

ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of Elf Trading and Chemicals Manufacturing Limited will be held on Friday, 29th July 2011 at 3.00 P.M. at the Registered Office of the Company at 202/203 Magnum Opus, Shantinagar Industrial Estate, Vakola, Santacruz (East), Mumbai 400 055 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account of the Company for the year ended 31st March 2011 and Audited Balance Sheet as at that date and the report of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To declare dividend on the Preference Shares.
4. To appoint a Director in place of Mr. Mahendra C Choksi who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. Hemendra Shah who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint Auditors and to fix their remuneration.
7. To appoint Mr. Bhupendra K. Shroff, Company Secretary in practice, as Secretarial Auditor and to fix their remuneration.

By the Order of the Board
For **ELF Trading and Chemicals Manufacturing Limited**

Mumbai
Date: 30th May 2011

Sd/-
(MAHENDRA C CHOKSI) (SHAILESH C CHOKSI)
DIRECTOR DIRECTOR

Registered Office:
202/203, Magnum Opus,
Shantinagar Industrial Estate,
Vakola, Santacruz (East), Mumbai - 400 055

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
2. The relative explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of the special business set out above is annexed hereto.
3. Register of Members and Transfer Books of the Company will remain closed during Wednesday, 27th July 2011 to Friday, 29th July 2011 (both days inclusive) in connection with Annual General Meeting.
4. The Equity dividend and Preference Dividend for the year ended 31st March 2011 as recommended by the Board, if sanctioned at the meeting, will be paid on or after 1st August 2011, to those members whose names appear in the Company's Register of Members on 29th July 2011.
5. Pursuant to the provisions of Section 205A (5) and Section 205C of the Companies Act, 1956, dividend for the financial year ended 31st March 2004 and thereafter which remains unclaimed or unpaid for a period of 7 years from the date they became due for payment, will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government. Shareholders who have not so far encashed the dividend cheques are requested to seek revalidation of the same.

DIRECTORS' REPORT

The Members,
ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

Your Directors having pleasure in presenting the Thirtieth Annual Report together with audited Statement of Accounts for the year ended 31st March 2011.

FINANCIAL RESULTS:

	2010-2011	2009-2010
	Rs.	Rs.
Net profit before tax	35,82,763	44,56,538
<u>Less:</u> Provision for taxation	-	-
<u>Less :</u> Security transaction tax paid	-	(1952)
Net profit after tax	35,82,763	44,54,586
<u>Add:</u> Balance brought forward from last Balance Sheet	2,26,66,579	1,84,98,950
<u>Less:</u> Adjustment of taxes of earlier years	(46,574)	-
<u>Add:</u> Adjustment of income/expenses of earlier years	-	(9,498)
<u>Add/(Less):</u> Provision for diminution in value of investments	1,83,012	6,09,128
AMOUNT AVAILABLE FOR APPROPRIATION	2,63,85,780	2,35,53,167
<u>APPROPRIATIONS:</u>		
Dividend on Preference Shares	6,76,603	-
Corporate Dividend Tax on Preference Shares	1,09,762	-
Dividend on Equity Shares	3,74,400	3,74,400
Corporate Dividend Tax on Equity Shares	60,737	62,188
Transfer to General Reserve	3,75,000	4,50,000
Balance carried to Balance Sheet	2,47,89,278	2,26,66,579
	26,385,780	2,35,53,167

OPERATION:

During the year under review, the Company has sold 193.17 MTs of various products earning revenue of Rs.108.74 lacs against previous year sales of 179.06 MTs earning revenue of Rs. 82.95 lacs.

DIVIDEND:

Company had issued 9,00,000, 8% Cumulative Redeemable Non Convertible Preference Shares of Rs. 10/- each on a private placement basis by the virtue of special resolution passed by the members of the Company in their Extra Ordinary General Meeting held on 12th April 2010. As per the terms of the issue the Directors recommend for payment of Dividend to the Preference Shareholders of Rs. 0.80/- each absorbing Rs. 7,86,365/- (including a corporate dividend tax of Rs.1,09,762/-) to the preference shareholders who hold the shares of the Company as on 29th July 2011.

The Directors recommend for payment of dividend for the year ended 31st March 2011, of Rs. 2/- per Equity Share on 1,87,200 Equity Shares of Rs.10/- each absorbing Rs. 4,35,137/- (including corporate dividend tax of Rs. 60,737/-) to the shareholders who hold the shares as on 29th July 2011.

FIXED DEPOSITS:

The Company has not accepted any deposits from the public.

EMPLOYEES:

There are no employees drawing any remuneration over Rs. 5,00,000/- per month or Rs.60,00,000/- per annum.

RETIREMENT OF DIRECTORS:

Mr. Mahendra C Choksi and Mr. Hemendra Shah retire by rotation and being eligible, offer themselves for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a) That in preparation of the accounts for the financial year ended 31st March 2011, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- b) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the financial year and of Profit and Loss of the Company for the year ended under review;
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors have prepared the accounts for the financial year ended March 31, 2011 on a "going concern" basis.

AUDITORS' REPORT:

With reference to the note referred by the Auditors, the Company till now had considered various companies referred to in the notes, as companies under the same management / group. Based on the legal opinion on section 370 of the Companies Act 1956, companies referred to in the notes cannot be considered as companies under the same management / groups.

AUDITORS:

The Company's Auditors M/s. Kamlesh T. Mody & Company, Chartered Accountants, Mumbai, retires at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed.

Your Directors recommend their appointment for the ensuing year.

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

The Company has no manufacturing activity and therefore, the particulars required to be furnished by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, in so far as it relates to the conservation of Energy and Technology Absorption is not applicable. The Company had no Foreign Exchange Earnings & Outgo during the year. The Directors of the Company keep themselves updated by participating in technical seminars and reading published articles. There was no expenditure on research during the year.

COMPLIANCE CERTIFICATE:

Your Company does not attract the provisions pertaining to Corporate Governance as stipulated under Clause 49 of Listing Agreement with the Stock Exchange, Mumbai, therefore the question of obtaining a certificate from Auditors of the Company does not arise.

The Board of Directors has taken cognizance of the 'Voluntary Guidelines on Corporate Governance issued by the Ministry of Company Affairs (MCA) in December 2009. These guidelines are recommendatory in nature. The Board would consider adopting the relevant provisions on the said guidelines to the extent applicable as and when deemed appropriate.

SECRETARIAL COMPLIANCE CERTIFICATE:

In accordance with the provisions of Section 383A of the Companies Act, 1956, a certificate from Mr. Bhupendra K. Shroff, Practising Company Secretary, certifying that the Company has complied with all the provisions of the Companies Act, 1956 is given as the annexure and forms part of this report.

By the Order of the Board
For **ELF Trading and Chemicals Manufacturing Limited**

Mumbai
Date: 30th May 2011

Sd/- (MAHENDRA C CHOKSI) <i>DIRECTOR</i>	Sd/- (SHAILESH C CHOKSI) <i>DIRECTOR</i>
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ADDITIONAL SHAREHOLDERS' INFORMATION

ANNUAL GENERAL MEETING

Date: Friday, 29th July 2011

Venue: 202/203, Magnum Opus, Shantinagar, Vakola, Santacruz (E), Mumbai 400055

Time: 3.00 p.m.

FINANCIAL CALENDER

Financial year: 1st April to 31st March

For the year ended 31st March 2011, results were announced on:

- Friday, 30th July 2010 : First Quarter
- Thursday, 28th October 2010 : Half Yearly
- Thursday, 27th January 2011 : Third Quarter
- Monday, 30th May 2011 : Fourth Quarter

For the year ending 31st March 2011, results will be announced on:

- On or around Friday, 29th July 2011 : First Quarter
- On or around Friday, 28th October 2011 : Half Yearly
- On or around Monday, 30th January 2012 : Third Quarter
- On or around Wednesday, 30th May 2012 : Fourth Quarter & Annual

Book Closure

The dates of Book Closure are from Wednesday, 27th July 2011 to Friday, 29th July 2011 (both days inclusive).

Dividend Date

A dividend of Rs. 2.00/- (20%) per share has been recommended by the Board of Directors, subject to approval from the shareholders at the Annual General Meeting and will be paid on or after 1st August 2011.

Listing

The Company's shares are listed on Bombay Stock Exchange, Mumbai. The Stock Exchange code assigned to your Company's shares at The Stock Exchange, Mumbai is 4387.

Distribution of equity shareholding by ownership

As on 31st March 2011

Category	No. of Shares held	Percentage of Shares held %
Directors, relatives and associates	137600	73.50
Individuals	49600	26.50
Domestic Companies	0	0.00
Total	187200	100.00

Distribution of equity shareholding by number of shares held*As on 31st March 2011*

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 – 100	0	0	0	0.00
101 – 200	16	24.24	3200	1.71
201 – 500	14	21.21	5800	3.10
501 – 2000	20	30.30	26300	14.05
2001 – 5000	10	15.15	35800	19.12
5001 – 10000	1	1.52	5016	2.68
10001 and above	5	7.58	111084	59.34
TOTAL	66	100	1,87,200	100

Details of public funding obtained during the last three years

Your Company has not obtained any public funding in the last three years.

Number and nature of complaints

There are no shareholder complaints received or lying unresolved during 2010 – 2011. The entire shares of the Company are in physical form.

bhupendra k. shroff

m.com.,ll.b.,

f.c.s., c.i.a. (u.s.a.)

practicing company secretary

(company law consultant)

504, dalamal chambers,

29, sir v. thackersey marg,

Mumbai - 400 020.

Tel : 22035948, 22031048

Fax:22031048/23802570

Compliance certificate

Registration No. of the Company: 11-26174 OF 1982.

CIN: U51900MH1982PLC026174

Nominal Capital: Rs.125, 00,000/-

To,

The Members,

ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

202/203 MAGNUN OPUS, SHANTI NAGAR INDUSTRIAL ESTATE,

VAKOLA, SANTACRUZ (E),

MUMBAI - 400055

I have examined the registers, records, books and papers of ELF TRADING AND CHEMICALS MANUFACTURING LIMITED (the Company) as required to be maintained under the Companies Act, 1956,(the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2011 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year;

1. The company has kept all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and entries therein are being updated.
2. The company has duly filed the e forms with the Ministry of corporate affairs and returns as stated in Annexure 'B' to this certificate, with the Registrar of



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Companies or other authorities within the time prescribed under the Act and the rules made thereunder.

3. The company, being a public limited company has more than the minimum authorized share capital as required by the provisions of the Act and has more than the minimum number of shareholders as required by the provisions of the said Act.
4. The Board of Directors duly met Six times on 12th April 2010, 23rd April 2010, 14th May 2010, 30th July 2010, 28th October 2010 and 27th Jan 2011 in respect of which meeting proper notices were given and the proceedings were properly recorded and signed.
5. The company closed its Register of Members from 28th August 2010 to 31st August 2010
6. The annual general meeting for the financial year ended on 31st March 2010 was held on 31st August 2010 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. One extra-ordinary general meeting was held during the financial year.
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.
9. According to the Legal opinion obtained by the Company has complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there was no Instances falling within the purview of section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, Members or central Government.



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12. The company has not issued any duplicate share certificates during the financial year.
13. The Company has:
- (i) Delivered all the certificates on the issue of share certificate or on lodgment thereof for transfer etc in accordance with the provision of the Act.
 - (ii) The company has deposited amount in a separate Bank Account for dividend declared during the financial year.
 - (iii) The company paid dividend by cross ordered account payee cheque for the dividend.
 - (iv) No amount required to be transferred to unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund. However unclaimed dividend if any for the financial year ended 31st March 2007 will be transferred to Investor education fund.
 - (v) As applicable duly complied with the requirements of Section 217 of the Act. The company is advised that Provisions pertaining to corporate governance under clause 49 of Listing Agreement is not applicable to the company. Voluntary guidelines on Corporate governance though recommend will be adopted by board when deemed proper.
14. The Board of directors of the company is duly constituted.
15. The company has not appointed any Managing Director/Whole-time Director/Manager during the financial year, as the company's paid up capital is less than Rs. 5 Crore.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such

