



20th ANNUAL REPORT

(2011-2012)

MARKET CREATORS LIMITED

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

20th ANNUAL REPORT - 2011-2012

BOARD OF DIRECTORS

Dr. J. H. Shah	Chairman / Wholetime Director
Mr. Rashmikant Acharya	Wholetime Director
Mr. Kalpesh Shah	Wholetime Director
Mr. Narendra Shah	Director - Independent*
Mr. Chirag Patel	Director - Independent*
Mr. Amal R. Patel	Director - Independent*
Mr. Prakashchandra G. Juthani	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 29, 2012, Saturday 11.30 a.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 20th 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 Saturday, 29th September 2011, at 11.30 a.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, 2012 along with Auditor's and Director's Report thereon.
2. To appoint a Director in place of Mr. Chirag Patel, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Amal Patel, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint member of Audit committee, Remuneration committee and Shareholders/Investors Grievances committee. The continuing members are proposed to be reappointed.
5. 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. up to the date prior to 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: 31st July, 2012

Vadodara

DIRECTOR'S REPORT

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

The Directors present herewith their **20th Annual Report** on the affairs of the company together with the audited statement of accounts for the year ended on **31st March, 2012**.

FINANCIAL RESULTS:

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

(₹ in Lacs)

Particular	Current Year	Previous Year
	(2011-2012)	(2010-2011)
Total Income	487.08	578.93
Profit before interest, depreciation and taxation	117.29	84.02
Interest and Financial Charges	102.80	69.87
Depreciation	7.85	24.17
Net profit / (loss) for the year before exceptional item	6.62	(10.01)
Add: Exceptional Item	Nil	15.36
Net profit / (loss) for the year after exceptional item	6.62	5.33
Taxation	3.71	(4.07)
Net profit / (loss) for the year after exceptional item	2.90	9.41
Add: Balance brought forward form the previous Year	60.95	51.54
Balance carried forward	63.86	60.95

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 Revised Schedule VI to the Companies Act 1956 and 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, 2012 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 customer's 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 Director's 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, 2012, Four (4) Board Meetings were held as per Statutory requirements on 28th May, 2011, 30th July, 2011, 31st October, 2011 and 31st January, 2012. 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		No. of other Directorships and Committee Memberships/Chairmanships		
		Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Dr. Jayantilal H. shah	Chairman/Whole Time Director	4	Yes	1	NIL	- NIL
Mr. Rashmikant 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	Yes	1	NIL	3
Mr. Amal R. Patel	Independent Director	2	Yes	NIL	3	NIL
Mr. Prakashchandra G. Juthani	Independent Director	4	Yes	NIL	NIL	NIL

Notes:

- (i) 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.
- (ii) 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.

3. 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 28th May, 2011 and on 31st October, 2011 during the year and there were no issue for consideration within the prescribed scope/terms of reference of the committee.

Board recommends that the current members of the committee are to be continued.

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, 2012, are set out below:

Name of Director	Sitting Fees	Remuneration	Total (₹)
Dr. J. H. Shah	Nil	Nil	Nil
Mr. Rashmi Acharya	Nil	Nil	Nil
Mr. Kalpesh J. Shah	Nil	573278/-	573278/-
Mr. Narendra R. Shah	4000/-	Nil	4000/-
Mr. Amal R. Patel	5000/-	Nil	5000/-
Mr. Chirag J. Patel	11000/-	Nil	11000/-
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 28th May, 2011, 30th July, 2011, 31st October, 2011 and 31st January, 2012. 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.

Board recommends that the current members of the committee are to be continued.

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 31st October, 2011 & 31st January, 2012. 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 2011-2012, 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, 2012.

Board recommends that the current members of the committee are to be continued.

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	30/09/2009	"Creative Castle", 70, Sampatrao Colony, Productivity Road, Vadodara - 390 007.	4.30 p.m.	Nil
AGM	30/09/2010	"Creative Castle", 70, Sampatrao Colony, Productivity Road, Vadodara - 390 007.	4.30 p.m.	Nil
AGM	30/09/2011	"Creative Castle", 70, Sampatrao Colony, Productivity Road, Vadodara - 390 007.	4.30 p.m.	Nil

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

Mr. Chirag Patel and Mr. Amal Patel, are retiring by rotation and they are being eligible to offer themselves for reappointment.

9. 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, 2012 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.

2. Means of Communication:

▪ Half Yearly report sent to each household of Shareholders.	No
▪ Which newspaper normally published in	Western 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 Informatics 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	29 th September, 2011
Time	11.30 a.m.
Venue	Regd. Office: "Creative Castle", 70, Sampatrao Colony, Opp. Masonic Hall, Off. Productivity Road, Vadodara - 390007
Financial Calendar : (April 2012-2013)	
(Tentative Schedule)	
Results for the Quarter ended June 30, 2012	On or before July 31, 2012
Results for the Quarter ended September 30, 2012	On or before October 31, 2012
Results for the Quarter ended December 31, 2012	On or before January 31, 2013
Results for the Quarter ended March 31, 2013	On or before May 31, 2013
Results for the year ending March 2013	On or before May 31, 2013
Date of Book Closure	From 24.09.2012 to 26.09.2012 (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 2011 to March 2012.**

Period	High	Low	Period	High	Low
Apr-11	7.88	7.15	Oct-11	5.68	4.85
May-11	6.94	5.50	Nov-11	6.90	5.45
Jun-11	7.71	6.35	Dec-11	8.45	6.51
Jul-11	7.93	6.26	Jan-12	10.00	7.39
Aug-11	7.00	5.79	Feb-12	8.00	6.09
Sep-11	6.82	5.76	Mar-12	7.23	5.13

- 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, 2012 is as follows :**

No. of Shareholders in the physical mode	4,73,454	9.47%
No. of Shareholders in the electronic mode	45,26,546	90.53%
Total	50,00,000	100%

- Shareholding Pattern as on March 31, 2012 is as follows :

Category	No. of Shares	%
Director's and their Relatives'	34,98,895	69.75%
Companies in which the Directors are interested	Nil	Nil
Non-Resident Indians	87,778	1.76%
General Public	14,13,327	28.27%
Total	50,00,000	100%

- Dematerialization of shares and liquidity : 90.5309% of the paid up capital has been Dematerialized as on 31st March, 2012.

- 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 2012-13. 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 May, 2012

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 2011-12

For Market Creators Limited

S/d.

Kalpesh J. Shah
Whole time Director (CEO)

Place : Vadodara
Date : 30th May, 2012

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, 2012 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, 2012, 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: **30th May, 2012**

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 2012 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 2012 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, 2012; 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: 30th May, 2012

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, 2012)

- 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 31-3-2012 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: **30th May, 2012**

BALANCE SHEET AS ON 31ST MARCH 2012

Amt. in ₹

Particulars	Note	As on March, 31	
		2012	2011
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2.1	4,99,90,715.00	4,99,90,715.00
(b) Reserves and surplus	2.2	63,86,417.71	60,95,426.68
2 Non-current liabilities			
(b) Deferred tax liabilities/(Assets)	2.3	2,52,656.78	(1,18,670.28)
3 Current liabilities			
(b) Trade payables	2.4	7,07,77,428.75	8,47,62,590.70
(c) Other current liabilities	2.5	1,94,93,762.55	2,20,94,366.18
(d) Short-term provisions	2.6	27,29,981.75	24,39,995.02
Total		14,96,30,962.54	16,52,64,423.30
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	2.7	95,71,917.02	1,00,98,948.43
(b) Non-current investments	2.8	7,21,331.00	7,21,331.00
(d) Long-term loans and advances	2.9	1,60,00,000.00	1,60,00,000.00
(e) Other non-current assets	2.10	9,92,542.00	9,92,542.00
2 Current assets			
(b) Inventories	2.11	3,99,74,816.02	4,46,05,643.88
(c) Trade receivables	2.12	3,34,85,578.91	2,74,62,803.95
(d) Cash and cash equivalents	2.13	4,18,65,199.28	5,22,71,603.36
(e) Short-term loans and advances	2.14	31,95,452.71	56,46,352.52
(f) Other current assets		38,24,125.60	74,65,198.16
Total		14,96,30,962.54	16,52,64,423.30
Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report attached

For **SHAH & TALATI**

Chartered Accountants

ICAI Registration No: 120183W

s/d

HITESH K. SHAH

PARTNER

(Membership No. 43521)

Place: Nadiad

Date: 30th May, 2012

For and on behalf of the Board

s/d

Dr. J.H. Shah, Chairman

s/d

Rashmikant Acharya, Director

Place: Vadodara

Date: 30th May, 2012

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012				
			Amt. in ₹	
Particulars	Note	For the year ended March, 31		
		2012	2011	
I. Revenue From Operations				
Income from Operation	-	33,403,403.17	49,636,448.45	
II. Other income	2.15	15,305,138.36	8,256,758.12	
III. Total Revenue (I + II)		48,708,541.53	57,893,206.57	
IV. Expenses:				
Employee benefits expense	2.16	10,478,177.50	10,466,971.00	
Finance costs	2.16	10,280,418.33	6,987,127.47	
Depreciation and amortization expense	2.7	785,807.35	2,417,567.30	
Other expenses	2.16	26,501,820.26	39,023,250.94	
Total expenses		48,046,223.44	58,894,916.71	
Profit before exceptional and exceptional items and tax (III-IV)		662,318.09	(1,001,710.14)	
VI. Exceptional items		-	1,535,656.95	
VII Profit before tax (V + VI)		662,318.09	533,946.81	
VIII Tax expense:				
Current tax		-	-	
Deferred tax	2.3	371,327.06	(407,151.90)	
IX Profit (Loss) for the period (VII - VIII)		290,991.03	941,098.71	
X Earnings per equity share:				
Basic		0.06	0.19	
Diluted		0.06	0.19	
Significant Accounting Policies and Notes on Accounts	1 & 2			

As per our report attached

For SHAH & TALATI

Chartered Accountants

ICAI Registration No: 120183W

s/d

HITESH K. SHAH

PARTNER

(Membership No. 43521)

Place: Nadiad

Date: 30th May, 2012

For and on behalf of the Board

s/d

Dr. J.H. Shah, Chairman

s/d

Rashmikant Acharya, Director

Place: Vadodara

Date: 30th May, 2012

1. SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED MARCH 31, 2012

1.1 Basis of Accounting:

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on an accrual basis and are in accordance with the requirements of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied.

1.2 Investments/Inventories:

Investments are at cost or market price whichever is lower.

1.3 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.

1.4 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.

1.5 Income Taxes:

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.

1.6 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, and deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.7 Earnings per share:

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

2. NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2012

The previous period figures have been regrouped /reclassified, wherever necessary to conform to the current period presentation following amended schedule VI of the Companies Act 1956.

2.1 SHARE CAPITAL

Amt. in ₹

Particular	As at 31 March 2011	
	2012	2011
Authorised Equity Shares of ₹ 10 each 1,00,00,000 (Previous year 1,00,00,000) equity shares	10,00,00,000	10,00,00,000
Issued Subscribed and paid up Equity Shares of ₹ 10 each 49,98,762 (Previous year 49,98,762) equity shares	4,99,87,620	4,99,87,620
Subscribed but not fully Paid up Equity Shares of ₹ 10 each, ₹ 2.5 each paid up 1,238 (Previous year 1,238) equity shares	3,095	3,095
Total	4,99,90,715	4,99,90,715

The Company has only one class of shares referred to as equity shares having a par value ₹ of 10/-. Each holder of equity shares is entitled to one vote per share. There are no any change (i.e. issue of shares, Bought back, etc.) in number of shares at the beginning and at the end of the year.

Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held are as follows.

Name of Shareholder	Equity Shares			
	As at 31 March		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dr. Jayantilal H Shah (Chairman)	21,19,491	42.40	20,57,352	41.16
Mr. Rashmikant Acharya (Whole Time Director)	13,38,200	26.77	13,38,200	26.77

2.2 RESERVES AND SURPLUS

Amt. in ₹

Particular	As at 31 March, 31	
	2012	2011
Surplus		
Opening balance	60,95,426.68	51,54,327.97
(+) Net Profit/(Net Loss) For the current	2,90,991.03	9,41,098.71
Closing Balance	63,86,417.71	60,95,426.68

2.3 DEFERRED TAXES

Amt. in ₹

Particular	As at 31 March, 31	
	2012	2011
Deferred Tax Assets	-	1,18,670.28
Deferred Tax Liabilities	2,52,656.78	-
Total	2,52,656.78	1,18,670.28

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 31.03.2012.

2.4 TRADE PAYABLES

Amt. in ₹

Particular	As at 31 March, 31	
	2012	2011
Sundry Creditors for goods	1,88,298.70	1,78,878.34
Sundry Creditors for services	11,37,878.40	8,79,461.51
Client Accounts	6,94,51,251.65	8,37,04,250.85
Total	7,07,77,428.75	8,47,62,590.70

2.5 OTHER CURRENT LIABILITIES

Amt. in ₹

Particular	As at 31 March, 31	
	2012	2011
Client Margin Accounts	3,25,16,466.24	2,37,56,407.24
Other Current Liabilities	(1,30,22,703.69)	(16,62,041.06)
Total	1,94,93,762.55	2,20,94,366.18

2.6 SHORT TERM PROVISIONS

Amt. in ₹

Particular	As at 31 March, 31	
	2012	2011
Provision for employee benefits		
Salary & Reimbursements	17,05,377.50	18,81,263.50
Contribution to PF	74,377.00	86,167.00
Provision for expenses	9,50,227.25	4,72,564.52
Total	27,29,981.75	24,39,995.02

2.7 Fixed Assets: See next page

2.8 Non current Investment

Amt. in ₹

Particulars	As at 31 March 2012	
	2012	2011
Trade Investments (unquoted)		
Investment in Equity instruments		
10 Equity Shares of ₹ 10 each of Pragati Sahakari Bank Ltd fully paid valued at cost	100.00	100.00
Other non-current		
Share Capital Application	7,21,231.00	7,21,231.00
Total	7,21,331.00	7,21,331.00

2.7 FIXED ASSETS

Particulars	Gross Block		Accumulated Depreciation			Net Block		
	As at 1 April 2011	Additions/ (Disposals)	As at 31 March 2012	As at 1 April 2011	For the period	As at 31 March 2012	As at 1 April 2011	As at 31 March 2012
	Att. in ₹							
Tangible Assets								
Land	2,37,350.00	-	2,37,350.00	-	-	-	2,37,350.00	2,37,350.00
Buildings	37,74,141.33	-	37,74,141.33	6,09,479.65	61,518.50	6,70,998.15	31,64,661.68	31,03,143.18
Furniture and Fixtures	28,83,606.84	-	28,83,606.84	15,63,738.83	1,25,283.55	16,89,022.38	13,19,868.01	11,94,584.46
Telephone System	4,72,570.00	974.94	4,73,544.94	1,95,685.74	22,543.59	2,18,229.33	2,76,884.26	2,55,315.61
Computer	1,46,90,909.35	2,50,001.00	1,49,40,910.35	1,43,57,468.94	-	1,43,57,468.94	3,33,440.41	5,83,441.41
Hardware/Software/S								
ystem								
Air conditioners	10,83,638.00	-	10,83,638.00	4,66,099.37	51,472.81	5,17,572.18	6,17,538.63	5,66,065.83
Water Coolers	47,050.00	-	47,050.00	23,439.28	2,234.88	25,674.16	23,610.72	21,375.85
Electrical Installation	13,98,130.80	5,450.00	14,03,580.80	4,44,552.28	66,837.77	5,11,390.05	9,53,578.52	8,92,190.75
Pagers	23,590.00	-	23,590.00	17,293.82	1,120.53	18,414.35	6,296.18	5,175.66
Cars	45,32,897.00	-	45,32,897.00	21,62,246.22	4,08,471.01	25,70,717.23	23,70,650.78	19,62,179.77
Aquaguard classics	5,940.00	-	5,940.00	3,500.20	282.15	3,782.35	2,439.80	2,157.65
Television	3,55,129.00	-	3,55,129.00	63,278.25	16,868.63	80,146.88	2,91,850.75	2,74,982.12
Nestle Coffee	31,875.00	1,000.00	32,875.00	7,935.42	1,561.56	9,496.98	23,939.58	23,378.02
Mobile Phone	2,99,386.00	1,350.00	3,00,736.00	55,183.60	14,318.65	69,502.25	2,44,202.40	2,31,233.75
Cycle / Scooter	90,868.00	-	90,868.00	20,151.62	4,316.23	24,467.85	70,716.38	66,400.15
Franking Machine	1,89,000.00	-	1,89,000.00	27,079.67	8,977.50	36,057.17	1,61,920.33	1,52,942.83
Total	3,01,16,081.32	2,58,775.94	3,03,74,857.26	2,00,17,132.89	7,85,807.35	2,08,02,940.24	1,00,98,948.43	95,71,917.02
Previous year	2,85,03,927.07	16,12,154.25	3,01,16,081.32	1,75,99,565.58	24,17,567.30	2,00,17,132.88	-	1,00,98,948.43

2.9 Long term loans and advances

Amt. in ₹

Particulars	As at 31 March 2012	
	2012	2011
Security Deposits Unsecured, considered good		
Deposits with NSE	65,50,000.00	65,50,000.00
Deposits with BSE	92,00,000.00	92,00,000.00
Deposits with CDSL	2,50,000.00	2,50,000.00
Total	1,60,00,000.00	1,60,00,000.00

2.10 Other non current assets includes miscellaneous expenditure to the extent not written off.

2.11 INVENTORIES

Amt. in ₹

Particulars	As at 31 March 2012	
	2012	2011
Shares and Securities	3,99,74,816.02	4,46,05,643.88
Total	3,99,74,816.02	4,46,05,643.88

2.12 TRADE RECEIVABLES

Amt. in ₹

Particulars	As at 31 March 2012	
	2012	2011
Debtors outstanding for a period exceeding three months		
Unsecured, considered good	35,46,255.38	2,21,508.14
Other debtors		
Unsecured, considered good	2,98,61,363.60	2,72,41,295.82
Total	3,34,07,618.98	2,74,62,803.96

2.13 Cash and cash equivalents

Amt. in ₹

Particulars	As at 31 March 2012	
	2012	2011
Balances with banks		
Current Accounts	3,34,24,857.80	2,62,63,556.16
Bank deposits with more than 12 months maturity	83,07,436.05	2,59,61,807.77
Cash on hand	1,32,905.43	46,239.43
Total	4,18,65,199.28	5,22,71,603.36

2.14 Short term loans and advances

Amt. in ₹

Particulars	As at 31 March 2012	
	2012	2011
Loans and advances		
Unsecured, considered good	-	18,13,074.92
Others Unsecured, considered good		
Deposits	17,55,460.97	15,51,049.86
Prepaid expenses	14,39,991.74	22,82,227.74
Total	31,95,452.71	56,46,352.52

2.15 OTHER INCOME

Particulars	Amt. in ₹	
	Year ended March 31,	
	2012	2011
Interest Income	88,04,888.36	79,40,746.70
Dividend Income	-	3,16,011.42
Net gain/loss on sale of investments	65,00,250.00	-
Total	1,53,05,138.36	82,56,758.12

2.16 EXPENSES

Particulars	Amt. in ₹	
	Year ended March 31,	
	2012	2011
Employee Benefits Expense		
Salaries and incentives	99,13,031.00	98,97,551.00
Contributions to -(i) Provident and other fund	5,03,990.00	5,59,110.00
Staff welfare expenses	61,156.50	10,310.00
	1,04,78,177.50	1,04,66,971.00
Finance Cost		
Interest expense	70,95,271.00	42,31,640.90
Bank Charges	15,783.83	18,005.31
Bank Guarantee Charges HO	18,04,363.50	14,86,231.26
Financial Charges	13,65,000.00	12,51,250.00
	1,02,80,418.33	69,87,127.47
Other expenses		
Audit Fees		
Statutory audit fees	25,000.00	25,000.00
Nse/Bse Expenses	2,09,72,952.28	3,05,97,859.53
Administration and other expenses	55,03,867.98	84,00,391.41
	2,65,01,820.26	3,90,23,250.94

2.17

No any employee was in receipt of remuneration which in the aggregate more than or equal to Rs.24.00 Lacs per annum or Rs.2.00 Lacs per month.

2.18

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.

2.19

The information under clauses 3, and 4 part-II of schedule VI of the Companies Act, 1956 are given to the extent applicable.

2.20

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

2.21 Related Party Disclosure (as required by AS-18)

2.21a List of Related Parties

(a) Associates

J. Harkisondas & Co
 Mani Market Creators Ltd
 H.D.Shah (HUF)
 J. H.Shah (HUF)
 K. J. Shah (HUF)
 Y. H. Shah
 Y. H. Shah (HUF)
 Y. Y. Shah
 M. H. Merwana
 M. H. Merwana (HUF)
 K. M. Merwana

(b) Key Management Personnel

Dr. Jayantilal H.Shah – Whole time Director
 Mr. Rashmikant Acharya – Whole time Director
 Mr. Kalpesh J.Shah – Whole time Director
 Mrs.Neela J. Shah
 Mrs.Bina Acharya
 Mrs.Vaishali K. Shah
 Ms. Priyanka Acharya
 Mr. Sanjay Christy
 Mr. Kamlesh Bhagat
 Mrs.Mita N. Shah
 Mr. Shailesh H. Shah
 Mr. Bhadra S. Shah
 Mr. Girish Parikh

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

Transactions	Associates		Key Management	
	11-12	10-11	11-12	10-11
Other Liabilities & Provisions	401.60	481.65	-	-
Sales of Shares & Securities	614.94	53.16	137.49	134.64
Purchase of Shares & Securities	568.92	49.80	140.62	146.97
Financial Charges	13.65	13.65	-	-
Remuneration	-	-	38.68	30.23
Outstanding Balances :				
(a) Payable at the year end	44.37	1.85	-	-
(b) Receivable at the year end	128.21	56.92	18.75	2.11

For SHAH & TALATI
 Chartered Accountants
 ICAI Registration No: 120183W
 s/d
HITESH K. SHAH
 PARTNER
 (Membership No. 43521)
 Place: Nadiad
 Date: 30th May, 2012

For and on behalf of the Board

s/d
Dr. J.H. Shah, Chairman
 s/d
Rashmikant Acharya, Director
 Place: Vadodara
 Date: 30th May, 2012

Cash Flow Statement for the year ended March 31,	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extraordinary Items	662318.09	(1001710.14)
Adjustment to reconcile profit before tax to cash provided by operating activities:		
Depreciation	785807.35	2417567.30
Interest and dividend income	(8804888.36)	(8256758.12)
Other Income	(6500250.00)	0.00
Financial cost	10280418.33	6987127.47
Changes in assets and liabilities		
Inventories	4630827.86	(747880.63)
Trade receivables	(6022774.96)	16532639.56
Short term loans and advances	2450899.81	(2447901.58)
Other current assets	3641072.56	(4266747.22)
Trade Payables	(13985161.95)	(1743349.25)
Other current liabilities	(2600603.63)	71974958.56
Short term provisions	289986.73	119977.76
Deferred taxes	(371327.06)	407151.90
Gross cash generated form operations	(15543675.23)	79975075.61
Prior Period Adjustments / Extra Ordinary Item	0.00	1535656.95
Income Tax Paid & Deferred Tax	371327.06	(407151.90)
NET CASH GENERATED BY OPERATING ACTIVITIES	(15172348.17)	81103580.66
CASH FLOW FROM INVESTING ACTIVITIES		
Payment towards capital expenditure	(258775.94)	(1612154.25)
Interest and dividend income	8804888.36	8256758.12
Other income	6500250.00	0.00
NET CASH PROVIDED BY/(USED) IN INVESTING ACTIVITIES	15046362.42	6644603.87
CASH FLOWS FROM FINANCING ACTIVITIES		
Financial cost	(10280418.33)	(6987127.47)
NET CASH PROVIDED/(USED) IN FINANCING ACTIVITIES	(10280418.33)	(6987127.47)
NET INCERESE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(10406404.08)	80761057.06
Cash and cash equivalents at the beginning of the period	52271603.36	32402059.38
Cash and cash equivalents at the end of the period	41865199.28	113163116.44

For SHAH & TALATI
Chartered Accountants
ICAI Registration No: 120183W
s/d

HITESH K. SHAH
PARTNER
(Membership No. 43521)
Place: Nadiad
Date: 30th May, 2012

For and on behalf of the Board
s/d

Dr. J.H. Shah, Chairman

s/d
Rashmikant Acharya, Director

Place: Vadodara
Date: 30th May, 2012

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 Saturday, 29th September, 2012 at 11.30 am.

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 11.30 am. on Saturday, 29th September, 2012 and at any adjournment thereof.

Signed _____

Date _____

A Request : Proxies must be returned so as to reach the Registered Office of the company not less than 48 hours before time for holding the aforesaid meeting.

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, Vadodra-390 007.

Ph. : 0265-2354075, Fax : 0265-2340214