

**G D TRADING AND AGENCIES
LIMITED**

31st Annual Report 2010-2011

G D TRADING AND AGENCIES LIMITED

BOARD OF DIRECTORS

VINOD KUMAR MIMANI
SANJAY Sampat KUMAR SOMANI
SHEKHAR NANDKUMAR SOMANI

BANKERS

Bank of Baroda

AUDITORS

J.K. LAHOTI & CO.

REGISTERED AND WORKS OFFICE
INDIAN MERCANTILECHAMBERS 3RD FLR 14-R KAMANI, MARG
BALLARDESATE, MUMBAI- 400001

HEAD OFFICE
INDIAN MERCANTILECHAMBERS 3RD FLR 14-R KAMANI, MARG
BALLARDESATE, MUMBAI- 400001

NOTICE:

TO THE MEMBERS

NOTICE is hereby given that the Thirty first Annual General Meeting of the members of G.D. Trading & Agencies Ltd., will be held on 30th September 2011 at 12.00 noon at A/12 Kapur Mahal, Netaji Subhash Road, Marine Drive, Mumbai-400020 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet as on 31st March, 2011 and Profit & Loss account for the year ended on that date and the Reports of Directors and Auditors.
2. To appoint a Director in place of Shri Shekhar Somani who, retires by rotation and being eligible, offers himself for reappointment.
3. To appoint auditors for the current year fix their remuneration.

SPECIAL BUSINESS

To appoint Shri Sanjay Somani (who was appointed as Additional Director pursuant to Article 149 of the Company's Article of Association and who holds office under the said Article and Section 260 of the Companies Act, 1956 only up to the date of this meeting, and in respect of whom the Company has received a notice in writing under Section 257 of the said Act, from a member signifying his intention to propose Shri Sanjay Somani as a candidate for the office of Director) as director of the Company and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Shri Sanjay Somani be and is hereby appointed as Director of the Company liable to retire by rotation."

Place: Mumbai
Date : 02/09/2011

By Order of the Board of Directors
SHEKHAR SOMANI
DIRECTOR

NOTES:

1. A member is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be member of the company. The proxies in order to be effective must be filled in with the company at its Registered office not later than 48 hours before the meeting.
2. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of item 4 of the Notice as set out above, is annexed hereto.
3. The register of Members and Share Transfer Books of the Company will remain closed from 26th September 2011 to 30th September, 2011 (both days inclusive).

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

Item no.4

Shri Sanjay Somani was appointed as an Additional Director of the Company by the Board of Directors at their meeting pursuant to the provision contained in Article 149 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956, he holds the office up to the date of this Annual General Meeting. As required under Section 257 of the Companies Act, 1956, notice has been received from one of the members of the Company proposing his candidature for the office of the Director of the Company.

Shri Sanjay Somani is a leading businessman and is on the Board of various Companies of repute. It is desirable that Company continues to avail of his experience. Accordingly the resolution under item no. 4 is commended for your acceptance.

None of the directors other than Shri Sanjay Somani are interested in passing the resolution.

Place: Mumbai
Date : 02/09/2011

By Order of the Board of Directors
SHEKHAR SOMANI
DIRECTOR

G D TRADING AND AGENCIES LIMITED

DIRECTORS REPORT:

TO THE MEMBERS

Your Directors have pleasure in presenting the Thirty first Annual Report together with Audited Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS:

The summarized results of the year's working are as under:-

	Current Year 2010-11	Previous Year 2009-10
Net Profit / (Loss) before Taxation	551	4701
Less: Provision for taxation	0	200
Profit/(Loss) after taxation	551	4501
T.D.S. Adjustment	0	0
<u>Add.</u> Surplus/(Deficit) C/F from previous yrs	(27,16,390)	(27,20,891)
Profit/(Loss) available for appropriation	(27,15,839)	(27,16,390)
Less: Proposed Dividend	0	0
Corporate Tax on Proposed Dividend	0	0
Balance carried to Balance Sheet	(27,15,839)	(27,16,390)

The working results for the year under review, resulted a Profit of Rs. 551/-
The directors do not recommend any payment of dividend.

DIRECTORS:

We regret to inform you that our founder and Chairman of the Company Shri Nandkumar Somani has left for heavenly abode. The Board pray to Almighty let his soul rest in peace and give the strength to his family members.

Shri Sanjay Somani has been appointed as an Additional Director and he hold office up to this date of Annual General Meeting for which a notice has been received from one of the members of the Company signifying his intention to propose him as a candidate for the office of Director Shri Shekhar Somani, a Director of the Company retire by rotation and being eligible, offers himself for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT:

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

- i) in the preparation of the annual accounts, the applicable Accounting Standard have been followed with proper explanation relating to material departures;
- ii) appropriate accounting policies have been selected applied consistently, and have made judgment and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company for the year under review;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company & detecting fraud & other irregularities;
- iv) the annual accounts have been prepared on a going concern basis.

Auditors' Remark:

As regards the remark made by the auditor the same is self explanatory and do not call any further comments.

AUDITORS:

M/s. J.K. Lahoti & Company, the auditors of the company, retire at the forthcoming Annual General Meeting. They are available for re-appointment for a fresh term. Your Directors recommend their reappointment as auditors of the Company.

PARTICULARS OF EMPLOYEES

There is no employee employed by the Company for the whole year or part of the year who was in receipt of remuneration in excess of limits provided u/s. 217 (2A) of the Companies Act, 1956 read with the companies (particulars of Employees) Rules, 1975

BY ORDER OF THE BOARD
SHEKHAR SOMANI
Director

Place: Mumbai
Date : 02/09/2011

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENT:

The company was engaged in investing activities since its inception at Mumbai.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The company has adequate internal control systems with control checks commensurate with its size and nature of business. These measures ensure efficient use and protection of all assets of the Company and also compliance with the policies, procedures and statutory requirements.

HUMAN RESOURCE MANAGEMENT

The relationship with all employees in the Company continues to be cordial. The Company considers its Employees as one of its most valuable asset. We strongly encourage all aspects of self development.

SAFE HARBOUR CLAUSE

Statements in the Management Discussion and Analysis describing the Company's objectives and expectations may be "forward looking statement" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and reasonable expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/ supply, price conditions in the domestic and overseas market in which the Company operates, changes in the Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations. Thus, the Company should and need not be held responsible, if which is not unlikely, the future turns to be quite different. Subject to this management disclaimer, this discussion and analysis should be perused.

For and on behalf of the Board

Sd/-
(SHEKHAR NANDKUMAR SOMANI)
Chairman
Mumbai, September 2, 2011

ANNEXURE TO THE DIRECTORS REPORT

Report on Corporate Governance

COMPANY PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to attain the highest levels of transparency, accountability and integrity. This objective extends, not merely to meet with statutory requirements but also to go beyond them by putting into place procedures and systems which are in accordance with best practices for governance. Corporate Governance at G D TRADING AND AGENCIES LIMITED means being responsive to aspirations to all the stakeholders – customers, suppliers, lenders, employees, the shareholders and expectations of the society. The Board of Directors supports the board principles of Corporate Governance and lays strong emphasis on its trusteeship role to align and direct the actions of the organization to achieve its avowed objectives of transparency, accountability and integrity. Given below is the report on Corporate Governance at G D TRADING AND AGENCIES LIMITED.

BOARD OF DIRECTORS

Composition of the Board:

The Board of Directors of your Company consists of three Directors as on 31st March, 2011.

None of the Directors on the Board are members of more than five Committees and Chairman of more than five Committees across all companies in which they are Directors.

During the financial year 2010-2011, Five Board Meetings were held on the following dates:

- 14.04.2010
- 30.06.2010
- 30.07.2010
- 30.10.2010
- 15.01.2011

The details of the Directors on the Board of your Company as on 31st March, 2011 are given below:

Name	Category	No. of Shares Held	Attendance Particulars		No. of Outside Directorship(*)	No. of Committee positions held (@)	
			Board meetings	Last AGM		Chairman	Member
Vinod Kumar Mimani	Director (Executive)	8220	Yes	Yes	Nil	Nil	Nil
SANJAY SAMPAT KUMAR SOMANI	Director (Non-Executive)	--	Yes	Yes	Nil	Nil	Nil
SHEKHAR NANDKUMAR SOMANI	((Non-Executive)	--	Yes	Yes	Nil	Nil	Nil

(*) Excludes directorship in Indian Private Limited Companies, Foreign Companies, Companies under Section 25 of the Companies Act, 1956 and membership of Managing Committees of various bodies.

(@) Only membership of Audit Committee and Shareholder's/Investor's Grievances Committees are considered.

Board Procedure:

The Board meets at least once in quarter, interalia, to review the quarterly performance and the financial results. The Board Meetings are generally scheduled well and the notice of each Board Meeting is given in writing to each Director.

The information as specified in Annexure IA to Clause 49 of the Listing Agreement is placed before the Board the Board wherever applicable.

AUDIT COMMITTEE

Terms of reference:

The Audit Committee of the Board of Directors of your Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures

Apart from all the matters provided in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Committee review reports of the Internal Auditors, meets Statutory Auditors periodically and discusses their findings, suggestions, internal control systems, scope of audit, observations of the auditors and reviews accounting policies followed by your Company.

The Committee reviews with the management, the half yearly and annual financial statements before its submission to the Board. The minutes of the Audit Committee meetings are placed and noted at the subsequent meeting of the Board of Directors of your Company.

Composition and Attendance at Meeting:

The Audit Committee comprises of three members and Mr. SHEKHAR NANDKUMAR SOMANI, the Managing Director of the Company is financially literate as prescribed in the Listing Agreement.

Mr. SHEKHAR NANDKUMAR SOMANI, Director is the Chairman of the Committee. Mr SANJAY SAMPAT KUMAR SOMANI and Mr. Vinod Kumar Mimani are the members of the Committee.

The Audit Committee generally meets once in a quarter, inter-alia, to review the quarterly performance and the financial results.

The Audit Committee met four times during the financial year 2010-2011 on

→ 14.04.2010

→ 30.06.2010

→ 30.07.2010

→ 30.10.2010

→ 15.01.2011

Name of the Member	Position	No. of Meetings held	No. of meetings Attended
Mr.SHEKHAR NANDKUMAR SOMANI	Chairman	5	5
Mrs. Vinod Kumar Mimani	Member	5	5
Mr. SANJAY SAMPAT KUMAR SOMANI	Member	5	5

Mr. SHEKHAR NANDKUMAR SOMANI, Chairman of the Committee was present at the Annual General Meeting of your Company held on 29th September, 2010 to answer the shareholders' queries.

The Minutes of the Audit Committee Meetings form part of the documents placed before the meetings of the Board of Directors. In addition, the Chairman of the Audit Committee appraises the Board about the significant discussions at the Audit Committee meetings.

REMUNERATION AND COMPENSATION COMMITTEE

There was no constitution of any remuneration and compensation committee.

INVESTORS' GRIEVANCES & SHARE TRANSFER COMMITTEE :

There was no constitution of any investors, grievance & transfer committee.

GENERAL BODY MEETINGS:

Particulars of General meetings held during last three years:

Annual General meeting (AGM)	Date	Venue	Time	No. of Special Resolutions Passed
AGM (2007-2008)	29 th September, 2008	Kapur Mahal, 5 th Floor, Marine Drive Mumbai- 400020	11.00 a.m.	NIL
AGM (2008-2009)	30 th September, 2009	Kapur Mahal, 5 th Floor, Marine Drive Mumbai- 400020	11.00 a.m.	NIL
AGM (2009-2010)	30 th September, 2010	Kapur Mahal, 5 th Floor, Marine Drive Mumbai- 400020	11.00 a.m.	NIL

There were no any Special resolutions passed by the members during the last three years' General Meeting.

There was no any resolution passed by Postal Ballot

DISCLOSURES:

Your Company has no material significant transactions with its related parties that may have a potential conflict with the interest of your Company during the Financial Year 2010-2011. The details of transaction between your Company and the related parties are given for information under Note 7 to the Schedule 15 to the Balance Sheet as at 31st March, 2011.

In the preparation of the financial statements, your Company follows Accounting Standards issued by the Institute of Chartered Accountants of India.

Your Company has formulated and laid down a procedure on risk assessment and minimization. These procedures have been considered by the Board and a properly defined framework is laid down to ensure that executive management controls the identified risks. Your Company has not framed any Whistle Blower Policy during the year 2010-11.

During the year under review, your Company did not raise any proceeds through a public issue, rights issue and /or a preferential issue.

Means of Communication

Your Company's results and official news release are displayed on your Company's website <http://www.gdtal.com>. There were no presentations made to the institutional investors or analysts during the year under review.

Management Discussion and Analysis Report forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

- Annual General Meeting :
Date and Time : Thursday, 30th September, 2011 at 11.00 a.m.
Venue : Kapur Mahal, 5th Floor,
Marine Drive
Mumbai- 400020
- Tentative Financial Calendar : The financial year of the Company is for the period from 1st April to 31st March of the following year.
- Date of Book Closure : Monday, 26th September, 2011 to Friday, 30th September, 2011 (both days inclusive)
- Listing on Stock Exchange : Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 023.
- Stock Code BSE : 504346

6. The monthly High and Low of market price of the equity shares of your Company on the BSE and NSE and the stock performance during the last financial year was as under :

The Company being suspended from BSE

7. Address for Correspondence : Indian Mercantile Chambers, 3rd Floor
14- R Kamani
8. Designated E-Mail ID for registering
Complaints by the investors : gdta12000@gmail.com

Chief Executive Officer and Chief Financial Officer Certification

To,

The Board of Directors of G D TRADING AND AGENCIES LIMITED

I Shekhar Nandkumar Somani, Whole Time Director of G D TRADING AND AGENCIES LIMITED to the best of my knowledge and belief certify that

1. Review of financial statements and the cash flow statement for the year ended 31/03/11 had been done and that to the best of their knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. To the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

3. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and there are no deficiencies in the design or operation of internal control.

4. They have indicated to the Auditors and the Audit Committee, that there are no

i. significant changes in internal control during the year

ii. significant changes in accounting policies during the year

iii. instances of significant fraud of which they become aware of or the involvement therein, if any, by the management or an employee having a significant role in the company's internal control system.

Sd/-

Shekhar Nandkumar Somani

Whole time Director

Place: Mumbai

Dated: 2nd September, 2011

Auditors' Certificate on Corporate Governance to the Members of G D TRADING AND AGENCIES LIMITED

We have examined the compliance of conditions of Corporate Governance of Soma Papers and Industries Ltd. ("the Company"), for the year ended on 31 March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s. J.K. Lahoti & Company
Chartered Accountants
Sd/-

J. K. LAHOTI
Proprietor
2nd September, 2011. Membership No. 16655

DECLARATION ON CODE OF CONDUCT

To,
The Members of G D TRADING AND AGENCIES LIMITED

This is to confirm that Board has laid down a code of conduct for all Board members and senior management of the Company. It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company as at March 31, 2011, as envisaged in Clause 49 in the listing Agreement with stock exchanges.

For and on behalf of the Board

Sd/-
(SHEKHAR NANDKUMAR SOMANI)
Chairman
Mumbai: September 2, 2011

AUDITORS' REPORT

TO,

THE MEMBERS OF G.D. TRADING & AGENCIES LTD.

We have audited the attached Balance Sheet of G.D. TRADING & AGENCIES LTD, as at 31st March 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the 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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4-A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order, to the extent applicable to the Company.

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

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper Books of Account as required by law, have been kept by the Company so far as appears from our examination of those books;
3. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the Books of Account;
4. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable, *except for non provision of diminution in the values of long term investment amounting to Rs.7,40,70,921/- which is not in accordance with Accounting Standard 13 on "Accounting for Investment" (Refer Note No.B-4 of Schedule 17).*
5. On the basis of the written representations received from the directors as on March 31,2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) we report that of sub-section (1) of section 274 of the Companies Act, 1956;

6. Subject to above in paragraph 4 above, in our opinion and to the best of our information and according to the explanations given to us, the said Accounts, read together with other Notes given in Schedule '17', give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
 - b. in the case of the Profit and Loss Account, of the *profit* for the year ended on that date.

For J.K. LAHOTI & CO.

Chartered Accountants,
FRN. 105508W

Place : Mumbai
Date : 02/09/2011
No 16655

(J. K. LAHOTI)
PROPRIETOR, Membership

G. D. TRADING & AGENCIES LTD.
BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE	As At 31-Mar-11	As At 31-Mar-10
SOURCES OF FUNDS		
1. Shareholders Funds:		
a. Share Capital	1	6,000,000.00
2. Loan Funds:		
a. Unsecured Loans	II	88,418,941.98
	<u>93,773,767.98</u>	<u>94,418,941.98</u>
APPLICATION OF FUNDS		
1. Fixed Assets:		
a. Gross Block	III	3,738,919.00
b. Less: Depreciation		3,732,664.78
c. Net Block		<u>5,397.22</u>
2. Investments:		
	IV	77,215,532.06
3. Current Assets, Loans & Advances:		
a. Inventories	V	172,356.00
b. Cash & Bank Balances	VI	16,034.48
c. Other Current Assets	VII	-
d. Loans & Advances	VIII	33,344,499.00
e. Sundry Debtors	IX	600,000.00
		<u>33,532,889.48</u>
Less: Current Liabilities & Provisions:		
a. Current Liabilities	X	19,695,890.18
b. Provisions	XI	200.00
		<u>19,695,890.18</u>
Net Current Assets		13,836,999.30
Miscellaneous Expenditure (to the extent not written off)		14,480,765.38
4. Profit & Loss Account		2,716,390.32
		<u>93,773,767.98</u>
		<u>94,418,941.98</u>

**SIGNIFICANT ACCOUNTING POLICIES
AND NOTES TO ACCOUNTS** XVII

As per our Report of even date
For J. K.Lahoti & Co.
Chartered Accountants

(J. K. LAHOTI) M. No. 16655
PROPRIETOR
Place: Mumbai
Date: 02/09/2011

For and on Behalf of The Board

(Shekhar Somani)
Director

(Sanjay Somani)
Director

G. D. TRADING & AGENCIES LTD.
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	SCHEDULE	Current year 31/03/2011	Previous year 31/03/2010
INCOME			
Sales		-	-
Dividend from shares	XII	3,775.92	3,448.00
Other Income	XIII	-	9,751.00
Sundry credit balance written back		40,656.00	99,000.00
Profit on Trading of shares		13,783.35	-
Increase/(Decrease) in Stock	XIV	8,990.00	(44,452.00)
		<u>67,205.27</u>	<u>67,747.00</u>
EXPENDITURE			
Purchases		-	-
Payment to & Provision for Employee	XV	-	-
Adm. & Other Expenses	XVI	50,164.00	61,051.00
Loss on Future & Option(Net)		15,633.35	-
Bad debts		-	-
Depreciation		857.00	995.00
		<u>66,654.35</u>	<u>62,046.00</u>
Profit/(Loss) before Taxation		550.92	4,701.00
Provision for Taxation (MAT)		-	200.00
Provision for Taxation		-	-
Profit/(Loss) after Taxation		<u>550.92</u>	<u>4,501.00</u>
TDS & Taxes of earlier adjusted		-	-
Deficit carried forward from earlier years		<u>(2,716,390.32)</u>	<u>(2,720,891.32)</u>
Balance carried to Balance Sheet		<u>(2,715,839.40)</u>	<u>(2,716,390.32)</u>

**SIGNIFICANT ACCOUNTING POLICIES
AND NOTES TO ACCOUNTS XVII**

As per our Report of even date
For J. K. Lahoti & Co.
Chartered Accountants

(J. K. LAHOTI) M. No. 16655
PROPRIETOR
Place: Mumbai
Date: 02/09/2011

For and on Behalf of The Board

(Shekhar Somani)
Director

(Sanjay Soamni)
Director

G. D. TRADING & AGENCIES LTD.**SCHEDULES FORMING PART OF THE BALANCE SHEET AND P & L A/C AS ON 31ST MAR.**

	As At 31-Mar-11	As At 31-Mar-10
SCHEDULE I		
SHARE CAPITAL		
Authorised Capital:		
250,000 Equity Shares of Rs 10/- each	2,500,000.00	2,500,000.00
50000 11%Redm.Pref.Shares of Rs.100/-each	5,000,000.00	5,000,000.00
	<u>7,500,000.00</u>	<u>7,500,000.00</u>
Issue, Subscribed & Paid up:		
100000 Equity Shares of Rs 10/-each	1,000,000.00	1,000,000.00
50000 11% Redm. Pref. Shares of Rs. 100/-each	5,000,000.00	5,000,000.00
	<u>6,000,000.00</u>	<u>6,000,000.00</u>
SCHEDULE II		
UNSECURED LOAN		
From Directors	17,247,463.98	17,892,637.98
Inter Corporate Loans	70,526,304.00	70,526,304.00
	<u>87,773,767.98</u>	<u>88,418,941.98</u>
SCHEDULE IV		
LONG TERM INVESTMENTS (AT COST):		
QUOTED:		
1553174 (1553174) Eq.Sh.of SVPM Ltd	77,208,332.06	77,208,332.06
UNQUOTED:		
National Saving Certificate	1000	1,000.00
350 Eq.Sh.of Ceres Co P Ltd	100	577,500.00
Less : Provision for diminution in the value of investments	(577,500.00)	(577,500.00)
	-	-
10 Laxmi Cement Distributors Lt	100	1,000.00
12 Indian Bldg.& Allied Product:	100	1,200.00
7 Shree Govind Cotton Co Ltd	100	700.00
12 Shree Laxmi Agents Ltd	100	1,200.00
8 The Exceller Mills Supply Co.	100	800.00
2 The Indian Cotton Purchaser L	100	200.00
5 Bombay Agencies Ltd	100	500.00
6 Shree Gopal Industries Ltd	100	600.00
(Aggregate Market value of quoted shares Rs 3137412/-P.Y.Rs.3137412/-)	<u>77,215,532.06</u>	<u>77,215,532.06</u>

**SCHEDULE III
FIXED ASSETS**

Description	GROSS BLOCK (AT COST/BOOK VALUE)			DEPRECIATION			NET BLOCK		
	As at 01-Apr-10	Additions during the year	Deduction during the year	As on 31-Mar-11	Upto 31-Mar-10	For the year 2010-11	Upto 31-Mar-11	As at 31-Mar-11	As at 31-Mar-10
1. Chlorine Cylinders	166,400	0	0	166,400	166,400	0	166,400	0	0
2. Office Equipment	17,519	0	0	17,519	16,951	79	17,030	489	568
3. Furniture & Fixtur	1,900	0	0	1,900	1,804	0	1,804	96	96
4. Air Conditioner	53,100	0	0	53,100	47,510	778	48,288	4,812	5,590
5. Lease Assets	3,500,000	0	0	3,500,000	3,500,000	0	3,500,000	0	0
	3,738,919	0	0	3,738,919	3,732,665	857	3,733,522	5,397	6,254
Previous Yr.	(3,738,919)	0.00	0.00	(3,738,919)	(3,731,670)	(995)	(3,732,665)	(6,254)	

G.D TRADING & AGENCIES LIMITED

	As At 31-Mar-11	As At 31-Mar-10
SCHEDULE V		
INVENTORIES		
Stock-in-Trade (as per Annexure I) (valued at cost or market Price Whichever is lower)	172,356.00	163,366.00
SCHEDULE VI		
CASH & BANK BALANCES		
Cash-in-hand	9,666.40	9,666.40
Balance with Scheduled Banks	6,368.08	4,930.16
	16,034.48	14,596.56
SCHEDULE VII		
OTHER CURRENT ASSETS		
	-	-
SCHEDULE VIII		
LOANS & ADVANCES		
(Unsecured, considered good)		
Loans and Intercorporate deposits	1,482,083.00	1,482,083.00
Advance Recoverable in cash or kind or value to be received.	31,862,416.00	31,884,916.00
Advance Tax Paid & Tax deducted at source	-	-
	33,344,499.00	33,366,999.00
SCHEDULE IX		
SUNDRY DEBTORS		
More than Six Months(Considered Good)	-	600,000.00
	-	600,000.00
SCHEDULE X		
CURRENT LIABILITIES		
Advance against Share & Debenture	17,838,272.50	17,838,272.50
Sundry Creditors for Goods/Expenses	1,197,123.68	1,149,823.68
Other Liabilities	660,494.00	675,900.00
	19,695,890.18	19,663,996.18
SCHEDULE XI		
PROVISIONS		
Provision for Taxation :		
Provision for Income Tax for current year	-	200.00
	-	200.00

G.D TRADING & AGENCIES LIMITED

	As At 31-Mar-11	As At 31-Mar-10
SCHEDULE XII		
INCOME FROM INVESTMENTS		
Dividend income from investments held as Stock-In-Trade	3,775.92	3,448.00
	<u>3,775.92</u>	<u>3,448.00</u>
SCHEDULE XIII		
OTHER INCOME		
Miscellaneous Income	-	9,751.00
	<u>-</u>	<u>9,751.00</u>
SCHEDULE XIV		
INCREASE/(DECREASE) IN STOCK		
Closing Stock	172,356.00	163,366.00
Less: Opening Stock	(163,366.00)	(208,818.00)
	<u>8,990.00</u>	<u>(45,452.00)</u>
SCHEDULE XV		
PAYMENT TO & PROVISION FOR EMPLOYEE		
Salary Bonus & Exgratia	-	-
Staff Welfare	-	-
	<u>-</u>	<u>-</u>
SCHEDULE XVI		
ADMINISTRATIVE & OTHER EXPENSES		
Professional Charges	9,000.00	27,000.00
Listing & filing fees	20,000.00	20,000.00
Audit Fees	8,000.00	8,000.00
Filing Fees	8,500.00	1,500.00
Efiling charges	1,650.00	1,650.00
Miscellaneous Exp	3,014.00	2,901.00
	<u>50,164.00</u>	<u>61,051.00</u>

10. Additional information pursuant to the provision of Part II of Schedule – VI of the Companies Act, 1956:

a) Quantitative and Turnover Information :

Items	Opening Stock		Purchases / Bonus		Sales/Conversion		Closing Stock	
	Qty	Amount (Rs.)	Qty	Amount (Rs.)	Qty	Amount (Rs.)	Qty	Amount (Rs.)
Shares	4886 (4886)	163366 (208818)	30* (-)	- (-)	122* (-)	- (-)	4794 (4886)	172356 (163366)
Units of Mutual Fund	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Deb.	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total	4886 (4886)	163366 (208818)	30 (-)	- (-)	- (-)	- (-)	4794 (4886)	172356 (163366)

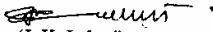
Figures in brackets are for previous year.

* During the year shares of Reliance Natural Resources Ltd. demerged with Reliance Power Ltd., hence the Company has received the 30 shares of Reliance Power in exchange of Reliance Natural Resources Ltd.

c) Other information is not applicable to the Company.

As per our report of even date attached:

For J. K. Lahoti & Co.,
Chartered Accountants


(J. K. Lahoti)
Proprietor
M. No. 16655

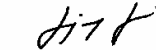
Place: Mumbai
Date: 02/09/2011



For and on behalf of the Board



(Shekhar Somani)
Director


(Sanjay Somani)

Director

ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the fixed assets have not been physically verified by the management during the year but there is a regular program, which in our opinion is reasonable having regards to the size of the company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- (c) No substantial part of fixed assets has been disposed off during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) According to information & explanation given to us, the procedures followed for physical verification of the inventory are, in our opinion, reasonable and adequate in relation to size of the company & nature of its business,
- (c) According to record produced before us for our verification, there were no material discrepancies noticed on physical verification of stocks referred to in Para 2(a) as compared to book records.
- (iii) (a) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to Companies, firms or other party listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year out of loan granted in the previous years was Rs.2,98,94,499/- & year end balance of the loan granted is Rs.2,98,94,499/-.
- (b) In our opinion, the rate of interest and other terms and conditions of such loans are not, *prima facie*, prejudicial to the interest of the company.
- (c) In respect of loans and advances in the nature of loans given by the Company, wherever stipulations have been made, the parties are generally repaying the principals amounts and interest amounts where applicable;
- (d) There is no overdue amount in respect of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956;
- (e) The company has taken loan from one party covered under register maintained under section 301 of the Companies Act, 1956. Maximum amount involve during the year was Rs.2,83,30,986/- & yearend balance of loan taken was Rs 2,83,30,986/-;
- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from the party listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the company;

- (g) During the year company is regular in repaying principal amount has been stipulated and has not paid any interest;
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and with regards to sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls;
- (v) According to the information and explanations given to us and based on our verification, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 ;
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public as defined in Non-Banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions, 1998;
- (vii) In our opinion, the internal audit system of the company needs to be strengthened so as to be commensurate with the size and nature of its business;
- (viii) The maintenance of cost records has not been prescribed by the Central Government under clause (d) of subsection (1) of section 209 of the Act;
- (ix) (a) For the year under review we are informed that the provisions of Employees Provident Fund and the Employees State Insurance Scheme were not applicable. The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

- (b) According to the informations and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Sales Tax, Custom Duty, Wealth Tax, service tax, Excise Duty and Cess, were in arrears as at 31.03.2011 for a period of more than 6 months;
- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute;
- (x) In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year;
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders;
- (xii) According to the informations and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;

- (xiii) In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company;
- (xiv) The company has maintained proper records with regards to its transactions and contracts in respects of investments in shares and other securities and timely entries have been made therein. All these shares and other securities have been held by the company in its own name, except to the extent of exemption granted under Section 49 of the Companies Act, 1956 and save for certain shares which are lodged for transfer or held with valid transfer forms;
- (xv) According to the informations and explanations given to us, the Company has not given any guarantee for loan taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.
- (xvi) According to the informations and explanations given to us, the Company has not taken any term loans during the year;
- (xvii) According to the informations and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the informations and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956;
- (xix) According to the information and explanations given to us, the Company has not issued debentures;
- (xx) According to the information and explanations given to us, the Company has not raised money by public issues during the year;
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For J.K. LAHOTI & CO.

Chartered Accountants,
FRN. 105508W

Place : Mumbai
Date : 02/09/2011
No.16655

(J. K. LAHOTI)
PROPRIETOR, Membership