
**ELF TRADING AND CHEMICALS
MANUFACTURING LIMITED**

THIRTY FIRST ANNUAL REPORT 2011-2012

ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

BOARD OF DIRECTORS

1. ASHISH A. CHOKSI CHAIRMAN
2. MAHENDRA C. CHOKSI DIRECTOR (Upto 31st May, 2012)
3. SHAILESH C. CHOKSI DIRECTOR
4. SHASHIKANT M. LIMDI DIRECTOR
5. MANISH M. CHOKSI ADDITIONAL DIRECTOR (w.e.f. 30th May, 2012)

AUDITORS

M/s. KAMLESH T. MODY & COMPANY
CHARTERED ACCOUNTANTS

BANKERS

HDFC BANK LIMITED

REGISTERED OFFICE

202/203 MAGNUM OPUS
SHANTINAGAR INDUSTRIAL ESTATE
VAKOLA, SANTACRUZ EAST
MUMBAI - 400 055

ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting of the Members of Elf Trading and Chemicals Manufacturing Limited will be held on Friday, 27th July 2012 at 11.00 A.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 2012 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 appoint a Director in place of Mr. Shashikant M Limdi who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Ashish Ashwin Choksi who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.
6. To appoint Mr. Bhupendra K. Shroff, Company Secretary in practice, as Secretarial Auditor and to fix their remuneration.

SPECIAL BUSINESS:

7. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Manish Mahendra Choksi, who was appointed as an Additional Director of the Company by the Board of Directors and whose office will expire at this Annual General Meeting, be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by rotation.”

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

**Mumbai
Date: 30th May 2012**

**Sd/-
ASHISH A CHOKSI
CHAIRMAN**

**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, 25th July 2012 to Friday, 27th July 2012 (both days inclusive) in connection with Annual General Meeting.
4. The Equity dividend for the year ended 31st March 2012 as recommended by the Board, if sanctioned at the meeting, will be paid on or after 30th July 2012, to those members whose names appear in the Company's Register of Members on 27th July 2012.
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 2005 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.

EXPLANATORY STATEMENT (Pursuant to Section 173 (2) of the Companies Act, 1956).

ITEM NO. 7

Mr. Manish Mahendra Choksi was appointed as an Additional Director by the Board of Directors in their meeting held on 30th May, 2012. Mr. Manish Mahendra Choksi is B.E. (CH.ENG.)M.B.A. The Board of Directors are of the opinion that the appointment of Mr. Manish Mahendra Choksi as the Director is in the best interest of the Company. His Office expires at this Annual General Meeting. His appointment as a Director requires the consent of the Members of the Company.

The Board of Directors recommends the resolution for the approval of members.

All the Directors except Mr. Shashikant M Limdi are interested in the resolution.

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

**Mumbai
Date: 30th May 2012**

**Sd/-
ASHISH A CHOKSI
CHAIRMAN**

DIRECTORS' REPORT

The Members,
ELF TRADING AND CHEMICALS MANUFACTURING LIMITED

Your Directors have pleasure in presenting the Thirty First Annual Report together with audited Statement of Accounts for the year ended 31st March 2012.

FINANCIAL RESULTS:

	2011-2012 (Rs.)	2010-2011 (Rs.)
Revenue from Operations (Net)	1,77,46,669	1,08,74,169
EBITDA	76,94,426	60,83,716
Less: Finance Costs	-	-
Less: Depreciation	23,33,446	23,17,941
Profit Before Tax	53,60,980	37,65,775
Add/(Less): Tax expense	-	(46,574)
Profit After Tax	53,60,980	37,19,201
Less: Minority Interest	-	-
Profit attributable to shareholders of the Company	53,60,980	37,19,201
Opening balance in Statement of Profit & Loss	2,47,89,279	2,26,66,580
AMOUNT AVAILABLE FOR APPROPRIATION	3,01,50,259	2,63,85,781
That the Directors recommend for appropriation as under:		
Dividend		
On Preference Shares	5,42,466	6,76,603
On Equity Shares	3,74,400	3,74,400
Tax on Dividend	1,48,738	1,70,499
Transfer to Capital Redemption Reserve	90,00,000	-
Transfer to General Reserve	5,50,000	3,75,000
Closing balance in Statement of Profit & Loss	1,95,34,655	2,47,89,279

OPERATION:

During the year under review, the Company has sold 268.83 MTs of various products earning revenue of Rs.177.47 lacs against previous year sales of 193.17 MTs earning revenue of Rs. 108.74 lacs.

DIVIDEND:

During the year Company had redeemed 9,00,000, 8% Cumulative Redeemable Non Convertible Preference Shares of Rs.10/- each on 1st January, 2012. As per the terms of the issue, dividend at the rate of Rs.0.60/- was paid to the Preference Shareholders absorbing Rs.6,30,467/- (including a corporate dividend tax of Rs.88,001/-) who hold the shares of the Company as on 31st December, 2011.

Your Directors recommend for payment of dividend for the year ended 31st March 2012, 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 27th July 2012.

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.

DIRECTORS:

Mr. Shashikant M. Limdi & Mr. Ashish Ashwin Choksi retires by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting. Mr. Manish Mahendra Choksi was inducted on the Board as an Additional Director of the Company w.e.f 30th May, 2012 and Mr. Mahendra Choksi ceased to be the Director of the Company w.e.f 31st May, 2012. The Board deeply mourned the death of Director Mr. Hemendra Shah on 12th May, 2012 and took note of precious, valuable and experience advice Company was getting from him.

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 the preparation of the annual accounts, the applicable accounting standards had been followed along with 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 that period;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors had prepared the annual accounts for the financial year ended March 31, 2012 on a "going concern" basis.

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 re-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 2012

Sd/-
ASHISH A CHOKSI
CHAIRMAN

ADDITIONAL SHAREHOLDERS' INFORMATION

ANNUAL GENERAL MEETING

Date: Friday, 27th July 2012
Venue: 202/203, Magnum Opus, Shantinagar Industrial Estate, Vakola, Santacruz (E), Mumbai 400055
Time: 11.00 a.m.

FINANCIAL CALENDER

Financial year: 1st April to 31st March
For the year ended 31st March 2012, results were announced on:

- Friday, 29th July 2011 : First Quarter
- Monday, 24th October 2011 : Half Yearly
- Monday, 23rd January 2012 : Third Quarter
- Wednesday, 30th May 2012 : Fourth Quarter

For the year ending 31st March 2013, results will be announced on:

- On or around Monday, 30th July 2012 : First Quarter
- On or around Tuesday, 30th October 2012 : Half Yearly
- On or around Wednesday, 30th January 2013 : Third Quarter
- On or around Thursday, 30th May 2013 : Fourth Quarter & Annual

Book Closure

The dates of Book Closure are from Wednesday, 25th July 2012 to Friday, 27th July 2012 (both days inclusive).

Dividend

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 30th July, 2012.

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 2012

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 2012*

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 2011 – 2012.
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 2012 (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

