

SHARP INVESTMENTS LTD.

ANNUAL REPORT

2010-2011

SHARP INVESTMENTS LTD.

DIRECTORS

Shri Sagar Mal Nahata
Shri Siddharth Nahata
Smt. Kanak Nahata

BANKERS

Oriental Bank of Commerce
Axis Bank

AUDITORS :

UTTAM KUMAR BOSE
Chartered Accountants
76A, Shyam Bazar Street,
Kolkata – 700 005.

REGISTERED OFFICE :

SAGAR ESTATE, 2nd Floor,
2, Clive Ghat Street, Unit No. : 16
Kolkata – 700 001.

REGISTRAR & SHARE TRANSFER AGENTS :

NICHE TECHNOLOGIES PVT. LTD.

71, B.R.B. Basu Road
C- 444, Bagree Market
Kolkata – 700 001.

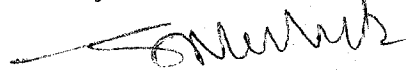
SHARP INVESTMENTS LTD.
NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Thirtieth Three Annual General Meeting of the Members of Sharp Investments Ltd. will be held on Friday, 30th September, 2011 at 2.00 P.M. at its Registered Office at 2, Clive Ghat Street, 2nd Floor, Unit 16, Kolkata – 700 001 to transact the following business:

1. To Consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2011 and the Reports of Directors and Auditors thereon.
2. To appoint auditors and fix their remuneration.

Regd. Office :
SAGAR ESTATE
2, Clive Ghat Street,
2nd Floor, Unit : 16
Kolkata – 700 001
Dated – 22/06/2011

By Order of the Board


(Director)

S. N. Ghata

1. A member entitled to attend and vote at the above meeting is entitled to appoint a Proxy to attend and vote on a poll on his behalf. The Proxy need not be a member of the Company. Proxies to be effective must be received at the Registered Office of the Company not less than 48 hours before the Commencement of the meeting.

**DIRECTORS' REPORT TO THE MEMBER OF
SHARP INVESTMENTS LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2011**

To
The Members,

Your Directors have pleasure in submitting the Thirty Third Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS

| | 2010-2011 | 2009-2010 |
|---|----------------------|----------------------|
| | Rs. | Rs. |
| Total Profit (loss) for the year | 876349.70 | (16848024.82) |
| Less: Provision for Taxation for earlier year | 162500.00 | --- |
| Profit/ (Loss) after Tax | 713849.70 | (16848024.82) |
| Transfer to special Reserve | --- | --- |
| Balance brought forward – Profit/(Loss) | (19314946.21) | (2466921.39) |
| BALANCE CARRIED TO BALANCE SHEET | (18601096.51) | (19314946.21) |

DIVIDEND:

Due to loss suffered during the year, your directors express their inability to declare dividend.

PERFORMANCE & PROSPECTS:

Due to adverse Investment environment, the Company has suffered loss during the year. But the Directors expect that overall situation will improve during the near future.

CURRENT YEAR OUT LOOK :

With positive steps taken by the Board to expand the activities of the company it is expected that the earning of the company will be increased considerable.

Contd 2

DIRECTORS:

Sri Kanak Nahata retires by rotation and being eligible offers himself for re-appointment

PARTICULARS OF EMPLOYEES:

The provisions of Section 217(2A) of the Companies Act, 1956 and the rules framed there under for furnishing the particulars of employees are not applicable to the company as there is no such person drawing remuneration in excess of the specified limit.

AUDITORS REPORT:

Auditors has made certain comments in their report which are self explanatory and doesn't require any clarification.

AUDITORS:

The Company's Auditors M/s. Uttam Kumar Bose, Chartered Accountants, who were appointed in place of the outgoing auditors Rahul Goenka & Associates , Chartered Accountants , retire at the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. A letter has been received from them stating that if re-appointed, the appointment will be in accordance with the provision of the Companies Act, 1956.

COMPLIANCE CERTIFICATE :

Pursuant to proviso to sub section 1 of section 383A of the companies Act, 1956, copy of secretarial compliance certificate is annexed herewith.

PUBLIC DEPOSITS

During the year the company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 and rules made there under.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

These rules are not applicable for the company, but it still lays emphasis on conservation of energy, and its facility has been designed to minimize use of energy and to adopt latest technologies and for conservation of environment.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report and Auditor's Certificate regarding compliance of condition of Corporate Governance forms part of the Annual Report.

Contd 3

DIRECTORS RESPONSIBILITY STATEMENT:

As required under Section 217 of the Companies Act, the Directors hereby confirm that:

- i) In the preparation of the Annual Accounts, the Applicable Accounting Standards has been followed along with proper explanation relating to material departures;
- ii) The Directors has 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 for the Company at the end of the financial year and of the profit of the Company for the period;
- iii) The Directors has 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 has prepared the annual accounts on a going concern basis.

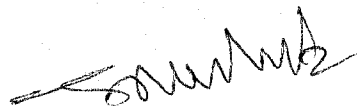
AUDIT COMMITTEE:

Pursuant to the provisions of Section 292A of the Companies Act, 1956, your Director have constituted an Audit Committee comprising of three Directors Shri Sagar Mal Nahata, Shri Siddharth Nahata and Smt. Kanak Nahata. The role, terms of reference and powers of the Audit Committee are in confirm with the requirements of the Companies Act, 1956.

APPRECIATION:

We wish to place on record our appreciation of the devoted services of staff and executives of the Company which have largely contributed to its efficient management.

Place : Kolkata
Dated: 22/06/2011



(DIRECTOR)


(DIRECTOR)

UTTAM KUMAR BOSE

CHARTERED ACCOUNTANTS
76A, SHYAM BAZAR STREET,
KOLKATA – 700 005

AUDITORS' REPORT

To
The Members of **SHARP INVESTMENTS LTD.**

We report that we have audited the attached Balance Sheet of **SHARP INVESTMENTS LTD.** as at 31st March, 2011 signed by us under reference to this report and relative Profit & Loss Account and also the Cash Flow Statement for the year ended on that date which are in agreement with the books of account. 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.

We conducted our audit in accordance with 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 the management, as well as evaluating the overall financial statement presentation. We believe that our Audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of Sub Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:-

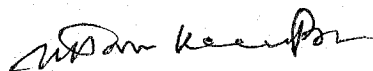
- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of accounts as required by the law have been kept by the company so far as it appears from our examination of these books.

Contd 2



- c. The company's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
- d. In our opinion the Balance Sheet and Profit & Loss Account comply with the Accounting standard referred to in sub-section 3(C) of section 211 of the Companies Act, 1956.
- e. On the basis of written representation received from all the directors and taken on record by the Board Directors, we report that none of the directors is disqualified as on the Balance Sheet date from being appointed as director in terms of Section 274(1)(g) of the Companies Act, 1956.
- f. In our opinion and to the best of our information and according to the explanations given to us the said accounts subject to and read with the Notes appearing thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011 ;
 - ii) In the case of Profit & Loss Account of the "**Profit**" of the Company for the year ended on that date ; and
 - iii) In the case of The Cash Flow Statement, of the cash flows for the year ended on that date.

FOR UTTAM KUMAR BOSE
CHARTERED ACCOUNTANTS



(U.K.BOSE)
PARTNER
M.NO. - 056108

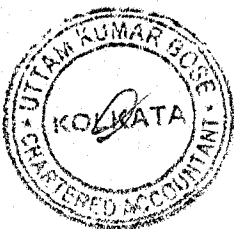


PLACE : KOLKATA
DATE : 22/06/2011

ANNEXURE TO THE AUDITOR'S REPORT of
Sharp Investments Ltd.

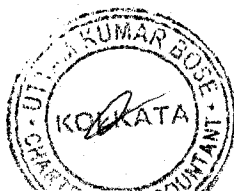
- i) As informed to us, the Company does not have any fixed assets and as such clauses I(a) to I(c) to paragraph 4 of the said order, do not applicable to the Company.
- ii) As informed to us, the Company does not have any inventory and as such clauses II(a) to II(c) are not applicable to the Company.
- iii) As informed to us, the Company has neither granted nor taken any loans, secured or unsecured, to/From Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and as such clauses (iii) (a) to (iii) (d) of the said order do not applicable to the company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, no major weakness has been noticed in the internal controls.
- v) According to the information and explanations provided by the management, we are of the opinion that there have been no transactions that need to be entered into the register maintained under Section 301 and hence clause (v) (b) of the said order do not applicable to the company.
- vi) The Company has not accepted any deposits from public within the meaning of section 58A and 58AA of the Companies Act, 1956 and rules framed there under are not applicable for the year under audit.
- vii) In our opinion, the Company has an Internal Audit System commensurate with the size and nature of its business.
- viii) To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the Company.

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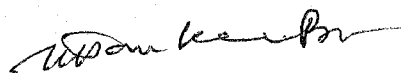
- ix) (a) According to the records of the Company and explanations given to us, the Company has been regular in depositing undisputed statutory dues payable in respect of Provident Fund, employees State Insurance, Service Tax, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise duty, cess or any other dues, whatever applicable, with appropriate authority.
- (b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of statutory dues which have remained outstanding as at the Balance Sheet date for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, there are no cases of dispute dues of sales tax, Income tax, Custom Duty, Wealth tax, Excise Duty or cess and Service tax.
- x) The accumulated losses of the Company are not more than fifty percent of its net worth. The Company has incurred cash loss in the immediately preceding financial year and in the current financial year as well.
- xi) As per books and records maintained by the Company and according to the information and explanations given to us, the Company did not have any borrowing from any financial institution or bank or debenture holders and hence the clause (xi) is not applicable.
- xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
- xiii) Compliance with the provisions of any special statute like chit Fund, Nidhi or Mutual Benefit Society is not applicable to this Company.
- xiv) In our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and controls relating to dealing or trading in shares and other investments and timely entries have been made therein. The shares and other Investments are held by the Company in its own name.
- xv) 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.

Contd 3



- xvi) There are no term loans outstanding as at the end of the year.
- xvii) We have been informed by the management that no funds have been raised on short/long term basis and used and hence clause(xvii) is not applicable.
- xviii) According to Information and Explanation given to us the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956. However in our opinion the price at which these shares have been issued is not prejudicial to the interest of the Company.
- xix) The Companies did not have any outstanding debentures during the year.
- xx) The Companies has not raised money by way of Public issue during the year.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed during the course of our audit.

FOR UTTAM KUMAR BOSE
CHARTERED ACCOUNTANTS



(U.K.BOSE)
PARTNER
M.NO. - 056108

PLACE : KOLKATA
DATE : 22/06/2011



REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on code of Governance

The Company believes in and practices good Corporate Governance. The Company creates an environment to enable the management for the efficient conduct of the business and to meet its obligations to all shareholders.

2. Board of Directors

| Name of Directors | No. of Board Meeting Attended | Last AGM Attended | No. of Outside Directorship | No. of Membership/ Chairmanship Outside Committee |
|----------------------|-------------------------------|-------------------|-----------------------------|---|
| Mr. Sagarmal Nahata | 8 | Yes | 5 | 2 |
| Mrs. Kanak Nahata | 5 | Yes | 2 | 1 |
| Mr. Siddharth Nahata | 2 | Yes | 1 | Nil |

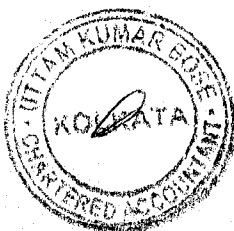
3. Audit Committee

The Audit Committee consists of

| | |
|----------------------|----------|
| Mr. Sagarmal Nahata | Chairman |
| Mr. Siddharth Nahata | Member |
| Mrs. Kanak Nahata | Member |

The Audit Committee has been vested with the following responsibilities.

- To investigate any activity within its terms of reference.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor fixation of Audit fees and approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the Board.



- e) Reviewing with the management, external and internal auditors the adequacy of internal control system.
- f) Discussion with the Auditors regarding any significant finding and follow up of the same.
- g) Reviewing the Company's financial and risk management policies.

4. Remuneration Committee (Non mandatory requirement)

The Company does not pay any remuneration to its directors committee is yet to formed.

2. Share holders Grievances Committee

The Shareholders / Investors Grievances Committee consists of Directors

| | |
|----------------------|----------|
| Mr. Sagarmal Nahata | Chairman |
| Mr. Siddharth Nahata | Member |
| Mrs .Kanak Nahata | Member |

During the year no Complain letter received from shareholders hence no pending complain from the shareholders as on 31.03.2011.
No request for transfer of share and demat of shares are pending.

3. Annual General Meeting

| Year | Venue | Time | Date |
|-----------|---|-----------|------------|
| 2010-2011 | 2, Clive Ghat Street 2 nd Floor, R.No.16 Kolkata – 700 001 | 2.00 P.M. | 30/09/2011 |
| 2009-2010 | - do - | 2.00 P.M. | 30/09/2010 |
| 2008-2009 | - do - | 2.00 P.M. | 30/09/2009 |

4. Disclosure

There were no transaction of material nature with related parties that were in conflict with the interest of the company at large. Company is making all efforts to benchmark itself with the guidelines issued by Securities and Exchange Board of India from time to time.



5. Means of Communication

The Annual results are submitted to the stock exchange.

6. General Share-holder information

i) AGM : Date, Time and Venue

30th September, 2011 2.00 P.M.

2, Clive Ghat Street
Sagar Estates,
2nd Floor, R.No. 16,
Kolkata – 700 001

ii) Financial Calender

| | |
|--|----------------------|
| 1 st Quarterly Result ending June 30, 2010 | : End of July, 2010 |
| 2 nd Quarterly Result ending Sept 30, 2010 | : End of Oct, 2010 |
| 3 rd Quarterly Result ending Dec 31, 2010 | : End of Jan, 2011 |
| 4 th Quarterly Result ending March 31, 2011 | : End of April, 2011 |

Annual General Meeting for the year under 31st March, 2011- End of Sept.
2011

iii) Date of Book Closure 28th Sept. to 30th Sept. 2011 (both days Inclusive)

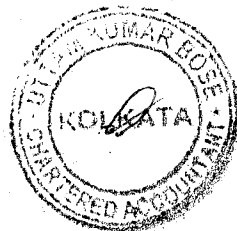
i) Dividend payment date : No Dividend is being recommended

ii) Listed at Calcutta Stock Exchange Association Ltd
And the listing fees paid.

iii) Stock Code : 29293

The Calcutta Stock Exchange Association Ltd.

Demat ISIN Number in NSDL and CDSL : INE684D01017



iv) **Stock Market Data :**

High / Low during each month for the year ended 31/03/2011

| Month | High | Low |
|-----------|------|------|
| April | N.T. | N.T. |
| May | N.T. | N.T. |
| June | N.T. | N.T. |
| July | 3.00 | 3.00 |
| August | N.T. | N.T. |
| September | N.T. | N.T. |
| October | N.T. | N.T. |
| November | N.T. | N.T. |
| December | N.T. | N.T. |
| January | N.T. | N.T. |
| February | N.T. | N.T. |
| March | N.T. | N.T. |

v) **Register and Share Transfer Agent**

Niche Technologies Pvt. Ltd.

71, B.R.B. Basu Road

C-444, Bagree Market

Kolkata – 700 001.

vi) **Share Transfer Systems**

Share Transfer document complete in all respect are registered and / or share transfer under objections are returned within stipulated time period.

The Company offer transfer-cum-demat facility.

vii) **Distribution of Share – holding as on 31st March, 2011**

A)

| Category | No. of Shares | % of share Holding |
|-----------------------|---------------|--------------------|
| Promoters | 39,60,000 | 16.35 |
| Corporate Bodies | 1,03,67,250 | 42.82 |
| Mutual Fund | ---- | ---- |
| Financial Institution | ---- | ---- |
| Banks | ---- | ---- |
| Indian Public | 98,82,500 | 40.83 |
| NRI / OCBs | ---- | ---- |
| Total: | 2,42,09,750 | 100.00 |

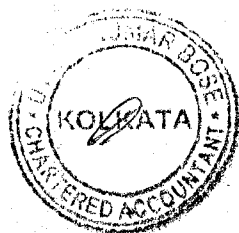


B) Distribution of Shareholding as at 31/03/2011

| Share Holding | No. of Shareholders | % | Value of shares | % |
|---------------|---------------------|--------|-----------------|--------|
| 1-500 | 2 | 0.38 | 6000 | 0.002 |
| 501-1000 | 0 | 0.00 | 0 | 0.000 |
| 1001-2000 | 0 | 0.00 | 0 | 0.000 |
| 2001-3000 | 30 | 5.83 | 770000 | 0.318 |
| 3001-4000 | 42 | 8.16 | 1533750 | 0.634 |
| 4001-5000 | 36 | 6.99 | 1793750 | 0.741 |
| 5001-10000 | 84 | 16.31 | 5959750 | 2.462 |
| 10001& Above | 321 | 62.33 | 232034250 | 95.843 |
| Total | 515 | 100.00 | 242097500 | 100.00 |

C) Details of Demat Shares as at 31/03/2011

| Particulars | No. of Shares | % |
|-------------|---------------|-------|
| NSDL | 15597650 | 64.43 |
| CDSL | 380875 | 1.57 |
| Physical | 8231225 | 34.00 |



UTTAM KUMAR BOSE

CHARTERED ACCOUNTANTS
76A, SHYAM BAZAR STREET,
KOLKATA – 700 005

SHARP INVESTMENTS LTD.
CORPORATE GOVERNANCE COMPLIANCE REPORT

To

The Members of Sharp Investment Ltd.

We have Examined the Compliance of conditions of Corporate Governance of Sharp Investments Ltd. for the year ended 31st March., 2011 as stipulated in clause 49 of the listing Agreement of the said Company with the Stock Exchanges in India.

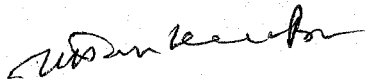
The Compliance of conditions of corporate Governance is a responsibility of the Company's Management. Our examination was limited to Procedures and implementation thereof adopted by the Company to ensure compliance with the Condition of Corporate Government. It is neither an audit nor an expression of opinion on the Financial Statement 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 the above mentioned Listing Agreement.

We state that in respect of investor grievance received on during the year no investor grievance are pending for a period exceeding on month as per the records maintained by the Company.

We further state that such compliance is neither an insurance as to future viability of the Company nor the efficiency or effectiveness with which the management has amen dates the affairs of the Company.

FOR UTTAM KUMAR BOSE
CHARTERED ACCOUNTANTS



(U.K.BOSE)
PARTNER
M.NO. – 056108
PLACE : KOLKATA
DATE : 22/06/2011



UTTAM KUMAR BOSE

CHARTERED ACCOUNTANTS
76A, SHYAM BAZAR STREET,
KOLKATA – 700 005

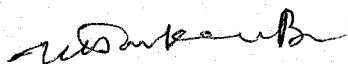
AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF M/S SHARP INVESTMENTS LTD.

We have audited the Balance Sheet of M/s. SHARP INVESTMENTS LTD. as on 31st March, 2011 and Profit and Loss Account for the year ended on that date. As required by "Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1998 issued by the Reserve Bank of India in exercise of powers conferred by Section 45MA(1A) of the Reserve Bank of India Act, 1934, We report that:-

1. The Company has obtained a Certificate of Registration (Certificate No. B-05.06565) from the Reserve Bank of India as provided in Section 45IA of the Reserve Bank of India Act, 1934.
2. The Board of Directors has passed a resolution for the non-acceptance of public deposits.
3. The Company has not accepted any public deposits during the Financial year 2010-11
4. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.

FOR UTTAM KUMAR BOSE
CHARTERED ACCOUNTANTS



(U.K.BOSE)
PARTNER
M.NO. – 056108



PLACE : KOLKATA
DATE : 22/06/2011

SHARP INVESTMENTS LTD.
2, CLIVE GHAT STREET, 2ND FLOOR, R.NO.-16, KOLKATA - 700 001

BALANCE SHEET AS AT 31st MARCH, 2011

| | <u>SCH</u> AS AT 31.03.2011 <u>AMOUNT(Rs.)</u> | AS AT 31.03.2010 <u>AMOUNT(Rs.)</u> |
|---|---|--|
| <u>EQUITY AND LIABILITIES</u> | | |
| <u>SHARE CAPITAL</u> | | |
| Authorised Capital 24250000 Equity shares of Rs.10/- each) | 242500000.00 | 242500000.00 |
| Issued, Subscribed & Paid up Capital 24209750(P.Y.24209750) Equity Shares of Rs. 10/- each fully paid-up) | 242097500.00 | 242097500.00 |
| <u>RESERVE & SURPLUS</u> | | |
| Securities Premium | 57704500.00 | 57704500.00 |
| Special Reserve | 77467.00 | 77467.00 |
| Profit & Loss Account | (18601096.51) | (19314946.21) |
| <u>CURRENT LIABILITIES & PROVISIONS</u> | | |
| Liability for Expenses | 769000.00 | 1419234.70 |
| Sundry Creditors | 3004000.00 | Nil |
| Provision For Tax | 162500.00 | Nil |
| TOTAL : | <u>285213870.49</u> | <u>281983755.49</u> |
| <u>ASSETS</u> | | |
| <u>NON CURRENT ASSETS</u> | | |
| <u>Intangible Assets</u> | | |
| Deferred Revenue Expenditures | Nil | 68469.00 |
| <u>Non Current Investment</u> | | |
| Investment in Equity Shares | 278683081.20 | 263174886.00 |
| <u>CURRENT ASSETS</u> | | |
| <u>Cash & Cash Equivalents</u> | | |
| Cash in Hand(As Certified by the Management) | 1277.76 | 38577.76 |
| <u>Balance with Schedule Bank</u> | | |
| In Current Account | 117118.38 | 417878.38 |
| <u>LOAN & ADVANCE</u> | | |
| Loan to Parties | 6002411.00 | 14894571.00 |
| Sunfast Marketing Pvt. Ltd.(Sh. Appl. Pending Allotment) | Nil | 1000000.00 |
| Advance for Flat | Nil | 2142423.20 |
| Tax Deducted at Source | 409982.15 | 246950.15 |
| TOTAL : | <u>285213870.49</u> | <u>281983755.49</u> |

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS

SCHEDULES REFERRED ABOVE FORM PART OF THE ACCOUNTS
IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED HEREWITH

DIRECTOR

76A, SHYAM BAZAR STREET
KOLKATA-700 005.

Date : The 22nd day of June, 2011

DIRECTOR

For **UTTAM KUMAR BOSE**
Chartered Accountants

(U. K. BOSE)

Partner

Membership No. 056108



SHARP INVESTMENTS LTD.
2, CLIVE GHAT STREET, 2ND FLOOR, R.NO.- 16
KOLKATA - 700001

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2011

| | <u>SCH</u> | <u>31.03.2011</u> <u>Amount(Rs.)</u> | <u>31.03.2010</u> <u>Amount(Rs.)</u> |
|--|------------|---|---|
| <u>INCOME</u> | | | |
| Dividend Received | | 370000.00 | 364000.00 |
| Interest Received | | 1665737.00 | 1319287.00 |
| TOTAL : | | <u>2035737.00</u> | <u>1683287.00</u> |
| <u>EXPENDITURE</u> | | | |
| Salary | | 127200.00 | 26400.00 |
| Printing & Stationary | | 3400.00 | 4590.00 |
| General Expenses | | 5193.30 | 6140.00 |
| Audit fees | | 5000.00 | 5000.00 |
| Retainership Fees | | 460000.00 | Nil |
| Consultancy Fees | | 300000.00 | Nil |
| F & O Loss | | Nil | 18123511.41 |
| Advertisement | | 229.00 | Nil |
| Bank Charges | | 551.50 | 2354.41 |
| Filing Fees | | 1500.00 | 3000.00 |
| Annual Listing Fees | | 57907.50 | Nil |
| Annual Custodial Fees | | 128937.00 | 110300.00 |
| Demate Charges | | Nil | 400.00 |
| Professional Fees | | 1000.00 | Nil |
| Deferred Revenue Expenses Written Off | | 68469.00 | 249616.00 |
| TOTAL : | | <u>1159387.30</u> | <u>18531311.82</u> |
| Profit / (Loss) before Tax | | 876349.70 | (16848024.82) |
| Less: Provision for Taxation | | 162500.00 | Nil |
| Profit / (Loss) after Tax | | 713849.70 | (16848024.82) |
| Balance brought forward from last year | | (19314946.21) | (2466921.39) |
| Balance carried forward to Balance Sheet | | (18601096.51) | (19314946.21) |

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS

1

SCHEDULES REFERRED ABOVE FORM PART OF THE ACCOUNTS
IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED HEREWITH


DIRECTOR


DIRECTOR

76A, SHYAM BAZAR STREET
KOLKATA-700 005.

For **UTTAM KUMAR BOSE**
Chartered Accountants


(U. K. BOSE)

Partner

Membership No. 056108

Date : The 22nd day of June, 2011

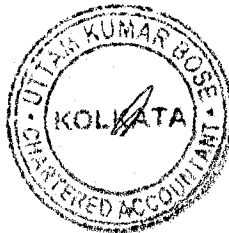


SHARP INVESTMENTS LTD.**SCHEDULE "A"**

**SCHEDULE OF INVESTMENTS ANNEXED TO AND FORMING PART OF THE BALANCE
SHEET AS AT 31ST MARCH, 2011**

| Name of the Company | As at 31/03/2011 | | As at 31/03/2010 | |
|---|------------------|--------------|------------------|-------------|
| | Qty | Value(Rs) | Qty | Value(Rs) |
| QUOTED SHARES : (Fully Paid) - AT COST | | | | |
| RTS Power Corporation Ltd. | 1140000 | 92908486.00 | 740000 | 69708486.00 |
| RGF Capital Markets Ltd. | 537913 | 182770595.20 | --- | --- |
| | 1677913 | 275679081.20 | 740000 | 69708486.00 |
| UNQUOTED SHARES : (Fully Paid) - AT COST | | | | |
| Caplin Commercial Pvt. Ltd. | --- | --- | 1830 | 1830000.00 |
| Gemco Engg. & Investments Ltd. | --- | --- | 475 | 475600.00 |
| Gemini Merchants Pvt. Ltd. | --- | --- | 55000 | 5500000.00 |
| Astonish Financers Pvt. Ltd. | --- | --- | 100 | 50000.00 |
| VAC Exim | --- | --- | 5000 | 500000.00 |
| Regal Udyog P. Ltd. | --- | --- | 10000 | 500000.00 |
| Titanic Steel Industries Pvt. Ltd. | --- | --- | 100000 | 25000000.00 |
| RKDK Capital Market Ltd. | --- | --- | 15000 | 1500000.00 |
| Spritual Marketing P. Ltd. | --- | --- | 10000 | 500000.00 |
| Yuva Trading Co. P. Ltd. | --- | --- | 10000 | 500000.00 |
| Agrasen Enterprises Pvt. Ltd. | --- | --- | 14000 | 140000.00 |
| Fasten Tradecom Pvt. Ltd. | --- | --- | 80 | 800.00 |
| Sharam Hotel & Developments Pvt. Ltd. | --- | --- | 600 | 3000000.00 |
| Quick Developers & Finance Pvt. Ltd. | --- | --- | 40000 | 4000000.00 |
| Indo Gulf Infrastructure Pvt. Ltd. | --- | --- | 25000 | 5000000.00 |
| Mahabali Textiles Pvt. Ltd. | --- | --- | 1000 | 500000.00 |
| Sunil Casting Pvt. Ltd. | --- | --- | 3500 | 3500000.00 |
| Shree Bhagawati Saree House Pvt. Ltd. | --- | --- | 50000 | 5000000.00 |
| A.S.Iron & Steel (I) Pvt. Ltd. | --- | --- | 20000 | 2000000.00 |
| Sungrace Finvest Pvt. Ltd. | --- | --- | 10000 | 2000000.00 |
| Rama Overseas Ltd. | --- | --- | 15000 | 1500000.00 |
| Supreme Ispat & Udyog Pvt. Ltd. | --- | --- | 50000 | 5000000.00 |
| Kireeti Power Corporation Pvt. Ltd. | --- | --- | 3350000 | 33500000.00 |
| Laxmi Aruna Oxygen Co. Pvt. Ltd. | --- | --- | 3500000 | 35000000.00 |
| Maiden Tradefin Pvt. Ltd. | --- | --- | 2500 | 2500000.00 |
| Dayalu Minerals Pvt. Ltd. | --- | --- | 5000 | 1000000.00 |

Contd. 2



// 2 //

| | | | | |
|-------------------------------------|-------|------------|--------|-------------|
| Ascent Vyapaar Pvt. Ltd. | --- | --- | 1000 | 500000.00 |
| Mani Marketing & Holdings Pvt. Ltd. | --- | --- | 700 | 1400000.00 |
| Swito Finance & Estates Pvt Ltd. | --- | --- | 600 | 600000.00 |
| Castle Commodities Pvt. Ltd. | --- | --- | 1650 | 3300000.00 |
| Multiplier Enterprises Pvt Ltd. | --- | --- | 1300 | 2600000.00 |
| Fortune Vyapaar Pvt Ltd. | --- | --- | 4700 | 2350000.00 |
| Sundaram Nirman Pvt. Ltd. | --- | --- | 20000 | 1000000.00 |
| K.C.Saree Emporium Pvt. Ltd. | --- | --- | 10000 | 1000000.00 |
| Mahesh Finseg Pvt. Ltd. | --- | --- | 15625 | 2500000.00 |
| Starling Foils Pvt. Ltd. | --- | --- | 15625 | 2500000.00 |
| Purva Residency Pvt. Ltd. | --- | --- | 45000 | 1800000.00 |
| Amber Distributors Pvt. Ltd. | --- | --- | 20000 | 1000000.00 |
| Vintage Steel Industries Ltd. | --- | --- | 40000 | 12000000.00 |
| Mahabali Jute Trading Pvt. Ltd. | --- | --- | 7000 | 700000.00 |
| Vaibhav Credit Pvt. Ltd. | --- | --- | 10000 | 500000.00 |
| Daulat Finlease Pvt. Ltd. | --- | --- | 185000 | 3700000.00 |
| Ayna soap & Chemical Pvt. Ltd. | --- | --- | 15000 | 1500000.00 |
| Eastern Financers Pvt. Ltd. | --- | --- | 100000 | 10000000.00 |
| Victory Auto Agency Pvt. Ltd. | --- | --- | 20000 | 2000000.00 |
| I & B Engineers Pvt. Ltd. | --- | --- | 2000 | 1000000.00 |
| Baid Agro Product Pvt. Ltd. | --- | --- | 16000 | 1520000.00 |
| Karva Automart Ltd. | 10000 | 3004000.00 | | |

| | | | | |
|-------|---------|--------------|---------|--------------|
| | 10000 | 3004000.00 | 7487285 | 193466400.00 |
| TOTAL | 1687913 | 278683081.20 | 8227285 | 263174886.00 |

| AGGREGATE VALUE OF INVESTMENT | AS AT 31/03/2011 | | AS AT 31/03/2010 | |
|-------------------------------|------------------|--------------|------------------|-------------|
| | COST | MKT. VALUE | COST | MKT. VALUE |
| Quoted Share & Debentures : | 275679081.20 | 225365985.00 | 69708486 | 49617000.00 |
| Unquoted Shares (At Cost) : | 3004000.00 | --- | 193466400 | --- |

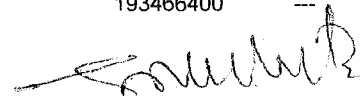
As per our annexed report of even date

FOR UTTAM KUMAR BOSE
CHARTERED ACCOUNTANTS



U.K. BOSE
PARTNER

PLACE : KOLKATA
DATE : 22/06/2011



(DIRECTOR)

S. Bhattacharya
(DIRECTOR)



SHARP INVESTMENT LIMITED

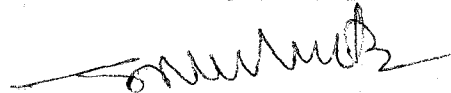
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011

| | Year Ended 31.3.2011 | Year Ended 31.3.2010 |
|---|-------------------------|-------------------------|
| <u>A. CASH FLOW FROM OPERATING ACTIVITIES</u> | | |
| Net Profit/(Loss) before Tax and Extra | | |
| Ordinary items | 1176349.70 | (16848024.82) |
| <u>Adjustment For</u> | | |
| Amortisation | 68469.00 | 249616.00 |
| Interest Income | (1665737.00) | (1319287.00) |
| Tax Payable | (162500.00) | --- |
| Operating Profit/(Loss) before working Capital Changes | (583418.30) | (17917695.82) |
| <u>Change in :</u> | | |
| Loans & Advances | 12034583.20 | 20836671.66 |
| Trade Payables | 2216265.30 | 1405234.70 |
| T.D.S. | (163032.00) | (131929.00) |
| | 14087816.50 | 22109977.36 |
| Cash (Used)/Generated from operating activities | 13504398.20 | 4192281.54 |
| <u>B. CASH FLOW FROM INVESTING ACTIVITIES :</u> | | |
| Purchase of Investment | (15508195.20) | (5291786.00) |
| Interest Income | 1665737.00 | 1319287.00 |
| Sale of Investments | 0.00 | 0.00 |
| Increase in Misc. Exp. on amalgamation | 0.00 | 0.00 |
| Net Cash (Used)/ Generated in investing activities | (13842458.20) | (3972499.00) |
| <u>C. CASH FLOW FROM FINANCING ACTIVITIES</u> | | |
| Proceeds from issue of Share Capital | 0.00 | 0.00 |
| Net Cash (Used)/ Generated in investing activities | 0.00 | 0.00 |
| <u>D. NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+ B+ C)</u> | (338060.00) | 219782.54 |
| Opening Balance of cash & cash equivalents | 456456.14 | 236673.60 |
| Closing Balance of cash & cash equivalents | 118396.14 | 456456.14 |
| Net Inflow/ outflow | (338060.00) | 219782.54 |

For UTTAM KUMAR BOSE
CHARTERED ACCOUNTANTS



(U.K. BOSE)
PARTNER

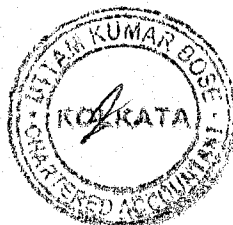


(DIRECTOR)



(DIRECTOR)

Place : Kolkata
Date :22/06/2011



SHARP INVESTMENTS LTD.
2,CLIVE GHAT STREET, 2ND FLOOR, R.NO.- 16
KOLKATA-700 001

PART IV OF SCHEDULE VI OF COMPANIES ACT, 1956 (AS AMENDED)
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

| | | |
|------------------------------------|------------|----|
| Regn. No. L65993WB1977PLC031241 | State Code | 21 |
| Balance Sheet date 31st March,2011 | | |

II Capital raised during the year

| | | | |
|--------------|-----|---------------|-----|
| Public Issue | Nil | Right Issue | Nil |
| Bonus issue | Nil | Private Issue | Nil |

III Position of mobilisation and development of funds

(Amount in Rs. Thousand)

| | | | |
|-------------------|--------|--------------|--------|
| Total Liabilities | 299879 | Total Assets | 299879 |
|-------------------|--------|--------------|--------|

Sources of Fund (Amount in Rs. Thousand)

| | | | |
|-------------------------|--------|-------------------|-------|
| Paid Up Capital | 242097 | Reserve & Surplus | 57782 |
| Secured Loan | Nil | Unsecured Loans | Nil |
| Share Application Money | Nil | | |

Application of Fund (Amount in Rs. Thousand)

| | | | |
|--------------------|-------|-------------------|--------|
| Net Fixed Assets | Nil | Investments | 278683 |
| Net Current Assets | 2595 | Misc. Expenditure | Nil |
| Accumulated Losses | 18601 | | |

IV Performance of Company (Amount in Rs. Thousand)

| | | | |
|--------------------------|------|--------------------------|------|
| Turnover(Total Income) | 2035 | Total Expenditure | 1159 |
| Profit/(Loss) before Tax | 876 | Profit/ (Loss) after Tax | 714 |
| Earing per Shares | Nil | Dividend Rate | Nil |
| (Amount in Rs.) | | | |

Generic of Three Principal Products/ Services of Company

(As per monetary terms)

| | |
|--------------------------|------|
| Item Code No. (ITC Code) | N.A. |
| Products Description | N.A. |

