPANY LIMITED

ATTENDANCE SLIP FOR 27TH ANNUAL GENERAL MEETING

Please fill this attendance slip and hand it over at the entrance of the meeting hall.

(For Demat Holding)

DP Id.	
Client Id.	

(For Physical Holding)

Folio No.	
No. of Shares	

I hereby record my presence at the 27th ANNUAL GENERAL MEETING of the Company on Saturday 29th September, 2012 at 10.00 a.m. at its Reg. Office 303, Sapphire Arcade, Above Sejal Jewellers, M.G. Road, Ghatkoper (East), Mumbai 400 077

Name of the equity shareholder/proxy/representative

Signature of the equity shareholders/proxy/representative

Note: Shareholders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after affixing their signature on it.

PROXY FORM

I/We of
being a member/members of Ganon Trading and Finance Company Limited, hereby appoint of
failing him of
or failing him as my /our proxy to vote for me/us
and on my/our behalf at the 27th ANNUAL GENERAL MEETING of the Company on Saturday, 2012 at 10.00 A.M. at 303, Sapphire Arcade, Above Sejal Jewellers, M.G. Road, Ghatkoper (East), Mumbai 400 077 and at any adjournment thereof.

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

Folio No./DP ID and Client ID:

Address:

Notes:

- 1) The Proxy need NOT be a member.
- 2) The Proxy form duly signed across revenue stamp should be submitted to the Company's Registered Office at least 48 hours before the time of the meeting.