

**MAGNANIMOUS TRADE
& FINANCE LTD.**

Annual Report

2009-2010

BOARD OF DIRECTORS

Shri Sudhir Kumar Parasrampur
Chairman and Managing Director

Smt Parwati Parasrampur
Director

Km. Arti Parasrampur
Director

STATUTORY AUDITOR

Om Prakash Agarwal & Associates
Chartered Accountant,
401, Plaza Kalpana,
Birhana Road-Kanpur-208001

Bankers

HDFC BANK, VIDHYADHAR NAGAR, JAIPUR.

Registered Office:-

ROOM NO. 8, C GROUND FLOOR, 12-A,
NETAJI SUBHASH ROAD, KOLKATA-700001

MAGNANIMOUS TRADE & FINANCE LTD

REGD.OFFICE:- ROOM NO 8, C GROUND FLOOR, 12-A NETAJI SUBHASH ROAD, KOLKATA

NOTICE

Notice is hereby given that Annual General Meeting of the shareholders of **MAGNANIMOUS TRADE & FINANCE** Ltd. will be held at the registered office of the company at ROOM NO 8, C GROUND FLOOR, 12-A NETAJI SUBHASH ROAD, KOLKATA on THURSDAY 30th September, 2010 at 10:00 A.M. to transact the following business:

1. To receive, consider and adopt the audited statement of accounts for the year ended on 31-03-2010.and to consider the Director's Report.
2. To appoint retiring Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next annual general meeting and fix their remuneration. The retiring Auditors M/S Om P. Agarwam & Associates, Chartered Accountants, Kanpur are eligible for re-appointment.
3. To appoint a director in place of SHRI Sudhir Kumar Parasrampurua who retires by rotation and being eligible offer him for reappointment.

ON BEHALF OF THE BOARD

Sd/-

Sudhir kumar Parasrampurua
DIRECTOR

Dated: 01/09/2010

Notes:-

1. A member entitled to attend and/vote is entitled to appoint a proxy to attend and/vote instead of him and the proxy need not be a member.
2. The proxies in order to be effective must be received by the company not less than 48 hours before the meeting.
3. The shareholders are requested to notify change in address, if any, to the company.

MAGNANIMOUS TRADE & FINANCE LTD
REGD.OFFICE:- ROOM NO 8, C GROUND FLOOR, 12-A NETAJI SUBHASH ROAD, KOLKATA

DIRECTORS' REPORT

Gentlemen,

The Directors hereby present the Annual Report and the audited accounts for the financial year ended 31st March 2010.

FINANCIAL RESULTS

The Company has done a profit of Rs. 1858577.22 after deduction of tax. Profit of Rs 3938801.66 is carried forward towards balance sheet. The Board of Directors are positive towards future growth and hope that with effective planning & the continued co-operation of the agencies involved and support from the management and staff, the company would further improve its performance.

DIRECTORS

At present, the Board of Directors of the Company comprises of Directors, viz.Sudhir Kumar Parasrampurua, Smt Parwati Parasrampurua and Km.Aarti Parasrampurua.There is no change in the composition of the Board during the period under review.Sudhir Kumar Parasrampurua will retire by rotation at the ensuing Annual General Meeting and eligible offers himself for re-appointment. The Board recommends for his re-appointment at the forthcoming Annual General Meeting of the Company.

AUDITORS

M/S Om P. Agarwal & Associates, Chartered Accountants, Kanpur , the Statutory Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting and have given their consent for re-appointment. As required under the provisions of Section 224 (1B) of the Companies Act, 1956, the company has received a certificate from the said auditors to the effect that their re-appointment, if made, would be in accordance with the limits specified in that Section. The Board recommends the re-appointment of M/s Om P. Agarwal & Associates, Chartered Accountants, Kanpur.Comments & qualified remarks, if any in Auditors report are self Explanatory and therefore do not require any further clarification. As regards clause 4 of the Auditors Report regarding payment of principal & interest by the specified parties it is further clarified that the repayment of the principal is strongly pursued also alternatively the management has taken steps for the recovery of the same and in one case is adopting legal recourse.

ADDITIONAL INFORMATION PURSUANT TO SECTION 217 (1) (E)

Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of board of Directors), Rules, 1988 is as under:-

- | | |
|---|------|
| (1) Conservation of Energy | N.A. |
| (2) Technology Absorption | N.A. |
| (3) Foreign Exchange Earnings and Outgo | NIL- |

SECRETARIAL COMPLIANCE CERTIFICATE:

Compliance certificate to section 383 A of the Companies Act, 1956 from Company Secretary- in – Practice is enclosed herewith.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed.
- ii) they had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company as at 31st March, 2010 and of the loss of the company for that period.
- iii) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- iv) they had prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENT

The Board of Directors convey their appreciation and thanks for the support extended to the company by banks and various Government Authorities and also to the management and staff of the company for the services rendered by them.

FOR & ON BEHALF OF THE BOARD

SD/-	SD/-
(S.K. Parasrampurua)	(Parwati Parasrampurua)
DIRECTOR	DIRECTOR

Dated: 01/09/2010

OVERALL REVIEW

Economic Overview:

The year 2008 has given a serious set back to the global economy due to their own internal factors and free economic players which has affected our country a little bit to the extent we depend on them but it has been phased out in a short span of time, thanks to our regulatory bodies. Due to that our GDP has been gone down a little bit but ultimately it has not affected our country to the extent it has affected European countries. Apart from this India has attracted FFI investments due to comparatively higher returns. Further your company is engaged in the business activity like realestate which is still sought for in our country.

Performance

During the year under review, the company has earning from long term Investment, real estate & Interest from Loans and Advances. The year under review, proved to be better for the company as compared to previous years. The company is having Reserve & Surplus to the tune of Rs.607.77 lacs and being a debt free company. The company is looking forward new business ventures of Real Estate.

The company in the process of taking strategic decisions with regard to the real estate projects as was done in earlier year.

Internal control systems

The internal control system is looked after by the executive director himself, who also look after the day to day affairs of the company to ensure compliance of guidelines and policies, adhere to the management instructions and policies to ensure improvements in the system. The internal audit reports are regularly reviewed by the management.

Financial management and financial performance

The company has plans for tight budgetary control on key operational performance indication with judicious deployment of funds without resorting to any kind of borrowing.

Environmental issues:

As the company is not carrying on any manufacturing activity, the matter relating to produce of harmful gases and the liquid effluents are not applicable.

Statutory compliance

The company could not make payment of listing fees to the stock exchanges due to certain problems. But the company is in the process of complying with all the pending compliances with all the regulatory authorities and move forward with its first step of reviving the operations of the company.

Caution:

Statements which are based on and describe about management's expectations, estimates, projections, objectives, intentions and assumptions are forward looking statements. Words such as "expects," "anticipates," "plans," "believes," "scheduled," "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements, which include but are not limited to projections of revenues, earnings, segment performance, cash flows. Forward-looking statements are made pursuant to the Companies Act, 1956, Securities Laws and all other applicable acts, statues, rules and regulations as amended from time to time. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results and trends may differ materially from what was forecasted in forward-looking statements, expressed or implied.

The Company does not undertake any obligation to update or publicly release any revisions to forward-looking statements to reflect events, circumstances or changes in expectations after the date of this report.

RISK AND CONCERN

Bullish trend in Equity Markets, Commodities and Real estate will effect volume and profitability of Government Securities business. Changes in rate of interest and the proposed regulations in real estate business may effect the profitability of the company and also the risk of inflation in economy may effect the profitability.

MAGNANIMOUS TRADE AND FINANCE LIMITED

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

1.0 INTRODUCTION

- 1.1 This Code of Ethic ("Code") shall be called "The Code of Conduct for Board Members and Senior Management Personnel" of **Magnanimous Trade and Finance Limited** ("the Company").
- 1.2 The purpose of the '_Code' is to reflect business practices and principles of behavior of the Board Members and Senior Management Personnel in affirming their commitment to Good Governance in line with the Company's Philosophy on Corporate Governance.
- 1.3 This '_Code' has been framed specifically in compliance with the provisions of Clause 49 of the Listing Agreement with Stock Exchanges. However, the Functional Directors and Senior Management Personnel will continue to be governed by the Company's Discipline Rules which govern the conduct of all employees of the Company.
- 1.4 The '_Code' shall come into force with effect from 1st day of January 2006.

2. DEFINITIONS & INTERPRETATIONS:

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them as under :-

- 2.1 "Board Members" shall mean the members on the Board of Directors of the Company.
- 2.2 "Whole-time Director" shall mean the Board members who are in Whole-time employment of the Company including the C&MD.
- 2.3 "Part-time Director" shall mean the Board members who are not Whole time Directors and include Part-time (Official) Directors and Part-time (Non-Official) Directors of the Company.
- 2.4 "Relative" shall mean a '_relative' as defined under Section 2(41) and Section 6 read with Schedule IA of the Companies Act, 1956.
- 2.5 "Senior Management Personnel" shall mean and include all the Senior functionaries i.e. Company Secretary, Module Manager and Functional Heads (excluding Whole-time Directors) In this '_Code' words importing masculine shall include feminine and words importing singular shall include the plural and vice versa.

3. APPLICABILITY:

This 'Code' shall be applicable to the following persons:

- a) Whole-time Directors / Managing Director
- b) Part-time Directors
- c) Company Secretary
- d) All Module Heads and Functional Heads.

4.0 KEY REQUIREMENTS

The Board Members and Senior Management Personnel shall function within the authority conferred upon them by the Company, keeping the best interest of the Company in view and they

- shall act with utmost care, skill, diligence and integrity
- shall act in utmost good faith and fulfill the fiduciary obligations without allowing their independence of judgment to be compromised
- shall not be involved in taking any decision on a subject matter in which conflict of personal interest arises or which in their opinion is likely to arise
- shall avoid any dealing with a contractor, supplier or service provider that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made on behalf of the Company
- shall not exploit for his own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Board of Directors and the Board declines to pursue such opportunity.

5. COMPLIANCES

The Board Members and Senior Management Personnel shall comply with all applicable laws, rules and regulations.

6. CONFIDENTIALITY OF INFORMATION

Any information concerning the Company's business, its customers, suppliers, etc, and to which the Board Members and Senior Management Personnel have access or possesses such information, must be considered confidential and held in confidence. No Board Members or Senior Management Personnel shall provide any information either formally or informally, to the press or any other public media, except as required in the

performance of the regular corporate duties. However, Board Members or Senior Management Personnel shall be free to disclose such information which is

- (a) Part of the public domain at the time of disclosure.
- (b) Authorized or required to be disclosed pursuant to a decision of the Board.
- (c) Required to be disclosed in accordance with applicable laws, rules, regulations or guidelines.

7. PROTECTION OF ASSETS

The Board Members and Senior Management Personnel shall protect the Company's assets including physical assets, information and intellectual rights and shall not use the same for personal gain.

8. ENFORCEMENT OF 'CODE'

Each Board Member and Senior Management Personnel shall be accountable for full compliance of this Code.

9. AMENDMENTS TO THE CODE

The provisions of this Code can be amended/ modified by the Board of Directors of the Company from time to time and all such amendments/ modifications shall take effect from such date as the Board may decide. The Board may delegate the authority to make amendment to the Code to the Chairman & Managing Director or any other Director as Board may deem fit.

10. PLACEMENT OF THE CODE ON WEBSITE

Pursuant to Clause 49 of the Listing Agreement, this 'Code' and any amendments thereto shall be posted on the website of the Company.

11. ANNUAL COMPLIANCE REPORTING

It terms of Clause 49 of the Listing Agreement, all Board Members and Senior Management Personnel shall affirm compliance of this Code within 30 days of close of every financial year in the proforma enclosed as Appendix I to this Code. The Annual Compliance Report shall be forwarded to the Compliance Officer.

12. CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE

- 12.1 In case of breach of this Code by the Directors, the same shall be considered by the Board of Directors for initiating appropriate action, as deemed necessary.