

ANNUAL REPORT 2010 – 2011



MARDA COMMERCIAL & HOLDINGS LIMITED



BOARD OF DIRECTORS

SHRI DAULAT RAM AGARWAL	-	MANAGING DIRECTOR
SHRI LALIT AGARWAL	-	DIRECTOR
SHRI J. K. GOYAL	-	DIRECTOR
SHRI RAJESH KUMAR SINGHI	-	DIRECTOR

BANKERS

CITY UNION BANK LIMITED

2, LAL BAZAR STREET,
KOLKATA - 700001

AUDITORS

M/s. MAMRAJ & CO.

Chartered Accountants

APARTMENT NO. 301 & 302
10159, PADAM SINGH ROAD
KAROL BAGH
NEW DELHI - 110 005

REGISTERED OFFICE

MERCANTILE BUILDING
BLOCK - E, 2ND FLOOR
9/12, LAL BAZAR STREET
KOLKATA - 700001

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MARDA COMMERCIAL & HOLDINGS LIMITED

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the Company will be held at the Registered Office of the Company at Mercantile Building, Block-E, 2nd Floor, 9/12, Lalbazar Street, Kolkata – 700 001, on Friday, the 30th September, 2011 at 1.00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011 and the Profit and Loss Account for the year ended on that date together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Sri Rajesh Kumar Singhi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

Registered Office:
Mercantile Building, Block-E, 2nd Floor,
9/12, Lalbazar Street,
Kolkata – 700 001

**By Order of the Board of Directors
for Marda Commercial & Holdings Limited**
Sd/-
J. K. Goyal
Director

Date: 30.06.2011

NOTES FOR MEMBER'S ATTENTION:

1. The Register of Members and the Share Transfer Books in respect of Equity Shares of the Company will remain closed from Wednesday, September 28, 2011 to Friday, September 30, 2011 (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing Proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturday, between 11.00 A.M. to 1.00 P.M. up to the date of the Annual General Meeting.
5. Shareholders seeking any information with regard to Accounts are requested to write the Company early so as to enable the Management to keep the information ready.
6. Members are requested to bring their copy of the Annual Report to the Meeting and produce the enclosed Attendance Slip at the entrance to the place of meeting.

MARDA COMMERCIAL & HOLDINGS LIMITED

DIRECTORS' REPORT

The Shareholders

Your Directors have pleasure in submitting their 22nd Annual Report together with the audited accounts for the year ended on March 31, 2011.

Financial Results

	2010 - 2011 (Rupees)	2009 - 2010 (Rupees)
Total Income	17587746.61	20386897.28
Less: Total Expenditure	10025387.62	15261634.06
Profit before Tax	7562358.99	5125263.22
Less: Prior Period Expenses	144068.00	16854.00
Add: Deferred Tax Assets	1100.00	6200.00
Add: Excess Provision of FBT Written Off	33767.00	-
Less: Provision for Taxation	2000000.00	2200000.00
Profit/(loss) after Tax	5450957.99	2914609.22
Less: Transferred to Special Reserve	1091000.00	582930.00
Balance b/f from Previous Year	56440348.10	54108668.88
Balance transferred to Balance Sheet	60443639.09	56440348.10

Dividend

Your directors have decided to retain profits of the Company for deployment of Funds in the business and therefore, do not recommend any dividend during the Financial Year.

Operation of the Company

During the year under review, Total Income of the Company has decreased from Rs.2.04 Crores to Rs.1.76 Crores. Your Directors feel that your Company would perform better in the years ahead.

Conservation of Energy, Technology Absorption

Your Company being a Finance Company, the disclosure of above information is not applicable.

MARDA COMMERCIAL & HOLDINGS LIMITED

Foreign Exchange Earnings & Outgo

There is no foreign exchange earnings and outgo during the year under review.

Directors Responsibility Statement

- i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the directors have selected such accounting policies and applied them consistently and made judgments 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 period;
- iii) 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;
- iv) the directors have prepared the annual accounts on a going concern basis.

Corporate Governance

As per recommendations of SEBI Committee on Corporate Governance, a separate Report on the Corporate Governance is enclosed as a part of Annual Report.

Particulars of Employees

There is no employee falling under the Provisions of Section 217(2A) of the Companies Act, 1956.

Directors

Sri Rajesh Kumar Singhi, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

Auditors

M/s. Mamraj & Co., the retiring Auditors have expressed their willingness to be re-appointed.

MARDA COMMERCIAL & HOLDINGS LIMITED

RBI Guidelines For Non-Banking Financial Companies

The Company has observed all the prudential norms prescribed by the Reserve Bank of India. The Schedule as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 is annexed herewith.

Acknowledgement

The Board of Directors would like to thank the Company's Clients, Employees, Shareholders, Bankers and all others associated with the Company for their continued Support.

For and on behalf of the Board
For Marda Commercial & Holdings Limited

Daulat Ram

Daulat Ram Agarwal
Managing Director

Lalit Agarwal
Director

Place: Kolkata
Date : 30.06.2011

MARDA COMMERCIAL & HOLDINGS LIMITED

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

Company's Philosophy

We believe in the adoption of most relevant and practical practices for good Corporate Governance in its totality to boost up the image of the Company by adhering to be fair to all the Shareholders. Transparency in day-to-day affairs, full disclosure, independence, long term approach, growth in absolute terms and Social welfare had been the essence of the management of the Company.

Board of Directors

The Board presently consists of four Directors, of which three are non-executive. Management of the Company is vested in Sri Daulat Ram Agarwal, the Managing Director, subject to general supervision, control and direction of the Board.

Name of the Director	Category	Financial Year 2010-2011		Attendance at the Last AGM	No. of Directorship in other Public Companies incorporated in India	Committee Positions held in other Companies	
		Board Meeting held	Board Meeting attended			Chairman	Member
Sri Daulat Ram Agarwal	Managing Director (Executive)	12	12	Yes	1	Nil	Nil
Jitendra Kumar Goyal	Non-Executive	12	12	Yes	10	Nil	Nil
Sri Lalit Agarwal	Non-Executive	12	12	Yes	4#	@	Nil
Sri Rajesh Kumar Singhi	Non-Executive	12	12	Yes	Nil	Nil	Nil

1. Tirupati Structural Ltd.; 2. Advance Steel Tubes Ltd.; 3. Advance Ispat (India) Ltd.; 4. Sophia Exports Ltd.

@ Chairman of the Audit Committee of TSL

During the Year under review Twelve Board Meetings were held on 07.04.2010, 30.04.2010, 30.06.2010, 30.07.2010, 25.08.2010, 02.09.2010, 01.10.2010, 30.10.2010, 03.12.2010, 31.01.2011, 14.02.2011 and 31.03.2011.

MARDA COMMERCIAL & HOLDINGS LIMITED

Board Meetings, Board Committee Meetings and Procedures

- **Decision Making Process**

The Board of Directors is the ultimate body constituted by the Shareholders for looking after overall functions of the Company. It provides and evaluates the strategic direction of the Company, Management policies and their effectiveness and ensures that the Long Term interests of the Shareholders are being served. Management Committee has been entrusted with the powers to oversee the functional matters of the Company.

- **Scheduling and selection of Agenda Items for Board Meetings**

- i. Minimum four Board Meetings are held every year and in addition, as and when it is required, the same is called and convened by giving due Notice to all the Board Members.
- ii. The meetings are usually held at the Registered Office of the Company.
- iii. The Executive Director in consultation with other Directors finalize the Agenda and other related matters for the Board Meeting.
- iv. The Board is provided with the sufficient Financial Information as and when required by them by way of Quarterly, half yearly and so on.
- v. All the relevant information are placed before the Board in compliance of the Listing agreement with the Stock Exchanges as well as other Statutory Requirements.

- **Minutes of Proceeding at Board and Committee Meetings**

The Minutes are prepared for each Board and Committee Meeting. Each member of the Board/Committee receives a draft copy of the Minutes for their comments before its final recording into Minutes Book.

Audit Committee

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practice of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audit of the Company's Financial Statements, the appointment of Auditor, Independent performance and remuneration of the Statutory Auditors.

During the year under review, four meetings of the committee were held during the year ended 30.04.2010, 30.07.2010, 30.10.2010 and 14.02.2011. The composition of the committee and attendance at its meeting is given below:

MARDA COMMERCIAL & HOLDINGS LIMITED

Names of the members	Status	Meetings held during his Tenure	No. of Meetings Attended
Sri Jitendra Kumar Goyal	Chairman	4	4
Sri Lalit Agarwal	Member	4	4
Sri Rajesh Kumar Singhi	Member	4	4

The terms of reference as stipulated by the Board to the Audit Committee include:

1. Oversight of the Companies Financial Reporting Process and disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and the fixation of Audit Fees.
3. Reviewing with the Management, the Annual Financial Statement before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement in the Directors Report in terms of clause (2AA) of Section 217 of the Companies Act, 1956
 - Changes, if any, in Accounting Policies and Practices and reasons for the same.
 - Major Accounting entries involving estimates based on the exercise of judgment by Management.
 - Significant adjustments made in the Financial Statements arising out of audit findings.
 - Compliance with Listing and other Legal requirements relating to Financial Statements.
 - Disclosure of any Related Party Transactions.
 - Qualification in the draft Audit Report, if any.
4. Reviewing with the Management, the quarterly Financial Statements before submission to the Board for approval.
5. Reviewing with the Management, Performance of the Auditors, and adequacy of Internal Control Systems.
6. Discussion with the Auditors before the audit commences, about the nature and scope of the audit as well as post audit discussion to ascertain any area of concern.
7. To review the functioning of Whistle Blower Mechanism.
8. Carrying out any other function as is mentioned in the terms of reference of the audit Committee.

MARDA COMMERCIAL & HOLDINGS LIMITED

The Audit Committee is empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

We have instituted internal processes and systems to ensure that the audit committee has access to all the material information and reviews on a regular basis as follows:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant party related transactions (as defined by the Audit Committee), submitted by management.
- Management certificates on internal controls and compliances with laws and regulations, including any exceptions to these.
- Management letters / letters of internal control weakness issued by the auditors.

Remuneration Committee

There is no Remuneration Committee.

Sitting fee has been waived and no sitting fee is presently paid to any director or any member of any committee of Directors.

The Remuneration Policy of the Company is:

Managing Director:

The Managing Director is paid a fixed quantum of Salary and perquisites within the overall limits permissible under the Companies Act and as approved by the Shareholders.

Non-Executive - Independent Directors

Sitting fee has been waived and no sitting fee is presently paid to any director or any member of any committee of Directors.

Shareholders'/Investors'

The shareholders'/Investors' Grievance committee of the Board has been constituted to look into complaints like transfer of shares, non-receipt of dividend etc. The committee is headed by Jitendra Kumar Goyal, as Chairman (Non-Executive Director) and other members are Mr. Lalit Agarwal, Non-Executive Director and Mr. Jitendra

MARDA COMMERCIAL & HOLDINGS LIMITED

Tiwari, Company Secretary as the Compliance Officer. No Complaint had been received during the Financial Year.

CODE OF CONDUCT

The Code of Conduct in line with the provisions of Clause 49 of the Listing Agreement has been framed /adopted by the Board and is applicable to all the members of the Board and Senior Management Executives. This Code forms an integral part of the Company's Governance policy. The Company adheres to the highest Standards of business ethics, compliance with the Statutory and legal requirements and commitment to transparency in business dealings.

Declaration affirming compliance of Code of Conduct

A declaration by the Managing Director affirming compliance of Board members and senior Management Personnel to the Code is mentioned herewith:

Declaration signed by the Executive Director

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2011.

Place: Kolkata
Date: 30.06.2011

Daulat Ram
Daulat Ram Agarwal
Managing Director

MARDA COMMERCIAL & HOLDINGS LIMITED

General Body Meetings

Location and time of last three Annual General Meetings:

AGM for the Financial Year	Date	Time	Venue for all the three AGMs
2007-2008	26.09.2007	11.00 A.M.	503, Keotalla road, 1 st Floor, Kolkata - 700 029
2008-2009	30.09.2009	11.00 A. M.	503, Keotalla road, 1 st Floor, Kolkata - 700 029
2009-2010	30.09.2010	11.00 A. M.	503, Keotalla road, 1 st Floor, Kolkata - 700 029

No Special Resolution was passed during the Period under review.

None of the Resolution proposed at the Annual General Meeting held was required to be passed by postal ballot.

Disclosures

- a. There were no materially significant related party transactions i.e. transactions of the Company of material nature, which its promoters, the Directors of the Management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large. The related party transactions have been duly disclosed in the "Notes on Accounts" to the Balance Sheet.
- b. There were no cases of non-compliance by the Company and no penalties / strictures imposed on the Company by any Statutory Authority on any matter.

Means of Communication

The Quarterly and Half Yearly results are published normally in Financial Express and Vartamaan. The results are not sent individually to the shareholders.

There were no presentations made to the institutional investors or analysis during the year.

MARDA COMMERCIAL & HOLDINGS LIMITED

Additional Shareholders Information

22nd Annual General Meeting:

Annual General Meeting	
Date and Time	: Friday, the 30 th September, 2011 at 1.00 P.M.
Venue	: Registered Office of the Company at : "Mercantile Building", Block-E, 2 nd Floor, 9/12, Lalbazar Street, Kolkata - 700 001
Financial Calendar (Tentative) for the Financial Year 2011-2012	: 1 st April, 2011 to 31 st March, 2012 First Quarter Results 2nd week of August, 2011 Second Quarter Results 2nd week of November, 2011 Third Quarter Results 2nd week of February, 2012 Fourth Quarter Results 2nd week of May, 2012
Date of Book Closure	: 28 th September, 2011 to 30 th September, 2011 (both days inclusive)
Dividend payment date	: No dividend is being recommended
Listing on stock exchanges and Stock Code	: The Calcutta Stock Exchange Association Ltd. - 10023486
The Company has paid listing fees as applicable to the stock exchanges.	

The ISIN Number of the Company (or demat number) on both NSDL and CDSL is INE 912C01014. Total No. of Shares dematerialized up to 31.03.2011 is 2643400.

Market Price Data

Monthly high/low during the year 2010-2011 on the Stock Exchange, Kolkata

THERE HAS BEEN NO TRADING DURING THE FINANCIAL YEAR 2010-2011

Registrar & Share Transfer Agent : M/s Niche Technologies Pvt. Ltd.
D-571, Bagri Market, 71, B.R.B.B. Road,
Kolkata - 700 001

Share Transfer System:

The Authority to approve Share transfers has been delegated by the Board of Directors to the Share Transfer Committee. Requests received for transfer of Shares are processed within thirty days of receipt. After transfer, letters are sent to those shareholders as specified by the Depositories giving an option to dematerialize their shares. In case a Shareholder who opt for dematerialization, Electronic Credit is made. Physical Certificates are sent by Registered Post in case of those shareholders who opt to hold the shares in physical form.

MARDA COMMERCIAL & HOLDINGS LIMITED

Distribution of Shareholding (as on 31st March 2011)

Category	No. of Shares	%
Promoters	5220900	52.21
Financial Institutions	NIL	NIL
Nationalized Banks	NIL	NIL
Non Resident Indians	NIL	NIL
Mutual funds and FIIs	NIL	NIL
Domestic Companies	3801600	38.01
Indian Public	978100	9.78
Others (Clearing Members)	NIL	NIL
	10000600	100.000

Distribution of Shareholdings:

Sl. No.	No. of Shares		No. of Shareholders	% to Total	Total Shares	% to Total
1.	UPTO	500	119	32.873	59100	0.591
2.	501	1000	211	58.287	177500	1.775
3.	1001	5000	0	0.000	0	0.000
4.	5001	10000	1	0.276	8100	0.081
5.	10001	50000	2	0.552	75000	0.750
6.	50001	100000	3	0.829	270000	2.700
7.	100001	And above	26	7.182	9410900	94.103
		Total	362	100.000	10000600	100.000

Dematerialization of shares:

As on 31st March 2011, 26.43 % of the total equity capital of the company was held in dematerialized form.

Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity.

The Company has not issued any GDR/ADR/Warrants.

Plant Location: Not Applicable

Address for Correspondence: "Mercantile Building", Block-E, 2nd Floor, 9/12, Lal bazar Street, Kolkata - 700 001.

Adoption of Non-Mandatory Requirements

Company has so far not implemented other non- mandatory requirements of the Code of Corporate Governance.

MARDA COMMERCIAL & HOLDINGS LIMITED

CEO / CFO CERTIFICATION

The Board of Directors

M/s Marda Commercial & Holdings Limited

Kolkata

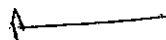
Re: Financial Statement for the Financial Year 2010-2011 – Certification by Managing Director and Company Secretary

We, Daulat Ram Agarwal, Managing Director and Jitendra Tiwari, Company Secretary of **M/s Marda Commercial & Holdings Limited** on the review of Financial Statements and Cash Flow Statement for the year ended 31st March, 2011 and to the best of my knowledge and belief, hereby certify that:

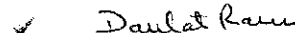
1. These statement do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2011 which are fraudulent, illegal or violative of Company's Code of Conduct.
4. We accept responsibility of establishing and maintaining internal control systems of the Company pertaining the financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies in the design and operation of such internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee:
 - i. There have been no significant changes in internal control over financial reporting during the period.
 - ii. There have been no significant changes in accounting policies during the period.
 - iii. There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Place: Kolkata

Date: 30.06.2011



Jitendra Tiwari
Company Secretary



Daulat Ram Agarwal
Managing Director

MARDA COMMERCIAL & HOLDINGS LIMITED

CERTIFICATE OF THE AUDITORS IN RESPECT OF COMPLIANCE OF CORPORATE GOVERNANCE

To the Members of
M/s Marda Commercial & Holdings Limited

We have examined the compliance of conditions of corporate governance by M/s Marda Commercial & Holdings Limited, for the year ended on 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange.

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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

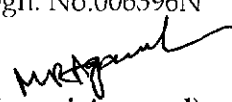
In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

As required by Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the Shareholders'/Investors' Grievance Committee.

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.

Place : Kolkata
Date : 30.06.2011

For MAMRAJ & CO.
Chartered Accountants
Firm Regn. No.006396N


(Mamraj Agarwal)
Partner
M.No. 84944



AUDITOR'S REPORT

The Members of Marda Commercial & Holdings Limited.

- i. We have audited the attached balance sheet of Marda Commercial & Holdings Limited, as at 31st March 2011, and also the profit and loss account and the cash flow statement 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.
- ii. 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.
- iii. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- iv. Further to our comments in the Annexure referred to above, we report that:
 - (i.) 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;
 - (ii.) 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;


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- (iii.) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
- (iv.) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with accounting standards referred to in sub-section (3C) of section 211 of the Companies act. 1956;
- (v.) On the basis of written representations received from the directors, as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi.) In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 2011;
- b) In the case of the profit and loss account, of the Profit for the year ended on that date; and
- c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For MAMRAJ & CO.
REGN. NO. 006396N
CHARTERED ACCOUNTANTS


MAMRAJ AGARWAL
(PARTNER)
M. No. 84944

Place : Kolkata
Date : 30.06.2011



ANNEXURE

Re: Marda Commercial & Holdings Limited

Referred in paragraph 3 of our report of even date,

1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
2. All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
3. During the year, the company has not disposed off any assets.
4. In our opinion and according to the information and explanations given to us, the management has conducted physical verification of stock of shares and securities at reasonable intervals. In our opinion procedures for physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The Company has maintained proper records of stocks. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
5. The Company had taken unsecured loans , from companies, firms and other parties covered in the Register maintained under Section 301 of the Companies act, 1956 from one party and the year end balance is Rs. 4,61,84,222.00.
6. The Company had granted loans secured or unsecured , to companies, firms and other parties covered in the Register maintained under Section 301 of the Companies act, 1956 to four parties amounting to Rs. 14,26,66,643.00.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases and sale of stocks and securities. During the course of our audit, no major weakness has been noticed in the internal controls.

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8. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 are duly entered.
9. In our opinion and according to the information and explanations given to us, no purchase and sale of shares and securities valued in excess of Rs. 5,00,000/- have been made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Companies Act, 1956 which may be prejudicial to the interest of the Company .
10. In our opinion and according to the information and explanations given to us ,the Company has not accepted any deposits from the public Under Section 58A of the Companies Ac, 1956 and the rules framed there under.
11. As explained to us, the company has adequate internal audit system which is commensurate to the size and nature .
12. According to the information and explanations provided by the Management, the provisions section 209 (1) (d) of the Companies Act, 1956 are not applicable to the company.
13. According to the records of the company, the company is regular , in depositing with appropriate authorities undisputed statutory dues including Income Tax , Wealth Tax, Sales Tax, Custom Duty and Excise Duty and/or other statutory dues, if any , applicable to it.
14. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding, as at 31.03.2010 for a period of more than six months from the date they became payable.
15. According to the records of the company, there are no dues of Sales Tax, Income Tax, customs tax/wealth-tax, excise duty/Cess which has not been deposited on account of any dispute.

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16. The company has no accumulated losses and has not suffered any cash losses during the financial year covered by our audit , and immediately preceding financial year.
17. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not obtained any loans , hence no default is made in repayment of dues to a financial institution, bank or debenture holders.
18. Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
19. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transaction and contracts regarding its trading activities in shares, securities, debentures and other investment and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other securities in its own name to the extent it is possible.
20. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
21. According to the information and explanations given to us, the company has not availed any term loans during the current financial year.
22. According to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that no funds raised on short term basis have been used for long term investment by the company.
23. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

Cont...4




:4:

24. According to the records of the Company, the Company has not issued any debentures.
25. The Company has not raised any money by public issue during the year and hence the question of disclosure and verification of end use of such monies does not arise.
26. During the course of our examination of the books of accounts carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud on or by the Company nor have we been informed of any such case by the management.

As required by the non- Banking Financial Companies Auditors Report (Reserve Bank) Directions, 1998 we report as follows:-

- (a) The Company has received Registration certificate bearing No. 05.02261 from the Reserve Bank of India u/s 45IA of the RBI Act, 1934.
- (b) The Board of Directors has passed a resolution for the non- acceptance of any Public Deposit.
- (c) The Company has not accepted any Public Deposit during the year.
- (d) The Company has compiled with provisions of the NBFC Prudential Norms (R.B.I.) Directions, 1998 relating to Income Recognition, Accounting Standards, Asset Classification, and provisioning of Bad and Doubtful Debts as applicable to it.

For Mamraj & Co.
REGN. NO. 006396N
Chartered Accountants


MAMRAJ AGARWAL
(Partner)
M. No. 84944

Place : Kolkata
Date : 30.06.2011




To,

M/s Marda Commercial & Holdings Limited
18, Armenian Street,
Kolkata-700007

Dear Sir,

We have examined the attached Cash flow statement of M/s Marda Commercial & Holdings Limited for the year ended 31st March 2011. The statement has been prepared by the company in accordance with the requirement of clause 32 of the listing agreement with Delhi Stock Exchange and is based on and is in agreement with the corresponding profit & loss account and Balance Sheet of the Company covered by our report of 29.09.2011 to the members of the Company.

FOR MAMRAJ & CO.
CHARTERED ACCOUNTANTS
F.R. NO. 006396N


MAMRAJ AGARWAL
(PARTNER)
M. NO. 84944

PLACE: KOLKATA
DATE : 29.09.2011

MARDA COMMERCIAL & HOLDINGS LIMITED

BALANCE SHEET AS AT MARCH 31, 2011

SOURCES OF FUNDS:	Sch	31-Mar-11 (Rupees)	31-Mar-10 (Rupees)
Shareholder's Fund			
Share Capital	1	100,006,000.00	100,006,000.00
Reserves & Surplus	2	75,794,205.09	70,699,914.10
Unsecured Loans	3	<u>53,954,672.00</u>	<u>4,578,574.00</u>
		<u>229,754,877.09</u>	<u>175,284,488.10</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	2,038,758.00	2,038,758.00
Less: Depreciation		<u>1,642,103.00</u>	<u>1,503,534.00</u>
		396,655.00	535,224.00
Investments	5	16,438,423.16	23,382,615.01
Current Assets, Loans & Advances			
Current Assets			
Closing Stock	6	1,870,875.00	2,323,250.00
Cash & Bank Balances	7	12,629,626.27	10,630,424.65
Sundry Debtors	8	876,801.79	41,538.36
Deferred Tax Asset		132,126.00	133,226.00
Loans & Advances	9	<u>209,343,771.87</u>	<u>147,527,423.00</u>
		224,853,200.93	160,655,862.01
Current Liabilities & Provisions	10	<u>11,933,402.00</u>	<u>9,289,212.92</u>
Net Current Assets		<u>212,919,798.93</u>	<u>151,366,649.09</u>
		<u>229,754,877.09</u>	<u>175,284,488.10</u>
Significant Accounting Policies & Notes on A/c's	13		

As per our report of even date attached

For MAMRAJ & CO.

REGN. NO. 006396N

Chartered Accountants

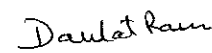

(Mamraj Agarwal)

Partner

Membership No. 84944

Place : Kolkata

Dated: 30.06.2011


Managing Director


Director


Company secretary

MARDA COMMERCIAL & HOLDINGS LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING MARCH 31, 2011**

	Sch	2010-2011 Amount (RS.)	2009-2010 Amount (RS.)
INCOME			
Interest(Gross) (T.D.S. during the year Rs. 1141949/-)		11,419,507.60	8,702,421.58
Previous Year Rs.8,70,241/-)			
Increase in stock	11	-	1,459,813.00
Dividend		1,414,132.05	502,799.76
Profit from trading in F & O		969,868.16	-
Sale of shares		3,413,045.00	8,479,351.81
Sale of Units		-	1,242,511.13
Profit from Investments		353,532.69	-
Short & Excess recovery		17,661.11	-
		<u>17,587,746.61</u>	<u>20,386,897.28</u>
EXPENDITURE			
Decrease in stock	11	452,375.00	-
Purchase of shares		6,076,436.43	11,078,392.39
Loss from Investment		-	1,786,009.33
Auditors' Remuneration :			
Audit Fee		55,150.00	44,120.00
Tax Audit Fee		<u>16,545.00</u>	<u>11,030.00</u>
55,150.00		71,695.00	55,150.00
Filing Fees		1,500.00	3,000.00
Listing Fees		38,605.00	38,605.00
Directors' Remuneration		600,000.00	600,000.00
Administrative Expenses	12	<u>2,784,776.19</u>	<u>1,700,477.34</u>
		<u>10,025,387.62</u>	<u>15,261,634.06</u>
Profit during the year		7,562,358.99	5,125,263.22
Less: Prior Period Expenses		144,068.00	16,854.00
Add: Deferred Tax Asset		1,100.00	6,200.00
Add: Excess provision for FBT W/off		33,767.00	
Less: Provision for Taxation		<u>2,000,000.00</u>	<u>2,200,000.00</u>
Profit after Taxation		5,450,957.99	2,914,609.22
Less: provision for contingencies		356,667.00	-
Less : Transferred to Special Reserve		1,091,000.00	582,930.00
Profit b/f from Previous year		<u>56,440,348.10</u>	<u>54,108,668.88</u>
Balance transferred to Balance Sheet		<u>60,443,639.09</u>	<u>56,440,348.10</u>
Number of Shares		10,000,600.00	10,000,600.00
Significant Accounting Policies & Notes on A/c's	13		

As per our report of even date attached

For MAMRAJ & CO.

REGN. NO. 006396N

Chartered Accountants

(Mamraj Agarwal)

Partner

Membership No. 84944

Place : Kolkata

Dated: 30.06.2011

Saukat Khan
Managing Director

[Signature]
Director
[Signature]
Company Secretary

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNTS

(Annexed to and forming part of the accounts)

	31-Mar-11	31-Mar-10		
SCHEDULE - 1	Amount	Amount		
Share Capital				
Authorised				
10100000 Equity Shares of Rs.10/- each	101,000,000.00	101,000,000.00		
Issued, Subscribed & Paid up				
10000600 Equity Shares of Rs.10/- each fully paid in cash	<u>100,006,000.00</u>	<u>100,006,000.00</u>		
SCHEDULE - 2				
Reserve & Surplus				
Special Reserve	15,350,566.00	14,259,566.00		
Profit & Loss Account				
(Balance as per P/L Account)	<u>60,443,639.09</u>	<u>56,440,348.10</u>		
	<u>75,794,205.09</u>	<u>70,699,914.10</u>		
SCHEDULE - 3				
Unsecured Loans				
From Directors				
From Others (Corporate)	<u>53,954,672.00</u>	<u>4,578,574.00</u>		
	<u>53,954,672.00</u>	<u>4,578,574.00</u>		
SCHEDULE - 4				
Fixed Assets				
VEHICLES				
Balance (Gross Block)	2,038,758.00	2,038,758.00		
Less: Depreciation charged upto the year	<u>1,642,103.00</u>	<u>1,503,534.00</u>		
Net Block	396,655.00	535,224.00		
SCHEDULE - 5				
Investments : (At Cost) (As Taken, Valued & Certified by the Management)				
		31-Mar-11		31-Mar-10
Quoted - Equity Shares	Quantity	Amount	Quantity	Amount
Sophia Exports Limited	-	-	380000	619,400.00
Bajaj Auto	-	-	91	161,163.86
Nestle India	-	-	60	152,760.15
Wipro	-	-	221	150,895.98
Tata Motors	-	-	205	148,890.64
Tata Consultancy Services	-	-	194	139,974.59
Mundra Port and Special Economic Zone	-	-	123	90,030.15
Punjab National Bank	-	-	93	84,196.70
Hindalco Industries	-	-	519	86,239.48
Cipla	-	-	268	92,318.02
Siemens	-	-	121	88,376.34
Sesa Goa	-	-	190	72,743.38
Dr. Reddy Laboratories	-	-	70	84,830.20

Sun Pharmaceuticals Industries	-	-	48	72,118.11
Ultratech Cemco	-	-	74	82,554.14
Jindal Saw	-	-	396	80,887.08
Hindustan Zink	-	-	69	82,138.23
Mahindra and Mahindra	-	-	142	83,677.56
Hero Honda Motors	-	-	39	74,722.78
Jindal Steel and Power	-	-	106	73,889.29
Torrent Power	-	-	256	81,290.66
Lupin	-	-	42	60,876.48
Jain Irrigation systems	-	-	64	53,490.92
HCL Technologies	-	-	170	60,456.32
Gail India	-	-	139	56,639.41
Cummins India	-	-	109	51,173.60
Gujarat state Petronet	-	-	610	58,472.22
Dabur India	-	-	289	49,640.72
				2,993,847.01

Market Value of Quoted Shares - **2,493,898.00**

Unquoted - Equity Shares

Advance Hightech Agro Products Ltd. (Face value Rs. 10/-	50000	150,000.00	50000	150,000.00
Advance Ispat (I) Limited (Face value Rs. 10/- each)	49860	498,600.00	49860	498,600.00
Tirupati Structural's Ltd. (Face value Rs. 10/- each)	723950	250,000.00	350000	250,000.00
		898,600.00		898,600.00

Break-up value of Unquoted Equity Shares **46,606,749.00** **31,509,797.00**

Unquoted - Preference Shares

Farsight Securities Ltd. (Face value Rs. 100/- each)	15000	1,500,000.00	15000	1,500,000.00
Break-up value of Unquoted Preference Shares		1,500,000.00		1,500,000.00

Mutual Funds (Units)

JM Core (Face value Rs. 10/- each)	250000	2,500,000.00	250000	2,500,000.00
BSL Midcap Growth	-	-	46393	4,991,429.00
Reliance reg. Saving fund (Face value Rs. 10/-)	291213	7,539,823.16	124065	2,634,706.00
BSL MIP II	-	-	517980	5,864,033.00
Aditya Birla P Equity (Face Value Rs. 10/- each)	40000	4,000,000.00		2,000,000.00
		14,039,823.16		17,990,168.00
NET ASSET VALUE OF UNITS		11,243,693.00		16,673,018.00

Grand Total (At cost) **16,438,423.16** **23,382,615.01**

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SCHEDULE - 6**Closing Stock**

(At cost of Break up Value or Market Price whichever is Lower)

Inventories	<u>1,870,875.00</u>	<u>2,323,250.00</u>
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SCHEDULE - 7**Cash & Bank Balances**

Cash in hand (As certified by the Management)	132,347.60	124,847.60
Balance with Scheduled Bank (In Current Account)	2,365,153.12	360,326.47
FDR with Scheduled Bank	10,000,000.00	10,000,000.00
Interest accrued on FDR	<u>132,125.55</u>	<u>145,250.58</u>
	<u>12,629,626.27</u>	<u>10,630,424.65</u>

SCHEDULE - 8**Sundry Debtors****(Unsecured considered good)**

Exceeding six months	-	-
Others	<u>876,801.79</u>	<u>41,538.36</u>
	<u>876,801.79</u>	<u>41,538.36</u>

SCHEDULE - 9**Loans & Advances**

Loans (Unsecured but considered good)	142,666,643.00	84,219,267.00
Advances (Recoverable in cash or in kind or for the value to be received)	<u>66,677,128.87</u>	<u>63,308,156.00</u>
	<u>209,343,771.87</u>	<u>147,527,423.00</u>

SCHEDULE - 10**Current Liabilities & Provisions:****Current Liabilities**

Sundry Creditors - Others	-	119,519.92
Sundry Creditors - For Expenses	809,663.00	314,621.00

Provisions

Provision for contingencies	356,667.00	
Provision for FBT	-	88,000.00
Provision for Taxation	<u>10,767,072.00</u>	<u>8,767,072.00</u>
	<u>11,933,402.00</u>	<u>9,289,212.92</u>

SCHEDULE - 11**Increase/(Decrease) in inventories**

Stock at the end of current year	1,870,875.00	2,323,250.00
Stock at the end of Previous year	<u>2,323,250.00</u>	<u>863,437.00</u>
	<u>(452,375.00)</u>	<u>1,459,813.00</u>

SCHEDULE - 12

Administrative Expenses

Advertisement	1,601.00	1,601.00
Bank Charges	5,051.98	6,217.55
Depository Charges	66,180.00	33,090.00
Depreciation	138,569.00	186,978.00
Demate Charges	1,866.00	
General Expenses	5,075.00	450.00
Insurance charges	29,223.00	34,089.00
Interest Paid	1,227,414.00	377,705.00
Keyman Insurance Premium	563,056.00	563,056.00
Legal & Professional Charges	254,796.10	166,507.61
Postage	12,600.00	230.50
Prining & Stationary	14,900.00	2,187.90
STT Charges	51,672.87	111,644.78
Salary & Bonus	48,000.00	52,000.00
Vehicle Running & Maintainence	48,528.00	118,688.00
RTA Fees	11,032.00	11,032.00
Financial Charges	197,211.24	-
Rent	108,000.00	-
Misc. Balance W/off	-	35,000.00
	<u>2,784,776.19</u>	<u>1,700,477.34</u>

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MARDA COMMERCIAL & HOLDINGS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

Registration No.	18731	State Code	
Balance Sheet Date	31.03.2010		

II CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. POSITION OF MOBILISATION AND DPLOYMENT OF FUNDS (Amount in Rs. Thousand)

Total Liabilities	175284	Total Assets	175284
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Sources of Funds

Paid up Capital	100006	Reserves & Surplus	70700
Secured Loan	Nil	Unsecured Loan	4578

Application of Funds

Net Fixed Assets	535	Investments	23383
Net Current Assets	151366	Misc. Expenditure	
Accumulated Losses			

PERFORMANCE OF THE COMPANY (Amount in Rs. Thousand)

*Turnover	20387	Total Expenditure	15262
Profit Befor Tax	5125.00	Profit After Tax	2914.00
Earnings Per Share (Rs.)	0.29	Dividend rate (%)	NIL

V. GENERIC NAMES OF PRINCIPAL PRODUCTS/ SERVICES OF THE COMPANY

Item Code (ITC Code)	:	Not Applicable
Product Description	:	Not Applicable

Place : Kolkata
Date : 30.06.2011

Danubio Danubio
Director

Director

R
Company secretary

M

MARDA COMMERCIAL & HOLDINGS LIMITED

CASH FLOW STATEMENT	31.03.2011 AMOUNT (RS.)	31.03.2010 AMOUNT (RS.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary Items	7,562,358.99	5,125,263.22
Adjustment for :		
Depreciation	138,569.00	186,978.00
Interest Paid	<u>1,227,414.00</u>	<u>377,705.00</u>
	8,928,341.99	5,689,946.22
Adjustment for :		
Interest Received	(11,419,507.60)	(8,702,421.58)
Dividend Received	<u>(1,414,132.05)</u>	<u>(502,799.76)</u>
Operating Profit before Working Capital changes	(3,905,297.66)	(3,515,275.12)
Adjustment for :		
Current Assets	(62,198,137.30)	4,725,675.64
Current Liabilities	<u>2,644,189.08</u>	<u>2,295,498.92</u>
(Increase)/ Decrease in Net Current Assets	<u>(63,459,245.88)</u>	<u>3,505,899.44</u>
Cash generated from Operations	(63,459,245.88)	3,505,899.44
Interest paid	(1,227,414.00)	(377,705.00)
Deferred Tax Asset	(1,100.00)	6,200.00
Taxation	<u>(2,000,000.00)</u>	<u>(2,200,000.00)</u>
Cash Flow before Extraordinary items	(66,687,759.88)	934,394.44
Extraordinary Items/Other Provisions	(466,968.00)	(16,854.00)
Net Cash from operating activities (A)	<u>(67,154,727.88)</u>	<u>917,540.44</u>
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale / (Purchase) of Investments	6,944,191.85	(400,824.63)
Interest Received	11,419,507.60	8,702,421.58
Dividend Received	<u>1,414,132.05</u>	<u>502,799.76</u>
Net Cash used in investing activities (B)	<u>19,777,831.50</u>	<u>8,804,396.71</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowing	<u>49,376,098.00</u>	<u>389,934.00</u>
Net Cash from Financing activities (C)	<u>49,376,098.00</u>	<u>389,934.00</u>



Net increase in Cash and Cash equivalents (A+B+C)

1,999,201.62

10,111,871.15

Cash and Cash equivalents at the beginning of the year

10,630,424.65

518,553.50

Cash and Cash equivalents at the close of the year

12,629,626.27

10,630,424.65

1,999,201.62

10,111,871.15

For MAMRAJ & CO.
Chartered Accountants



(Mamraj Agarwal)

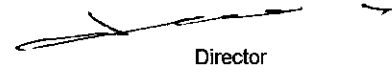
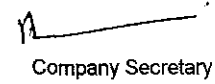
Partner

Membership No. 84944

Place: Kolkata

Dated : 30.06.2011

Daulat Ram
Managing Director


Director
Company Secretary