

MATRU SMIRITI TRADERS LIMITED

DIRECTOR'S REPORT

The Directors hereby present the 25th Annual Report along with Statement of Accounts for the period ended 31st March, 2011.

1. Accounts and Financial Results

You will observe from the Statement of Accounts that during the period the company has made net profit of Rs. 61,040.32 after making provision for taxation of Rs.0.00 and depreciation of Rs.69,954.79. Brought forward profit of earlier years Rs.66,82,489.88 is added with current year's profit and the balance carried over to Balance Sheet amounts to Rs.64,52,409.20.

2. Dividend :

During the year under review your Directors do not recommend any dividend to the Shareholders.

3. Auditors :

M/s. H. K. Dedhia & Co. Chartered Accountants, present auditor retire at the conclusion of the 25th Annual General Meeting but being eligible offers themselves for re-appointment.

4. Particulars of Employees :

The Company does not have any employee who is covered under section 217(2A) of the Companies Act, 1956 and hence no particulars are given.

5. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Additional information as required under the provisions of section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rule, 1988 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo are not given as they are not applicable to the company.

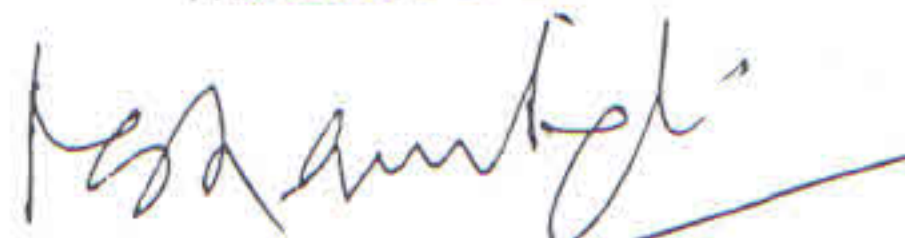
6. Directors' Responsibility Statement:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgements 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 and of the profit or loss 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 going concern basis.

6. Acknowledgements :

Your Directors deeply acknowledge the trust and confidence reposed in the Management by the Shareholders.


For and on behalf of
The Board of Directors.



(Reshamsingh Pyarasingh)
Chairman

Place : Mumbai
Dated: 3rd September 2011

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H.K. Dedhia & Co.
Chartered Accountants.

AUDITOR'S REPORT TO THE MEMBERS OF

MATRU SMRITI TRADERS LTD.

- 1 I have audited the attached Balance Sheet of MATRU SMRITI TRADERS LTD. as at March 31, 2011 and the Profit and Loss Account for the year ended on that date. These financial statements are the responsibility of the Company's management. My Responsibility is to express an opinion on these financial statements based on my audit.
- 2 I conducted the audit in accordance with the auditing standards generally accepted in India. Those standards require that I 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 check basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. I believe that our audit provides a Reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 issued by the company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, I enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to in paragraph 3 above:
 - a) I have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of my audit;
 - b) In my opinion, proper books of accounts as required by Law have been kept by the company so far as it appears from my examination of such books;
 - c) In my opinion the Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account.
 - d) In my opinion the Balance Sheet and Profit and Loss Account comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
 - e) On the basis of written representation received from the Directors and taken on record by the The Board of Directors I report that none of the said directors of the Company are disqualified as on March 31, 2011 from being appointed as a Director under Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956
 - f) In our opinion the Cess payable is not applicable
 - g) In my opinion and to the best of my information and according to the explanations given to me, The said Balance Sheet and Profit and Loss Account read together with 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 the accounting principles generally accepted in India:
 - i) In case of the Balance Sheet, of the state of affairs of the company as on March 31, 2011 and
 - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.

PLACE : MUMBAI.
DATE : 03.09.2011

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For H.K. Dedhia & Co.
Chartered Accountants

Hasmukh Dedhia
Proprietor

MATRU SMRITI TRADERS LTD.
ANNEXURE TO THE AUDITOR'S REPORT
(REFERRED TO IN PARAGRAPH 1 OUR REPORT OF EVEN DATE)

- 1 The Company does not have any stocks.
- 2 In my opinion and according to the information and explanations given to me the company has a reasonable system of authorization at proper levels and there is adequate internal control procedure commensurate with the size of the company and the nature of its business with regards to the sale of services.
- 3 The Company has no transactions of purchase and sale of services made in pursuance of contracts and arrangements entered in the register mentioned under section 301 of the Companies Act and aggregating during the year to Rs 5,00,000 /- or more in respect of each party.
- 4 The Company has not taken unsecured loan from companies, listed in the register maintained under sec 301 of the Companies Act, 1956. In my opinion the rate of interest and the other terms & conditions of such loans are not prima facie prejudicial to the interest of the Company.
- 5 The Company has not granted unsecured loans to companies, listed in the register maintained under sec 301 of the Companies Act, 1956. In my opinion the rate of interest and the other terms & conditions of such loans are not prima facie prejudicial to the interest of the Company.
- 6 The Company has not given interest free loans to employees.
- 7 The Company has not accepted any deposit from public to which the provisions of Sec 58A & 58AA of the Companies Act, 1956 and rules framed thereunder are applicable.
- 8 The Company is not required to have an internal audit system.
- 9 As explained to us, the Company has not been prescribed by the Central Government to maintain cost records under Sec 209(1)(d) of the Companies Act, 1956.
- 10 According to the information and explanations given to me, there are no undisputed amounts Payable in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty and Excise duty which were outstanding as at MARCH 31, 2011 for a period more than six months from the date they become payable
- 11 According to the information and explanations given to me, no personal expenses of employees or directors have been charged to the revenue account, other than those payable under Contractual obligations or in accordance with the generally accepted business practice.
- 12 The Company is not a sick industrial company within the meaning of clause (O) of sub section 3 of the sick industrial companies (special provision) Act, 1985.
- 13 The Company does not have a system of allocating man-hours utilised to relative jobs.
- 14 According to the records of the company examined by us and the information and explanation given to us the company has not defaulted in repayment of dues to any financial institutions or bank or debenture holder as at the balance sheet date.
- 15 In our opinion, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 16 The Provisions of any special statute applicable to chit funds/ nidhi / mutual benefit fund / societies are not applicable to the company.

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For H. K.


H. K. DEDHIA

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H. K. DEDHIA & CO.
CHARTERED ACCOUNTANTS
62, 2nd FLOOR, VIJAY NAGAR, DADAR (WEST), MUMBAI 400 028
TEL No. 24300807.

(MATRU SMRITI TRADERS LTD.)

- 17 In our opinion , the company is not a dealer or traders in share, secutities, debentures and cther investments.
- 18 The Company has not given any guarantee for the loans taken by others from banks or financial institutions during the period.
- 19 In our opinion and according to the information and explanation given to us, the company has not taken any term loan.
- 20 During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and we have neither come across any instance of fraud on or by the company, noticed or reported during the period, nor we have informed of such case by the management.

Place : Mumbai
Dated : 03.09.2011



For H.K. Dedhia & Co.
Chartered Accountants

Hasmukh Dedhia
Proprietor

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*H. K. Dedhia & Co.,
Chartered Accountants*