

19th ANNUAL REPORT

(2010-2011)



MARKET CREATORS LIMITED

**"Creative Castle" 70, Sampatrao Colony, Opp. Masonic Hall,
Off. Productivity Road, Vadodra-390 007.**

19th ANNUAL REPORT - 2010-2011

BOARD OF DIRECTORS

Dr. J. H. Shah
Mr. Rashmikant Acharya
Mr. Kalpesh Shah
Mr. Narendra Shah
Mr. Chirag Patel
Mr. Amal R. Patel
Mr. Prakashchandra G. Juthani

Chairman / Wholetime Director
Wholetime Director
Wholetime Director
Director - Independent*
Director - Independent*
Director - Independent*
Director - Independent*

* See clause 49 of listing guidelines

AUDITORS

Shah & Talati
Chartered Accountants
Nadiad.

REGD OFFICE

"Creative Castle"
70, Sampatrao Colony,
Opp. Masonic Hall,
Off. Productivity Road,
Vadodara: 390 007

SHARE REGISTRARS

Dealing Office:
Link Intime India Pvt Ltd
B-102 & 103, Shangrila Complex,
Near Radhakrishna Char Rasta,
Akota, Vadodara - 390 020

Registered Office :
Link Intime India Pvt Ltd
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078

The Annual General Meeting will be held on September 30, 2011, Friday 4.30 p.m at the Registered Office of the Company.
"Creative Castle", 70, Sampatrao Colony,
Opp. Masonic Hall, Off. Productivity Road,
Vadodara: 390 007

The practice of distributing copies of notice at the Annual General Meeting has been discontinued.

A Request : For appropriate replies to queries if any related to the statement herein please intimate the same at the Registered Office, 48 hours before the meeting. We solicit your kind Co-operation.

NOTICE TO SHAREHOLDERS

Notice is hereby given that Nineteenth Annual General Meeting of the Shareholders of **Market Creators Limited** will be held at the Registered Office of the Company, "Creative Castle", 70, Sampatrao Colony, Opp. Masonic Hall, Off. Productivity Road, Vadodara, 390 007, on Friday, 30th September 2011, at 4.30 p.m to transact the following business as:

Ordinary Business:

1. To receive consider and adopt audited Balance Sheet and Profit and Loss Account for year ended on March 31, 2011 along with Auditor's and Director's Report thereon.
2. To appoint a Director in place of Mr. Kalpesh J. Shah, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Narendra R. Shah, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors SHAH & TALATI and fix their remuneration.

The Board recommends all the above resolution for your approval.

Note:

- a. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. The proxy form to be effective should be lodged with the company at its Registered Office duly completed and signed not less than 48 hours before the time of the meeting.
- b. The shareholders (those holding shares in physical form only) are requested to notify the change, if any in their address to the Company immediately.
- c. The Shareholders, those holding shares in dematerialized form only are requested to notify the change in their Bank Account, if any to their respective Depository Participants immediately. Any request for the change of banking instructions should be through respective Depository Participants only.
- d. Members desiring any information relating to the annual accounts of the Company are requested to write to the Company at the earliest, (but not later than 48 hours before the time of meeting) so as to enable the Board of Directors to keep the information ready.
- e. For the convenience of the Members, an Attendance slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the Meeting.
- f. All documents referred to in the notice shall be available for inspection at the Registered Office of the Company during office hours on all working days except Public holidays, Saturday and Sunday; between 11.00 a.m. to 2.00 p.m. upto the date of Annual General Meeting.
- g. Members holding shares in sole name are advised to avail of the nomination facility by filling the prescribed FORM 2B (in duplicate) with the Investor Services Department. Such Members holding shares in dematerialized form are requested to contact their depository participant, for recording their nominations.
- h. Members, who hold shares in Dematerialized form, are requested to bring their Depository Account number along with the Depository Participant Identification Number (DP ID) for identification.
- i. Members are requested to bring their copies of this notice and annual report to the meeting, as company does not follow the practice to give copies at the Meeting.

Registered office
"Creative Castle"
70, Sampatrao Colony,
Opp. Masonic Hall,
Off. Productivity Road,
Vadodara: 390 007.

By order of Board
For Market Creators Limited
s/d
Dr. J. H. Shah
Chairman
Date: 30th July, 2011
Vadodara.

DIRECTOR'S REPORT

To,
The Members of Market Creators Limited
Ladies and Gentlemen,

The Directors present herewith their **19th Annual Report** on the affairs of the company together with the audited statement of accounts for the year ended on **31st March, 2011**.

FINANCIAL RESULTS:

The working results of your company for the financial year under report are as under:

(₹ in Lacs)		
Particular	Current Year (2010-2011)	Previous Year (2009-2010)
Total Income	578.93	615.54
Profit before interest, depreciation and taxation	84.02	119.08
Interest and Financial Charges	69.87	62.71
Depreciation	24.17	29.67
Taxation	(4.07)	0.95
Net profit / (loss) for the year before exceptional item	(5.95)	24.34
Add: Exceptional Item	15.36	NIL
Net profit / (loss) for the year after exceptional item	9.41	24.34
Add: Balance brought forward from the previous Year	51.54	27.19
Balance carried forward	60.95	51.54

DIVIDEND:

In view of the current market scenario your Board does not recommend any dividend.

OPERATION / ACHIEVEMENTS / FUTURE PROSPECTS:

As you are aware that stock market both in India and abroad has been passing through great turmoil. Your company inspite of all hike-ups has done well. As the company is the member of National Stock Exchange of India Limited in Capital, F & O segment and Currency derivatives segment and the Member of Bombay Stock Exchange Limited, and also has acquired Depository Participants status with The Central Depository Services (India) Limited and its associate is the Member of Multi Commodity Exchange of India Limited and National Commodity & Derivatives Exchange Limited. Moreover, your company has also entered into the business of Merchant Banking. Your company has expanded its presence and as on date of writing this report, the prospects of the company and its business looks robust.

PARTICULARS OF EMPLOYEES:

As there was no employee who is drawing remuneration of Rs.2,00,000/- per month or Rs. 24,00,000/- per annum. No particulars are required to be furnished under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of employees) Rules 1975 as amended.

AUDITORS:

The Retiring Auditors of the company, SHAH & TALATI - Chartered Accountants are eligible for reappointment. The company has received a certificate to the effect that their appointment will be in accordance with section 224(1B) of the Companies Act, 1956.

DIRECTOR'S RESPONSIBILITY STATEMENT:

As required under Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm that,

- a) In the preparation of these Annual Accounts, applicable accounting policies and standards have been followed.
- b) These accounting policies are applied consistently and have made judgment and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of your company as on 31st March, 2011 and in the case of Profit and Loss Account, of the profit of the company for the year ended on that date.
- c) Proper and sufficient care has been taken, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities.
- d) These annual accounts have been prepared on a "going concern" basis.

CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreement with the Stock Exchange, a separate section on Corporate Governance is made part of this report and a certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this report. Also a certification by the Whole-time director (CEO) confirming compliance by all the Board members & Senior Management Personnel with company's code of conduct are made a part of the Annual Report and is annexed herewith.

The basic objective of corporate governance is ensuring commitment of the Board of Directors in managing the company in a transparent manner for maximizing long term shareholder value. A detailed report on the status of implementation of the Corporate Governance is as under:

Report on Corporate Governance:

1. Company's Philosophy on Code of Governance :

The basic philosophy of corporate governance in the company is to achieve business excellence and enhance shareholders value. Our employees are committed to offer efficient and courteous service, to promote excellence and improvement in the quality of service. We value our customers' feedback. The Company also respects the inalienable rights of its investors and other stakeholders to information on the performance of the Company based on highest professional, ethical and financial reporting standards.

As per guidelines applicable, Board of Directors' composition in terms of Interested Directors and Independent Directors is in accordance with the listing requirement.

2. Board of Directors :

The Present strength of the Board of Directors is Seven (7), out of which Four (4) are Independent Non-Executive Directors. The remaining Three (3) Directors comprises of One Executive Chairman and other two are Whole-time Director. The constitution of the Board confirms compliance in respect of appointing independent directors in terms of Clause 49 of the Listing Agreement.

During the financial year ended 31st March, 2011, Four (4) Board Meetings were held as per Statutory requirements on 30th April, 2010, 31st July, 2010, 30th October, 2010 and 31st January, 2011. The maximum time gap between any two meetings was not more than four months.

The composition of the Board of Directors, the attendance of each Director on Board Meetings & the Annual General Meeting (AGM) and also the number of other Board of Directors or Board Committees of which he is Member/Chairman, are as under:

Name of the Director	Category	Attendance Particular		No. of other Directorships and Committee Memberships/ Chairmanships		
		Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Dr. Jayantilal H. shah	Executive/ Director/ Chairman	3	Yes	1	NIL	NIL
Mr. Rahsmikant Acharya	Whole Time Director	4	Yes	1	NIL	NIL
Mr. Kalpesh J. shah	Whole Time Director	4	Yes	1	3	NIL
Mr. Narendra R. Shah	Independent Director	4	Yes	1	NIL	NIL
Mr. Chirag J. Patel	Independent Director	4	No	1	NIL	3
Mr. Amal R. Patel	Independent Director	4	Yes	NIL	3	NIL
Mr. Prakashchandra G. Juthani	Independent Director	4	Yes	NIL	NIL	NIL

Notes:

- None of the above Directors is a member in more than 10 committees or acts as Chairman of more than 5 Companies across all Companies in which he is a Director.
- Number of other Directorships held by the Directors, as mentioned above, do not include alternate directorships and directorships held in foreign companies, Section 25 companies and Indian private limited companies besides trustee/membership of managing Committees of various trusts and other bodies and are based on the latest declarations received from the Directors. The details of Committee Membership/Chairmanship is in accordance with revised clause 49 of the Listing Agreements and reflects the Membership/Chairmanship of the Audit Committee and Share holders/Investors' Grievance Committee alone of all other Public Limited Companies.

The Company has a system to circulate and provide adequate information to the Board including as required under Annexure-IA of Clause 49 of the Listing Agreement(s) to enable the Board to take informed decisions. The compliance report of all laws applicable to the Company as prepared and complied by the Compliance Officer is circulated to all the Directors along with the Agenda and placed/reviewed in each Board Meeting.

The Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company and the same has been posted on the website of the Company.

4. Remuneration Committee :

The Remuneration Committee constituted in pursuance of the provisions of the Listing Agreement and Schedule XIII to the Companies Act, 1956, consisting of two Non-executive Independent Directors and one Executive Director, Chaired by Mr. Chirag J. Patel, Mr. Amal R. Patel and Mr. Kalpesh J. Shah are members of the committee. The Remuneration Committee of the company is empowered to recommend/review the remuneration packages of Managing/Whole time directors including executive directors and the relatives of directors based on their performance and on review of their achievements.

The terms of reference of the Remuneration Committee are as per the guidelines of the Central Government/Listing Agreement with Stock Exchange. The Committee met on 17th April, 2010 and on 30th October, 2010 during the year and there were no issue for consideration within the prescribed scope/terms of reference of the committee.

4. Remuneration to the Directors :

At present, the Company does not have any policy for payment of remuneration to non-executive directors including non-executive independent directors except by way of sitting fees. The details of remuneration paid to all the Directors for the financial year ended on 31st March, 2011, are set out below:

Name of Director	Sitting Fees	Remuneration	Total (₹)
Dr. J. H. Shah	Nil	Nil	Nil
Mr. Rashmi Achiarya	Nil	Nil	Nil
Mr. Kalpesh J. Shah	Nil	573270/-	573270/-
Mr. Narendra R. Shah	4000/-	Nil	4000/-
Mr. Amal R. Patel	12000/-	Nil	12000/-
Mr. Chirag J. Patel	12000/-	Nil	12000/-
Mr. Prakashchandra G. Juthani	4000/-	Nil	4000/-

5. Audit Committee of the Board :

The Audit Committee of the Board was constituted on 30-04-2007. Presently the Audit Committee comprises of three Directors chaired by an independent director Mr. Chirag J. Patel, Besides Executive Director Mr. Kalpesh J. Shah and an independent director Mr. Amal R. Patel are members of the committee. The Audit Committee is a bridge between the Board of Directors and the company.

The Committee held four meetings during the year on 30th April, 2010, 31st July, 2010, 30th October, 2010 and 31st January, 2011. All the members of the committee attended the aforesaid meetings.

The role and the terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. These include:

- ♦ Overseeing the company's financial reporting process and the disclosure of financial information ;
- ♦ Review of annual and quarterly financial statements with the management before submission to the Board of Directors ;

- ♦ Review of the Adequacy of internal control systems with the management, external and internal auditors and review of the company's financial risk and management policies;
- ♦ Verification of the securities under investment portfolio and ensuring sound functioning, compliance with various statutory laws ; and
- ♦ Provide an open Avenue of communication between the Independent Auditor, Internal Auditor and the Board of Directors.

6. Investors/Shareholder Grievance Committee :

The committee constituted by the Board comprises of Mr. Chirag J. Patel, a non-executive independent director as Chairman, and Mr. Amal R. Patel, a non-executive independent director with Mr. Kalpesh J. Shah, an executive director, as its members.

The committee held Two (2) meetings during the year on 30th October, 2010 & 31st January, 2011. All the members of the committee attended the aforesaid meetings.

The committee looks into various matters relating to:

- Expeditious redressal of investor's grievances;
- Transfer and transmission of shares;
- Issue of duplicate share certificates;
- Approval of split and consolidated requests;
- Review of shares dematerialized; and
- All other matters related to shares.

During the year 2010-2011, all complaints received, have been redressed to the satisfaction of the complainants. There were no outstanding complaints as on the date of the Balance sheet.

All valid requests for share transfers received during the year have been acted upon and there were no shares pending for transfer as on March 31, 2011.

7. General Body Meetings :

The location and time of the General Meetings held during the last three years is as follows:

AGM/ EGM	Date	Venue	Time	No. of special resolution passed
AGM	30/09/08	"Creative Castle", 70, Sampatrao Colony, Productivity Road, Vadodara-7.	4.30 p.m.	Nil
AGM	30/09/09	"Creative Castle", 70, Sampatrao Colony, Productivity Road, Vadodara-7.	4.30 P.M	Nil
AGM	30/09/10	"Creative Castle", 70, Sampatrao Colony, Productivity Road, Vadodara-7.	4.30 P.M	Nil

8. Notes on Directors seeking Appointment/Re-appointment :

Mr. Kalpesh J. Shah and Mr. Narendra R. Shah, are retiring by rotation and they are being eligible to offer themselves for reappointment.

1. Disclosures :

- There are no materially significant related party transactions entered into by the company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large. The register of contracts containing the transactions in which the Directors are interested is placed before the Board regularly for its approval.
- Transactions with the related parties are disclosed in Note 11 of Schedule 10 to the financial statements in the Annual report.
- The Company has generally complied with all the mandatory requirements as specified in the revised Clause 49 to the extent these apply and extend to the Company.
- In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the ICAI. The significant accounting policies applied in preparation and presentation of financial statements have been set out in Schedule-10 forming part of the financial statements.
- The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures covering the entire gamut of business operations of the Company and the same have been reviewed by the Board during the year.
- The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.
- The CEO (Whole-time Director) has furnished a Certificate to the Board for the year ended 31st March, 2011 in compliance with the revised Clause 49 V of the Listing Agreement(s), as amended.
- During the last three years, there were no strictures of penalties imposed by either the Securities Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets. Except amount charged by the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. as a member in Capital and Derivative segment payable by dealer member and amount is insignificant when compared to the size of operation in the market.

10. Means of Communication:

• Half Yearly report sent to each household of Shareholders.	No
• Which newspaper normally published in	Economic Times of India (English & vernacular languages editions)
• any website, where displayed.	No - As required by SEBI and the listing agreement, the Company has been regularly filing the required financial and other information on the Electronic Data Information Filing and Retrieval (EDIFAR) website www.sebiedifar.com maintained by SEBI/National Information Centre.
• Presentation made to Institutional Investors or the Analyst.	Yes, Results as per Clause 41 of the Listing Agreement are sent to the Stock Exchanges at Mumbai where shares of the company listed.
• Whether the Management Discussion and Analysis Report is part of the Annual report or not.	No

11. General Shareholder information :

• Annual General Meeting	
AGM Date	30th September, 2011
Time	4.30 p.m.
Venue	Regd. Office: "Creative Castle", 70, Sampatrao Colony, Opp. Masonic Hall, Off. Productivity Road, Vadodara - 390007
• Financial Calendar: (April 2011-2012)	
(Tentative Schedule)	
a) Results for the Quarter ended June 30, 2011	On or before July 31, 2011
b) Results for the Quarter ended September 30, 2011	On or before October 31, 2011
c) Results for the Quarter ended December 31, 2011	On or before January 31, 2012
d) Results for the Quarter ended March 31, 2011	On or before January 31, 2012
e) Results for the year ending March 2012	July, 2012
• Date of Book Closure	From 24.09.2011 to 26.09.2011 (Both days inclusive)
• Listing on Stock Exchange	The Bombay Stock Exchange Ltd.
• Stock Code	526891
• Demat ISIN Number in NSDL and CDSL for Equity Shares	INE 944C01017

- Monthly Highs and Lows of Market Price of the company's shares traded for the period April 2010 to March 2011.**

Period	High	Low	Period	High	Low
April 10	10.23	8.00	October 10	12.11	9.65
May 10	11.74	9.09	November 10	13.35	9.05
June 10	11.45	8.12	December 10	9.60	7.83
July 10	10.02	8.00	January 11	10.29	8.86
August 10	11.15	8.19	February 11	9.82	7.36
September 10	12.40	9.41	March 11	10.00	7.50

- Registrars and Share Transfer Agents:**

Dealing Office	Reg. Office
Link Intime India Pvt Ltd B-102 & 103, Shangrila Complex, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020	Link Intime India Pvt Ltd C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078

- Share Transfer System :**

Transfer of shares are processed by the share transfer agents and approved by the share transfer committee called as "Investors/Shareholders Grievance Committee", which meets at frequent intervals.

- Distribution and Shareholding Pattern as on March 31, 2011 is as follows :**

No. of Shareholders in the physical mode	4,76,354	9.5271%
No. of Shareholders in the electronic mode	45,23,646	90.4729%
Total	50,00,000	100%

• **Shareholding Pattern as on March 31, 2011 is as follows :**

Category	No. of Shares	%
Director's and their Relatives	34,87,542	69.751%
Companies in which the Directors are interested	Nil	Nil
Non-Resident Indians	89,850	1.799%
General Public	14,22,508	28.45%
Total	50,00,000	100%

- **Dematerialization of shares and liquidity :** 90.4729% of the paid up capital has been Dematerialized as on 31st March, 2011.

- **Address for Correspondence :** Market Creators Limited
"CreativeCastle", 70, Sampatrao Colony, Opp. Masonic Hall
Productivity Road, Vadodara-390 007.

CONSERVATION ENERGY, TECHNOLOGIES ABSORPTION, FOREIGN EXCHANGE, EARNINGS AND OUTGO.

Prescribed information regarding compliance of rules relating to conservation of Energy and Technology absorption as per section 217(1)(C) of the Companies Act, 1956 read with the company's (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is not provided, as same is not applicable to your company.

LISTING OF THE COMPANY'S SHARES:

The Equity shares of your company continue to be listed during the year under review at the Bombay Stock Exchange Limited. The company has paid the Annual listing fees for the financial year 2011-12. The company shares are dematerialized for providing better services to the shareholders. Your company, looking into various guidelines issued by the Stock Exchange and consequent to amendments in listing norms, as part of good governance is complain to all the requirements.

ACKNOWLEDGEMENT:

The company's relation with the staff remained cordial during the year. Your Directors expect that cordial relations with the employees will continue and will help in achieving the objectives of the company and place on record the appreciation for the dedicated services rendered by the executives, the staffs and other employees of the company.

Your Directors wish to place on record their appreciation for the timely support and co-operation received from the Government and Semi-government agencies and other associates, particularly SEBI, Office of the Registrar of the Companies, Financial Institutions, Bankers, Brokers, Officers & NSEIL, NSCCL, NSDL, BSE, CDSL, Professionals etc. who helped the company to meet with requirements from time to time.

By Order of the Board
S/d.

Dr. J. H. Shah
Chairman

Place : Vadodara,
Date : 30th July, 2011

ANNEXURE FORMING PART OF DIRECTORS' REPORT :

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement relating to Corporate Governance with the Stock Exchanges, all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct during the financial year 2010-11

For Market Creators Limited

S/d.

Kalpesh J. Shah
Whole time Director (CEO)

Place : Vadodara
Date : 30th July, 2011

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Market Creators Limited

We have examined the compliance of the conditions of Corporate Governance by Market Creators Limited for the year ended on March 31, 2011 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges of India.

The compliance of the condition of Corporate Governance is the responsibility of the company's management. Our examination was limited only to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the condition of Corporate Governance. It is neither an audit nor an expression of an 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, the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state in respect of investor grievances received during the year ended March 31, 2011, no investor grievances are pending against the company as on the date of Balance Sheet as per the records maintained by the company and presented to the Investors/Shareholders Grievances 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.

In Terms of our report of even date annexed herewith

For SHAH & TALATI

Chartered Accountants

ICAI Registration No: 120183W

s/d

HITESH K. SHAH

PARTNER

(Membership No. 43521)

Place: Nadiad

Date: **28th May, 2011**

AUDITOR'S REPORT

To,
The Members of Market Creators Limited

We have audited the attached Balance Sheet of MARKET CREATORS LIMITED as on 31st March 2011 and also the Profit and Loss Account 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.

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 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.

1. As required by the companies (Auditor's Report) order, 2003, (read with amendments Order 2004) issued by the Central Government of India in terms of Section 227(4A) 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.
2. Further to our comments in the Annexure referred to in paragraph 1 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 purposes 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 appears from our examination of such books.
 - c) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of accounts of the company.
 - d) In our opinion, the Profit and Loss account and Balance Sheet dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Company's Act, 1956 so far as it is applicable to the company.
 - e) 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 as 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.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the accounting policies followed and notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. In the case of the Balance Sheet, of the state of affairs of the company as on 31st March, 2011; and
 - ii. In the case of Profit and Loss Account, of the **Profit** 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.

In Terms of our report of even date annexed herewith

For SHAH & TALATI

Chartered Accountants

ICAI Registration No: 120183W

s/d

HITESH K. SHAH

PARTNER

(Membership No. 43521)

Place: Nadiad

Date: **28th May, 2011**

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date on the Accounts of **Market Creators Limited**, as on **31st March, 2011**)

- i. The company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets. All the assets have been physically verified by the management during the year at reasonable intervals and no discrepancies have been noticed on such verifications.
No substantial part of Fixed Assets has been disposed off during the year, which has bearing on the going concern assumption.
- ii. The company's nature of operation is such that Clause 4(ii) of the aforesaid order is not applicable to the company.
 - (a) The company has not granted any loans, secured or unsecured to the companies, firms or other parties listed in the Register maintained u/s 301 of the Companies Act, 1956. and in view of this sub clause (b), (c) & (d) are not applicable to the company.
 - (b) According to the information and explanations given to us, we are of the opinion that the rate of interest and terms and conditions of loans taken by the company are prima facie not prejudicial to the interest of the company.
 - (c) The company is repaying the principal amount as stipulated and is also regular in payment of the interest.
There is no overdue amount of loan taken from the party listed in the Register maintained u/s 301 of the Companies Act, 1956.
- iii. 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 with regard to purchases of Fixed Assets. During the course of our audit, no weakness has been noticed in the internal controls.
- iv. In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register in pursuance of Section 301 of the Act have been entered and the transactions have been made at prices which are reasonable with regard to the prevailing market prices at the relevant time.
- v. The company has not accepted any deposits from the public, hence, the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules there-under are not applicable to the company.
- vi. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- vii. According to the information and explanations given 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 in respect of services carried out by the company.
- viii. According to the information and explanations given to us, and on the basis of our examination of the books of accounts, the company has been regular in depositing with the appropriate authorities undisputed statutory dues applicable to it.
- ix. According to the information and explanations given to us, no undisputed dues in respect of Income Tax, Excise duty (Service Tax) were outstanding on 31-3-2011 for a period of more than six months from the date they became payable.
- x. According to the information and explanations given to us, there are no dues in respect of Income Tax, Excise duty (Service Tax) that have not been deposited with the appropriate authorities.
- xi. The company does not have accumulated losses at the end of the Financial year in excess of fifty percent of its net worth and has not incurred Cash losses in the Financial year and in the Financial year immediately preceding such Financial year.
- xii. The company has not defaulted in repayment of dues to a Financial Institution or Bank or Debenture holders as the company has neither taken any loans from a Financial Institution or a Bank nor has issued any Debentures. Accordingly Clause 4(xi) of the aforesaid order is not applicable to the company.
- xiii. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities. Accordingly Clause No. 4(xii) of the aforesaid order is not applicable to the company.
- xiv. The company is not a chit fund, Nidhi or mutual benefit fund or a society. Accordingly Clause 4(xiii) of the aforesaid order is not applicable to the company.
- xv. The company is not dealing or trading in shares, securities, debentures or other investments. Accordingly Clause 4(xiv) of the aforesaid order is not applicable to the company.
- xvi. The company has not given any guarantee for loans taken by others from Banks or Financial Institutions. Accordingly Clause 4(xv) of the aforesaid order is not applicable to the company.
- xvii. The company has not obtained any term loans during the year. Accordingly Clause 4(xvi) of the aforesaid order is not applicable to the company.
- xviii. The company has not raised any funds on short term basis. Accordingly Clause 4(xvii) of the aforesaid order is not applicable to the company.
- xix. The company has not made any preferential allotment of shares to parties or companies covered in the register maintained u/s 301 of the Companies Act, 1956. Accordingly Clause 4(xviii) of the aforesaid order is not applicable to the company.
- xx. The company has not issued any debentures. Accordingly Clause 4(xix) of the aforesaid order is not applicable to the company.
- xxi. The company has not raised any money by public issues during the year. Accordingly Clause 4(xx) of the aforesaid order is not applicable to the company.
- xxii. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

In Terms of our report of even date annexed herewith

For SHAH & TALATI

Chartered Accountants

ICAI Registration No: 120183W

s/d

HITESH K. SHAH

PARTNER

(Membership No. 43521)

Place: Nadiad

Date: **28th May, 2011**

MARKET CREATORS LIMITED**"CREATIVE CASTLE", 70, SAMPATRAO COLONY, PRODUCTIVITY ROAD, ALKAPURI, BARODA-390007****BALANCE SHEET AS ON 31ST MARCH 2011**

PARTICULARS	SCH NO.	AS ON 31-03-2011	AS ON 31-3-2010
		AMOUNT(₹)	AMOUNT(₹)
I SOURCE OF FUNDS			
1 Shareholder's Funds	1		
a) Capital		49,990,715.00	49,990,715.00
b) Reserves and Surplus		6,095,426.68	5,154,327.97
2 Loan Funds		-	-
Total		56,086,141.68	55,145,042.97
II APPLICATION OF FUNDS			
1 Fixed Assets	2		
a) Gross Block		30,116,081.32	28,503,927.07
b) Less: Depreciation		(20,017,132.88)	(17,599,565.58)
c) Net Block		10,098,948.44	10,904,361.49
2 Investments	3	721,331.00	721,331.00
3 Current Assets, Loans & Advances			
a) Sundry Debtors (Unsecured)			
(I) Outstanding for more than three months	-	221,508.14	3,904,362.35
(II) Other Debtors	-	28,260,375.82	40,091,081.16
b) Cash and Bank Balances	4	52,271,603.36	32,402,059.38
c) Inventories		44,605,643.88	43,857,763.25
c) Other Current Assets	-	12,556,138.83	5,955,935.54
d) Loans And Advances	5	739,841.86	531,581.86
e) Deposits	6		
- Membership fees		15,450,000.00	15,450,000.00
- Other Deposit		1,596,000.00	3,150,000.00
		155,701,111.88	145,342,783.54
Less: Current Liabilities and Provisions			
a) Current Liabilities			
(I) Sundry Creditors	7	1,058,339.85	1,535,126.14
(II) Client Advances	-	82,180,194.67	80,622,368.30
(III) Margin Account (NSE-F&O)	-	24,775,487.24	10,341,736.02
(IV) Other Current Liabilities	-	973,774.86	7,564,857.34
b) Provisions	-	2,439,995.02	2,751,887.26
		111,427,791.64	102,815,975.06
Net Current Assets		44,273,320.24	42,526,808.48
Total Assets		55,093,599.69	54,152,500.97
4 Miscellaneous Expenditure			
(to the extent not written off or adjusted)		992,542.00	992,542.00
Total		56,086,141.68	55,145,042.97
Notes On Account	10		

In Terms of our report of even date annexed herewith

For SHAH & TALATI

Chartered Accountants

ICAI Registration No: 120183W

s/d

HITESH K. SHAH

PARTNER

(Membership No. 43521)

Place: Nadiad

Date: **28th May, 2011**

For and on behalf of the Board

s/d

Dr. J.H. Shah, Chairman

s/d

Rashmikant Acharya, Director

Place: Vadodara

Date: **28th May, 2011**

MARKET CREATORS LIMITED**"CREATIVE CASTLE", 70, SAMPATRAO COLONY, PRODUCTIVITY ROAD, ALKAPURI, BARODA-390007****PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED 31ST MARCH 2011**

PARTICULARS	SCH NO	CURRENT YEAR 31-03-2011	PREVIOUS YEAR 31-03-2010
		AMOUNT(₹)	AMOUNT(₹)
I INCOME			
From Operations	-	45,703,743.69	49,139,751.07
Interest & Other Income	-	12,189,462.88	12,243,349.16
Total(I)		57,893,206.57	61,554,372.65
II EXPENDITURE			
Administrative and Other Expenses	8	49,490,221.94	49,645,498.15
Financial Charges	9	6,987,127.47	6,271,088.55
Depreciation	2	2,417,567.30	2,967,479.47
Total(II)		58,894,916.71	59,077,966.66
Net Profit (Loss) Before Taxation (i-ii)		(1,001,710.14)	2,476,405.99
Less : Income Tax		-	-
Short provision of Income Tax A.Y. 08-09		-	77,450.00
Deferred Tax provision		(407,151.90)	46,964.62
Add : Excess Provision FBT W/o A.y. 08-09		-	29,070.00
Profit on sale of Asset		-	53,365.31
Net Profit (Loss) After Taxation		(594,558.24)	2,434,426.68
Add / (Less): Exceptional Items		1,535,656.95	-
Net Profit (Loss)		941,098.71	2,434,426.68
Add: Prevoius Year Balance b/f		5,154,327.97	2,719,901.29
Balance Carried to Balance Sheet		6,095,426.68	5,154,327.97
Notes on Account	10		

In Terms of our report of even date annexed herewith

For SHAH & TALATI

Chartered Accountants

ICAI Registration No: 120183W

s/d

HITESH K. SHAH

PARTNER

(Membership No. 43521)

Place: Nadiad

Date: **28th May, 2011**

For and on behalf of the Board

s/d

Dr. J.H. Shah, Chairman

s/d

Rashmikant Acharya, Director

Place: Vadodara

Date: **28th May, 2011**

MARKET CREATORS LIMITED
(schedules forming part of Financial Statements F.Y. 2010-11)

Schedule 1:- SHARE CAPITAL

Particulars	AS ON 31-03-2011 AMOUNT (₹)	AS ON 31-03-2010 AMOUNT (₹)
AUTHORISED CAPITAL 10000000 Equity Shares of Rs.10 each (Previous year 5000000 equity shares of Rs.10 each)	100,000,000.00	100,000,000.00
ISSUED CAPITAL 5000000 Equity Shares of Rs.10 each (Previous year 5000000 equity shares of Rs.10 each)	50,000,000.00	50,000,000.00
SUBSCRIBED & PAID UP CAPITAL 5000000 Equity Shares of Rs.10 each (Previous year 5000000 equity shares of Rs.10 each)		
Less: a) Call in arrears (Rights) (Rs. 9,285/-)	9,285.00	9,285.00
TOTAL	49,990,715.00	49,990,715.00

SCHEDULE 2: FIXED ASSETS : PLEASE SEE ON THE NEXT PAGE**SCHEDULE 3:- INVESTMENTS**

Particulars	AS ON 31-03-2011	AS ON 31-03-2010
Unquoted Shares Shares of Pragati Sahakari Bank Ltd 10 shares of Rs.10 each (Previous year 10 shares of Rs.10 each) Share capital application	100.00 721,231.00	100.00 721,231.00
TOTAL	721,331.00	721,331.00

SCHEDULE 4:- CASH AND BANK BALANCE

Particulars	AS ON 31-03-2011	AS ON 31-03-2010
I Cash on Hand	46,239.43	43,858.93
II Bank Balance with Schedule Bank including FDR Non Schedule Bank	52,225,363.93 Nil	32,358,200.45 Nil
Total	52,271,603.36	32,402,059.38

SCHEDULE 5:- LOANS AND ADVANCES

PARTICULARS	AS ON 31-03-2011	AS ON 31-03-2010
Deposits (Rent & Others)	494,549.86	493,549.86
Advances	245,292.00	38,032.00
Total	739,841.86	531,581.86

Schedule 2 : Fixed Assets

MARKET CREATORS LIMITED

(schedules forming part of Financial Statements for the period 01-04-2010 to 31-03-2011)

SR. NO	PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK		
		AS ON 01/04/10	ADDITION	DEDU CTION	TOTAL 31/03/2011	DEP AS ON 01/04/10	RATE	DEPRECIATION	DEDU CTION	TOTAL DEP	AS ON 31.03.2011	AS ON 31.03.10
1	Land	237350.00	0.00	0.00	237350.00	0.00	0.00	0.00	0.00	0.00	237350.00	237350.00
2	Building	3774141.33	0.00	0.00	3774141.33	547961.15	1.63	61518.50	0.00	609479.65	3164661.68	3226180.18
3	Furniture	2818211.84	65395.00	0.00	2883606.84	1424555.61	6.23	139183.22	0.00	1563738.83	1319868.01	1393656.23
4	Telephone System	425760.00	46810.00	0.00	472570.00	195256.86	4.75	428.88	0.00	195685.74	276884.26	230503.14
5	Computer Hardware/ Software/System	13468655.78	1222253.57	0.00	14690909.35	12679613.73	16.21	1677855.21	0.00	14357468.94	333440.41	789042.05
6	Air conditioners	1083638.00	0.00	0.00	1083638.00	414626.56	4.75	51472.81	0.00	466099.37	617538.64	669011.44
7	Water Coolers	47050.00	0.00	0.00	47050.00	21204.40	4.75	2234.88	0.00	23439.28	23610.73	25845.60
8	Electrical Installation	1342934.12	55196.68	0.00	1398130.00	378588.55	4.75	65963.73	0.00	444552.28	953578.52	964345.57
9	Pagers	23590.00	0.00	0.00	23590.00	16173.29	4.75	1120.53	0.00	17293.82	6296.19	7416.71
10	Cars	4532897.00	0.00	0.00	4532897.00	1784772.73	9.50	377473.49	0.00	2162246.22	2370650.78	2748124.27
11	Aquaguard classics	5940.00	0.00	0.00	5940.00	3218.05	4.75	282.15	0.00	3500.20	2439.80	2721.95
12	Television	153129.00	202000.00	0.00	355129.00	51956.32	4.75	11321.93	0.00	63278.25	291850.75	101172.68
13	Nestle Coffee Machine	30875.00	1000.00	0.00	31875.00	6432.03	4.75	1503.39	0.00	7935.42	23939.58	24442.97
14	Mobile Phone	279887.00	19499.00	0.00	299386.00	41268.74	4.75	13914.86	0.00	55183.60	244202.40	238618.26
15	Cycle / Scooter	90868.00	0.00	0.00	90868.00	15835.39	4.75	4316.23	0.00	20151.62	70716.38	75032.61
16	Franking Machine	189000.00	0.00	0.00	189000.00	18102.17	4.75	8977.50	0.00	27079.67	161920.33	170897.83
	TOTAL	28503927.07	1612154.25	0.00	30116081.32	17599565.58	-	2417567.30	0.00	2007132.88	10098948.44	10904361.49
	PREVIOUS YEAR TOTAL	26412639.11	2195787.96	104500	28503987.07	14724951.43	-	2967479.46	92665.31	17599565.58	10904361.49	11707687.70

SCHEDULE 6:- DEPOSITS

PARTICULARS	AS ON 31-03-2011	AS ON 31-03-2010
<u>NSE</u>		
Security Deposits (NSEIL)	2,500,000.00	2,500,000.00
Security Deposits (NSCCL)	2,000,000.00	2,000,000.00
Deposits for Mem. Subscription (NSEIL)	500,000.00	500,000.00
Currency Derivative (NSE SX)	200,000.00	200,000.00
NSE Deposit (Derivative Segment)	800,000.00	800,000.00
	6,000,000.00	6,000,000.00
<u>BSE</u>		
The Stock Exchange, Mumbai (BSE)	8,600,000.00	8,600,000.00
Membership Fees (BSE)	600,000.00	600,000.00
	9,200,000.00	9,200,000.00
<u>CDSL</u>		
Security Deposit	250,000.00	250,000.00
Total	15,450,000.00	15,450,000.00

SCHEDULE 7:- SUNDRY CREDITORS

PARTICULARS	AS ON 31-03-2011	AS ON 31-03-2010
For Goods	159,518.34	578,803.71
For Services	898,821.51	956,322.43
Total	1,058,339.85	1,535,126.14

SCHEDULE 8 :- ADMINISTRATIVE EXPENSES

PARTICULARS	AS ON 31-03-2011	AS ON 31-03-2010
Advance for expenses	-	20,935.00
Advertising Exp	9,171.00	-
Audit Fees	25,000.00	25,000.00
Books And Periodicals	208,247.50	62,427.00
Business Processing Charges	654,212.00	3,120,196.00
Business Promotion Exps.	277,637.00	370,909.00
Computer Expenses	3,090.00	81,441.00
Conference exp	31,090.21	-
Consultancy Fees	790,314.60	397,799.75
Electricity Charges	633,090.07	507,139.84
Directors Sitting Fees	32,000.00	28,000.00
Dividend Paid	-	27,892.00
Development Charges	-	55,500.50
Domain Charges	8,000.50	3,099.00
Filing Fees	48,880.00	45,636.00
Incentives to Sub-Broker	74,600.00	-
Legal Fees And Expenses	313,500.00	397,705.00
Listing Fees (StockExchange)	10,000.00	10,000.00
Renewal Fees	-	1,000.00
Membership Fees	28,034.30	135,637.00

SCHEDULE 8 :- ADMINISTRATIVE EXPENSES

Misc. Expenses	76,650.00	119,441.00
NSE/BSE Expenses	30,499,560.53	28,542,288.55
Office Expenses	709,874.46	1,045,730.09
Postage,Telegram and Telephones	1,643,656.13	1,738,672.32
Printing and Stationery	413,992.69	187,870.64
Professional Fees	152,500.00	129,382.00
Profession Tax - Co.	2,000.00	-
Rent, Rates & Taxes	1,119,002.00	1,289,972.00
Rep and Maint Expenses	319,859.72	221,643.50
Salary	10,456,661.00	10,073,783.50
Security Service Charges	169,519.48	56,640.00
Interest on TDS	1,039.00	463.00
Software Securities Charges	1,870.00	7,157.00
Stamp Paper Charges	32,453.00	25,524.00
Travelling and Conveyance Expenses	687,337.73	799,551.02
Typing and Xerox charges	57,379.02	117,062.44
Total	49,490,221.94	49,645,498.15

SCHEDULE 9:- FINANCIAL CHARGES

PARTICULARS	AS ON 31-03-2011	AS ON 31-03-2010
Bank Charges and Commission	1,504,236.57	721,904.15
Bank Interest	2,413,570.00	2,519,096.00
Financial Charges	1,251,250.00	1,119,680.00
Interest on Deposits	1,818,070.90	1,910,408.40
Total	6,987,127.47	6,271,088.55

MARKET CREATORS LIMITED
(Schedules forming part of Financial Statements F.Y. 2010-11)

SCHEDULE 10: - NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLOCIES

(a) Basis of Accounting:

The financial statements are prepared under historical cost convention on an accrual basis and are in accordance with the requirements of the Companies Act, 1956.

(b) Investments:

Investments are at cost or market price which ever is lower.

(c) Fixed Assets and Depreciation:

I. Fixed Assets

All fixed assets are recorded at cost of acquisition inclusive of all direct and allocated expenses incurred for the same or construction. They are stated at historical cost.

II. Depreciation

Depreciation on fixed assets is provided on "**straight line method**" at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956.

- (d)** The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company. Deferred tax is recognized, subject to consideration of prudence, in respect of deferred tax assets or liabilities, on timing differences being the difference between taxable incomes and accounting income that originate in one period and is reversible in one or more subsequent periods.

- 2.** Particulars of expenditure incurred on employees who were in receipt of remuneration which in the aggregate was not less than Rs.24.00 Lacs per annum or Rs.2.00 Lacs per month.

No. of employees	None
i) Salaries	Nil
ii) Other perquisites	Nil

3. Auditor's Remuneration:

	2010-11(R)	2009-2010(R)
(a)As an auditor	25,000.00	15,000.00
(b)In any other matter	Nil	Nil

- 4.** In the opinion of the Board, loans and advances and current assets are of the value stated, if realized, in the ordinary course of business.
- 5.** The information under clauses 3, and 4 part-II of schedule VI of the Companies Act, 1956 are given to the extent applicable.
- 6.** Disputed Income Tax demand in respect of appeals has been filed : **NIL**
- 7.** Previous Year's figures have been regrouped and rearranged wherever necessary.

8. DEFERRED TAX

(a) In accordance with The Accounting standard -22 "Accounting For Taxes on Income" issued by ICAI the Company has considered Deferred tax assets and liability arising on account of timing differences as on 31.03.2011.

(b) The details of Deferred Tax assets and Liability arising on account of timing differences are:

	Assets ₹	Liabilities ₹
1) Depreciation	1,18,670.28	-
Total	1,18,670.28	-

(c) The Deferred tax assets for the current year is 4,07,151.90

9. EARNINGS PER SHARE:

(i) Profit/ (Loss) as per Profit and Loss Account (after tax)	Rs.9.41 lacs
(ii) Weighted average Nos. of Equity Shares outstanding during the year	Nos.4998762
(iii) Basic Earning Per Share	Rs. 0.19

10.The company is engaged primarily in the broking business and accordingly there are no separate reportable segments, as per **Accounting Standard –17 Segment Reporting."**

11.RELATED PARTY DISCLOSURE (as required by AS-18)**(A) List of Related Parties**

(a) Associates	(b) Key Management Personnel
J. Harkisondas & Co	Dr. Jayantilal H.Shah – Whole time Director
Mani Market Creators Ltd	Mr. Rashmikant Acharya – Whole time Director
H.D.Shah (HUF)	Mr. Kalpesh J.Shah – Whole time Director
J. H.Shah (HUF)	Mrs.Neela J. Shah
K. J. Shah (HUF)	Mrs.Bina Acharya
Y. H. Shah	Mrs.Vaishali K. Shah
Y. H. Shah (HUF)	Mr. Raj Acharya
Y. Y. Shah	Ms. Priyanka Acharya
M. H. Merwana	Mr. Sanjay Christy
M. H. Merwana (HUF)	Mr. Kamlesh Bhagat
K. M. Merwana	Mrs.Mita N. Shah
	Mr. Shailesh H. Shah
	Mr. Bhadra S. Shah

(B) Following Transactions were carried out with the related parties in ordinary course of business during the year.

(₹ in lacs)

Sr No	Transactions	Associates		Key Management Personnel	
		10-11	09-10	10-11	09-10
1	Investments, Deposits, Loans & Adv. taken or given & receivable in cash & kind	446.06	438.58	-	-
2	Other Liabilities & Provisions	35.59	6.51	-	4.00
3	Sales of Shares & Securities	53.16	107.13	134.64	119.73
4	Purchase of Shares & Securities	49.80	59.68	146.97	120.82
5	Interest Paid	0.02	3.76	0.41	2.85
6	Rent Paid	-	-	-	2.40
7	Financial Charges	13.65	13.65	-	-
8	Remuneration	-	3.70	30.23	30.50
9	Outstanding Balances :				
	(a) Payable at the year end	1.85	2.08	0.00	0.15
	(b) Receivable at the year end	56.92	131.43	2.11	32.04

In Terms of our report of even date annexed herewith

For SHAH & TALATI

Chartered Accountants

ICAI Registration No: 120183W

s/d

HITESH K. SHAH

PARTNER

(Membership No. 43521)

Place: Nadiad

Date: 28th May, 2011

For and on behalf of the Board

s/d

Dr. J.H. Shah, Chairman

s/d

Rashmikant Acharya, Director

Place: Vadodara

Date: 28th May, 2011

MARKET CREATORS LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2011		
PARTICULARS	CURRENT YEAR 2010-11 AMOUNT(₹)	PREVIOUS YEAR 2009-10 AMOUNT(₹)
A Cash Flow from Operating activities:		
1 Net Profit before tax and Extraordinary Items	(1,001,710.14)	2,476,405.99
Adjustment for:		
2 Depreciation	2,417,567.30	2,967,479.47
3 Interest Income	(7,940,746.70)	(3,584,167.49)
4 Other Income	(4,248,716.18)	(8,830,454.09)
5 Interest on Borrowings	5,735,877.47	5,151,408.55
6 Operating Profit before Working Capital Changes (1 to 5)	(5,037,728.25)	(1,819,327.57)
7 Adjustments for:		
Trade and other receivables		
8 Inventories	(747,880.63)	(18,180,815.05)
9 Sundry Debtors	15,513,559.55	(12,382,820.05)
10 Other Current Assets	(6,600,203.29)	1,778,409.96
11 Loans and Advances and Deposits	1,345,740.00	(2,639,823.00)
12 Trade and Other Payables:	(7,379,761.01)	(17,492,455.80)
13 Client Advances	1,557,826.37	35,411,400.23
14 Margin Accounts (NSE-F&O)	14,433,751.22	(3,237,631.98)
15 Gross Cash generated from Operations	13,085,303.97	(18,563,063.26)
16 Prior Period Adjustments / Extra Ordinary Item	1,535,656.95	29,070.00
17 Income Tax Paid & Deferred Tax	407,151.90	(124,414.62)
18 Net Cash from Operating Activities (A) (15+16+17)	15,028,112.82	(18,658,407.88)
B Cash Flow from Investing activities:		
1 Purchase/Sale of Fixed Assets	(1,612,154.25)	(2,110,787.96)
2 Purchase / Sale of Investments	0.00	0.00
3 Interest received	7,940,746.70	3,584,167.49
4 Other Income	4,248,716.18	8,830,454.09
5 Net Cash Used in Investing Activities (B)	10,577,308.63	10,303,833.62
C. Cash from Financial Activities:		
1 Proceeds from issue of Share Capital	0.00	0.00
2 Repayment of Borrowings (NET)	0.00	0.00
3 Interest Paid	(5,735,877.47)	(5,151,408.55)
4 Dividend Payout	0.00	0.00
Net Cash From Financial Activities (C)	(5,735,877.47)	(5,151,408.55)
D. Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	19,869,543.98	(13,505,982.81)
1. Cash and Cash Equivalents as at 1st April, 2010 (Opening Balance)	32,402,059.38	45,908,032.18
2. Cash and Cash Equivalents as at 31/03/11 (Closing Balance)	52,271,603.36	32,402,059.38

In Terms of our report of even date annexed herewith

For SHAH & TALAT

Chartered Accountants

ICAI Registration No: 120183W

s/d

HITESH K. SHAH

PARTNER

(Membership No. 43521)

Place: Nadiad

Date: **28th May, 2011**

For and on behalf of the Board

s/d

Dr. J.H. Shah, Chairman

s/d

Rashmikant Acharya, Director

Place: Vadodara

Date: **28th May, 2011**

MARKET CREATORS LIMITED

Regd. Office : "Creative Castle", 70, Sampatrao Colony,
Opp. Masonic Hall, Off. Productivity Road, Vadodara – 390 007.

ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall

Name of the attending member (in block letters)	Member's Folio number
Name of the proxy (in block letters) (to be filled in if the proxy attends instead of the member)	

No. of shares held

I, hereby record my presence at the ANNUAL GENERAL MEETING at, "Creative Castle", 70, Sampatrao Colony, Opp. Masonic Hall, Off. Productivity Road, Vadodara – 390 007. on Friday, 30th September, 2011 at 4.30 p.m.

Signature of attending member / proxy

- Notes : 1). Shareholder / proxyholder wishing to attend the meeting must bring the attendance slip to the meeting and handover at the entrance duly signed.
- 2). Shareholder / proxyholder desiring to attend the meeting should bring his copy of this annual report to the meeting for reference.

MARKET CREATORS LIMITED

Regd. Office : "Creative Castle", 70, Sampatrao Colony,
Opp. Masonic Hall, Off. Productivity Road, Vadodara – 390 007.

PROXY FORM

I/We _____
of _____
being a member/members of the above named company, hereby appoint
or failing him _____
of _____
as my/our proxy to attend and vote for me/us on my/our behalf at the ANNUAL GENERAL MEETING of the company to be held at 4.30 pm. on Friday, 30th September, 2011 and at any adjournment thereof.

Signed _____

Date _____

BOOK-POST

TO,

If undelivered, please return to :

MARKET CREATORS LIMITED

Registered Office :

"Creative Castle"

70, Sampat Rao Colony, Opp. Masonic Hall,
Off. Productivity Road, Vadodara-390 007.
Ph. : 0265-2354075, Fax : 0265-2340214