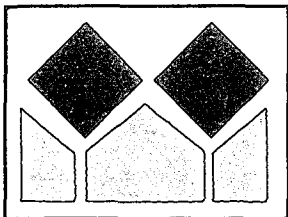


13Th Annual Report 2006 - 2007



MAHAN
INDUSTRIES
LIMITED

BOARD OF DIRECTORS

Shri Y. K. Gupta - Managing Director

Shri Manik Dattatrey - Director

Shri Lalit Sharma - Independent Director

Chanakya Shukla - Independent Director

Kalpesh Trivedi - Independent Director

BANKERS

Centurion Bank, C.G.Road,
Ahmedabad.

AUDITORS

KANDHAR & PARIKH
Chartered Accountants
Ahmedabad.

REGISTERED OFFICE

&

INVESTOR'S SERVICE DEPT.

3rd Floor, D.K. House,
Nr. Mithakhali Underbridge,
Ellisbridge,
Ahmedabad - 380 006



DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure presenting you the 13th Annual Reports of the company together with the Audited Accounts for the year ended on March 31, 2007.

FINANCIAL RESULTS:

The Operating results of your Company for the period under review are as follows:

(Rs in Lacs)

Particulars	Current Year 31.03.2007	Previous Year Nine months Ended 31.03.2006
Income from Operation / Sales	(440.24)	190.18
Profit (Loss) before Depreciation & Tax	(518.13)	30.23
Depreciation	3.28	2.01
Profit (Loss) before Tax	(551.41)	28.17
Tax Provisions (Including Deferred tax)	0.00	0.00
Provisions for Fringe Benefit Tax including previous year	0.31	0.47
Profit (Loss) after tax	(551.72)	27.69
Balance of previous year brought forward	16.62	(11.07)
Deferred tax liability Reversed	0.00	0.00
Balance carried to Balance Sheet	(535.10)	16.62

DIVIDEND:

Your Directors do not recommend any dividend for the year.

PERFORMANCE

During the year there was loss from income from operation at Rs. (440.24) lacs in comparison to operational income of Rs. 190.18 lacs in the previous year. The loss after tax was Rs. 551.72 in comparison to profit of Rs. 27.69 in the previous year.

MAHAN INDUSTRIES LIMITED

2. The Instrument of proxies in order to be effective must be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
3. The register of members and share transfer book shall remain closed on 24.9.2007 to 29.9.2007 (both days inclusive) for the purpose of annual general meeting.
4. Members are requested to intimate the change in their address, if any, immediately to the Company's Registrars, M/s Magnum Limited, 3rd Floor, Smit Complex, Choice Lane, Off. C. G. Road, Ahmedabad-380 009
5. Members/Proxies are requested to bring their Attendance Slip duly filled up for attending the Meeting.

By Order of the Board

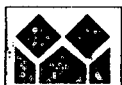
FOR MAHAN INDUSTRIES LIMITED

Date : 01/09/2007

Yogendra Kumar Gupta

Place : Ahmedabad

Managing Director



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The company has no manufacturing activities. Hence there is no information to submit in respect of conservation and absorption of technology. There is no foreign exchange earnings and outgo.

DEPOSITS:

The Company has not accepted any deposits coming under the provisions of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of deposits) Rules 1975.

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A):

The provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1988, as amended are not applicable to the Company, as there are no employees whose remuneration is in excess of the limits prescribed.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the period ended on March 31, 2007 and of the profit or loss of the Company for the year ended on that date.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their gratitude for the valuable assistance and co-operation extended by the Bankers, vendors, customers, advisors, the general public and for the valued efforts and dedication shown by the Company employees at all levels. Your Directors also sincerely acknowledge the confidence and faith reposed by the shareholders of the Company.

For and on behalf of the Board

Date : 01/09/2007
Place : Ahmedabad

Yogendra Kumar Gupta
Managing Director



Annexure to the Directors Report

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

CORPORATE GOVERNANCE DISCLOSURE

In Compliance with clause 49 of the Listing Agreement with Stock Exchange, the matters mentioned in the said clause and practice as followed by the Company:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy is to conduct its affairs in a manner which is transparent, clear and evident to those dealing with or having a stake in the company namely shareholders, lenders, creditors and employees. The Company's philosophy on corporate Governance is thus concerned with the ethics and values of the Company and its Directors, who are expected to act in the best interest of the Company and remain accountable to shareholders and other beneficiaries for their action.

The Company is committed to provide high quality product and services to its customers and stakeholders, because the company believes that its long-term survival is entirely dependent on good corporate governance.

2. BOARD OF DIRECTORS:

The present strength of the Board of Directors is 5 (five). The Board of the Company comprises of 2 executive Directors and three independent Directors as on 31st March 2007.

MAHAN INDUSTRIES LIMITED

Attendance of each Director at the Board Meetings and last Annual General Meeting :

Sr. No.	Name of Directors	Designation	Board Meeting Attended	Attendance at Last AGM	No. of Directorships In the other public Companies	No. of Chairmanship Membership in other board / committee.
1.	Mr. Y.K. Gupta	Managing Director	6	Yes	Nil	Nil
2.	Mr. Manik Dattatreya	Director	6	Yes	Nil	Nil
3.	Mr. Lalit Sharma	Independent Director	6	Yes	Nil	Nil
4	Mr. Chanakya Shukla	Independent Director	6	-	Nil	Nil
5	Mr. Kalpesh Trivedi	Independent Director	6	-	Nil	Nil

The dates of Board meeting are as : 29/4/2006, 31/7/2006, 2/9/2006, 30/09/2006, 30/10/2006, 31/1/2007

The information required to be given for the Directors seeking re-appointment at the Annual General Meeting as per clause 49 (VI) is as under :

Name of the Director	Mr. Chanakya Shukla
Father Name	Shri Indravadan Shukla
Date of Birth	20.08.1978
Date of Appointment	30.12.2005
Qualification	M. Sc. Electronics
Name of the Companie(s) in which he is a director other than Mahan Industries Limited	None
Specific functional Areas	Management & System Expert



Name of the Director	Mr. Kalpesh Trivedi
Father Name	Shri Lalitbhai Trivedi
Date of Birth	07/05/1961
Date of Appointment	23.02.2006
Qualification	B.Com.
Name of the Companie(s) in which he is a director other than Mahan Industries Limited	None
Specific functional Areas	Software & Management Export

3. REMUNERATION TO DIRECTORS :

Sr. No	Name of Directors	Salary Rs.	Benefits Rs.	Commissi on Rs.	Meeting Fees Rs.	Total RS.
1.	Mr. Y.K. Gupta	Nil	Nil	Nil	Nil	Nil
2.	Mr. Lalit Sharma	Nil	Nil	Nil	Nil	Nil
3.	Mr. Manik Dattatrey	37500/-	Nil	Nil	Nil	37500/-
4	Mr. Chanakya Shukla	Nil	Nil	Nil	Nil	Nil
5	Mr. Kalpesh Trivedi	Nil	Nil	Nil	Nil	Nil

4. BOARD COMMITTEES:

The Company is following the procedures and practices in conformity with the code of corporate governance in keeping with the spirit of the code. The board has constituted the following committees:

A. AUDIT COMMITTEE:

The Board of Directors of the Company has constituted an audit committee pursuant to the provisions of Section 292A of the Companies Act, 1956 to ensure full compliance will all the relevant provisions including code of corporate governance.

The Audit Committee is comprising of 3 (three) members composed of 2 Independent Directors and 1 Executive Director viz. Mr. Lalit Sharma, Chairman and Mr. Kalpesh Trivedi (having financial and accounting

MAHAN INDUSTRIES LIMITED

knowledge) and Mr. Y. K. Gupta, Member. The committee carries out functions enumerated in the listing agreement and section 292A of the Companies Act. 1956.

During the year under the review the audit committee met on 29/4/2006, 31/7/2006, 30/10/2006 and 31/1/2007.

B. REMUNERATION COMMITTEE:

- I. Remuneration committee not being a statutory requirement has not been constituted.
- II. Remuneration of employees mainly consists of fixed salaries i.e. Basic pay allowances and perquisites, which varies with different grades and is related to the qualification experience and responsibilities shared by the employees:-

C. SHAREHOLDERS COMMITTEE:

Share Transfer and Investors Grievance Committee:

The Shareholder's & Investors Grievance Committee, comprises of Mr. Y. K. Gupta, Mr. Manik Dattatreya and Mr. Kalpesh Trivedi - as members. The Share Transfer committee approves transfers, transmission issue of duplicate share certificates and approval of demat position. The investors Grievance committee consists of the aforesaid members and looks after the matters related to the grievances of the shareholders as and when received. During the period all the complaints received by the company were resolved to the satisfaction of the complainants. At the end of the period there is no pending share transfer or complaints.

5. GENERAL BODY MEETINGS:

The last three annual General Meetings were held as under:

Sr. No.	Financial Year	Date	Time	Location
1	2003-2004	30/12/2004	11.00a.m.	Registered office
2	2004-2005	30/12/2005	11.00 a.m.	Registered office
3	2005-2006	30/09/2006	10.00 a.m.	Registered office



The company has passed special resolution at the annual general meeting held on 30th December, 2005 and 30th September, 2006.

No resolution was proposed to be passed through postal ballot. No resolution is proposed to pass through postal ballot at this annual general meeting.

6. MEANS OF COMMUNICATION:

Your company complies with Clause 41 of the Listing Agreement. Quarterly Results, Annual Result and other statutory publications are being normally published in The News Line (Gujarati) & CHANAKYA NI POTHJI (English).

7. CODE OF CONDUCT

The Board of Directors has already adopted the Code of Ethics and Business Conduct for the Directors and Senior Management personnel. This code is a comprehensive code applicable to all Directors, Executive as well as Non – executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration given by the Managing Director and CEO is given below :

“The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2006 – 2007.”

Sd/-

(Yogendra Kumar Gupta)

(Managing Director)

Subsidiary Company : The Company does not have any subsidiary company.

8. GENERAL SHAREHOLDER INFORMATION:

(i)	Annual General Meeting Date, Time and Venue	Date : 29 th September, 2007 Time : 10.00 A.M. Venue : Registered Office
(ii)	Financial Calendar Year	1 st April, 2006 to 31 st March, 2007
(iii)	Date of Book Closure	24 th September, 2007 to 29 th September, 2007 (both days inclusive)

MAHAN INDUSTRIES LIMITED

(iv)	Dividend Payment Date	Not applicable
(v)	ISIN No. for ordinary shares of the company in Demat form	INE735D01017
(vi)	Registered Office	3 rd Floor, D. K. House, Nr. Mithakhali Underbridge, Ahmedabad-380006
(vii)	Registrar and Transfer Agent	M/s Magnum Limited, 3 rd Floor, Smit Complex, Choice Lane, Off. C. G. Road, Ahmedabad-380 009
(viii)	Plant Locations	Not applicable
(ix)	Investor Correspondence	Mahan Industries Limited 3 rd Floor, D. K. House, Nr. Mithakhali Underbridge, Ahmedabad-380006 Email : investor@mahan.co.in
(x)	Means of Communication	The company sends its quarterly results to Stock Exchanges by Fax & Mail.
(xi)	Any Website where it displays official releases	No
(xii)	Any presentation made to the institutional investor and analyst	No
(xiii)	Is half yearly report sent to the shareholders	No
(xiv)	Whether Management Discussion and Analysis is a part of this report	Yes
(xv)	Share Transfer System	The work of physical share transfer is handled by Registrar and Transfer Agent.
(xvi)	Listing and Stock Code	Bombay Stock Exchange - 531515 Ahmedabad Stock Exchange – 534523
(xvii)	The name and address of Stock Exchanges where Company is listed	1. The Stock Exchange, Ahmedabad 1st Floor, Kamdhenu Complex, Panjara Pole, Ambawadi, Ahmedabad – 380 015
		2. The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001



The Company has already made an application to the Ahmedabad Stock Exchange Ltd for delisting of shares. The approval is awaited.

9. FINANCIAL CALENDER:

First Quarter Result	: Last week of July
Half Quarter Result	: Last week of October
Third Quarter Result	: Last week of January
Fourth Quarter Result	: Last week of April

10. SHARE HOLDING PATTERN (AS ON 31-03-2007):

(a) Categories of Shareholders (in %)

<u>Category</u>	<u>No. of Shares</u>	<u>% of holding</u>
Promoters, Directors, & Relatives	2764958	38.67
Bodies Corporates	1736912	24.29
Public and others	2648130	37.04
Total:	7150000	100

(b) Distribution of Shares holding as on 31.03.2007

<u>No. of Equity shares</u>	<u>No. of Shareholders</u>	<u>Total no. of shares having face value of Rs. 10/- per share</u>
Upto 5000	1472	276416
5001 - 10000	221	186943
10001 - 20000	92	144489
20001 - 50000	107	453819
50001 - 100000	38	543668
100001 and above	55	5544665
	1985	7150000

* The Company has issued 1150000 Equity Shares Against optional warrant which are not listed on Stock Exchange.

DEMATERIALIZATION OF SHARES & LIQUIDITY:

Equity Shares of the Company be held in the dematerialized form with either NSDL or CDSL are 4770400 Equity Shares, representing 79.50 % of the Total listed Equity Capital were held in dematerialized form as on 31.03.2007.

MAHAN INDUSTRIES LIMITED

Auditors : M/s. Khandhar & Parikh, Chartered Accountants

Compliance Officer : Mr. Manik Dattatrey

11. CORPORATE OFFICE:

3rd Floor. D.K. House, Nr. Mithakhali Under Bridge,
Ellisbridge, Ahmedabad. 380006

DISCLOSURES

Materially significant related party transactions

All the Related Party Transactions are forming part of the notes to the Balance Sheet. Other than those there was no materially significant related party transaction with its promoters, directors or the management, their subsidiaries or relatives etc. that had a potential conflict with the interest of the Company at large

Details of non compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or Securities and Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during last three years: NIL

By Order of the Board
FOR MAHAN INDUSTRIES LIMITED

Date : 01/09/2007
Place : Ahmedabad

Yogendra Kumar Gupta
Managing Director



Auditors Certificate on Compliance with the condition of Corporate Governance under Clause 49 of the Listing Agreement.

To the members of Mahan Industries Limited,

We have examined the compliance of corporate governance by Mahan Industries Ltd. for the financial year ended 31st March, 2007 stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange of India.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the condition of corporate governance. It is neither an audit nor expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and explanation given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the financial year ended 31.03.2007, no investor grievances are pending against the company for a period exceeding one month as per record maintained by the company which are presented to the shareholders/ Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

FOR KHANDHAR & PARIKH
CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date :01/09/2007

VASANT PATEL
PARTNER

MAHAN INDUSTRIES LIMITED

AUDITORS' REPORT

To the members of
Mahan Industries Limited

We have audited the attached Balance Sheet of MAHAN INDUSTRIES LTD. as at 31st March, 2007 and also the profit and loss account and the cash flow statement for the year ended on 31st March 2007 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 the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government 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 law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss account and Cash Flow statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; *except AS-9 where Sale/Purchase transaction of traded shares are not recorded though records are maintained and only Profit/Loss on such trading are taken in the Profit & Loss Account. This, of course does not affect the Profit/Loss of the year.*
 - (e) On the basis of written representations received from the directors, as on March 31, 2007 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2007 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;
 - (f) *During the current year the company has not provided for the bank interest of Rs 364787/- on working capital loan and to that extent the loss is understated.*

Subject to the above and read together with Notes to Accounts the said Statements of Account, in our opinion and to the best of our information and according to explanations given to us, give the information as required by The Companies Act of India, 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 case of the Balance Sheet, of the state of Affairs of the company as at 31st March, 2007.
- (ii) in case of the Profit & Loss Account of the loss for the year ended on that date and
- (iii) in case of the Cash Flow Statement of the Cash Flow for the year ended on that date.

For, **Khandhar & Parikh**
Chartered Accountants

Place : Ahmedabad
Date : 01/09/2007

(Vasant Patel)
Partner



ANNEXURE TO THE AUDITOR'S REPORT
(Referred in paragraph (1) of report of even date)

- (i) a The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b In our opinion, the fixed assets have been physically verified by the management at reasonable intervals, having regard to the size of the company and nature of its assets. No material discrepancies between the book records and the physical inventory were noticed.
- c In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the company during the year.
- (ii) a The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- c The Company is maintaining proper records of inventory and no material discrepancies were noticed on the physically verification.
- (iii) a According to the information given to us the company has not granted loans to parties covered in the register maintained u/s 301 of the companies Act,1956.
- b Not applicable
- c Not Applicable
- d Not applicable
- e According to the the information given to us the company has taken loans from one party covered in the register maintained u/s 301 of the Companies Act,1956 . The maximum amount involved during the year is Rs. 226.71 lacs and the year end balance of such loans taken is 69.43 Lacs.
- f As per the information given to us the loans taken by the company are interest free and there are no specific terms and conditions and as such the loans are prima facie not prejudicial to the interest of the company.
- g The loans taken are interest free and without any specific terms and conditions and hence we have no comments to offer.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and nature of its business, for the purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) a According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered
- b In our Opinion & according to the information & explanations given to us , the transaction made with the parties during the year in pursuance of contract & arrangement entered in the register maintained under 301 of the Companies act, 1956 have been made at prices which are reasonable, having regard to the prevailing market prices at the relevant time, where such comparative market price are available.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Companies Act,1956, and the rules framed thereunder.

MAHAN INDUSTRIES LIMITED

- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) To the best of our knowledge, the Central Government of India has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for any of the products of the company.
- (ix) a According to the information and explanation given to us and according to the books and records as produced and examined by us, in our opinion, the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities.
- b According to the records of the company, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax or Cess which has not been deposited on account of any dispute. However in respect of Income tax for the A.Y.2001-02 demand of Rs.2225639/- was reduce to Rs.49490/- by CIT (A) but the department has preferred an appeal and the same is pending with ITAT.
- (x) The company has accumulated losses exceeding fifty percent of its net worth and has also incurred cash losses during the financial year. However, the company has not incurred any cash loss during the immediately preceding financial year.
- (xi) The company has defaulted in payment of dues to banks. Since the bank is closed and the amount outstanding is taken as per the books of accounts the entire amount is overdue.
- (xii) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a Chit Fund or a Nidhi Fund or a Mutual Benefit Fund / Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- a Not applicable
- b Not applicable
- c Not applicable
- d Not applicable
- (xiv) In our opinion, proper records have been maintained of the transactions and contracts of trading in shares, securities, debentures and other investments and timely entries have been made therein. All stocks of trading shares have been held by the company except to the extent of exemption if any granted under section 49 of the Act.
- (xv) According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) According to information and explanation given to us and on an overall examination we report that the company has not taken any term loan during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that short term funds have not been used to finance long term investments.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) During the year, since the company has not issued any debentures, paragraph 4(xix) of the Order is not applicable.



- (xx) The company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, during the year, no fraud on or by the company has been noticed or reported.

Place :: Ahmedabad
Date :: 01/09/2007

For, KHANDHAR & PARIKH
Chartered Accountants

VASANT PATEL
Partner
M / No. :: 44612
Address ::
58 White House
Panchvati
Ahmedabad

MAHAN INDUSTRIES LIMITED

BALANCE SHEET AS ON 31st March,2007

(AMOUNT IN RUPEES)			
PARTICULARS	SCHEDULE NO.	AS ON 31.03.2007	ASON 31.03.2006
I SOURCES OF FUNDS:			
1 Share holder's funds			
a. Share Capital	1	71500000	71500000
b. Reserve & Surplus	2	0	1661782
2 Loan Funds			
a. Secured Loans	3	24837346	131296884
b. Unsecured Loans	4	107181726	75978382
		203519072	280437048
II APPLICATION OF FUNDS:			
1 Fixed Assets	5		
Gross Block		4203365	3804287
Less: Depreciation		1572273	1244265
		2631092	2560022
2 Investments	6	4251299	4850057
3 Current Assets Loans & Advances			
a. Current Assets	7	42798653	187919901
b. Loans & Advances & Deposits	8	129904007	96326457
		172702660	284246358
4 Less: Current Liabilities & Provisions	9	29605485	11277390
5 Net Current Assets		143097175	272968968
6 Miscellaneous Expenditure (To the extent not written off or adjusted)	10	29001	58001
7 Profit & Loss Account		53510505	0
8 Notes on Accounts	15		
		203519072	280437048

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR KHANDHAR & PARIKH
CHARTERED ACCOUNTANTS

YOGENDRA KUMAR GUPTA

Mg. - DIRECTOR

PARTNER

LALIT SHARMA

- DIRECTOR

PLACE : AHMEDABAD

DATE : 01/09/2007



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st March, 2007

PARTICULARS	SCHEDULE NO.	(AMOUNT IN RUPEES)	
		AS ON 31.03.2007	ASON 31.03.2006
INCOME			
Sales		133616	0
Income From Financial Activity & Security trading	11	-54462420	11618390
Other Income	12	24000	58000
Profit on sale of investment(long term)		10279922	7341153
	TOTAL (A)	-44024882	19017543
EXPENDITURE			
Purchases Cost		132907	0
Administrative, Selling & Other Exp.	13	1621222	2478598
Interest expenses	14	8990646	10401528
Audit Fees		14045	14030
Loss on sale of Investment(Short term)		0	3073231
Preliminary & Public Issue Exp. (W/O)	10	29000	32497
Depreciation	5	328008	201041
	TOTAL (B)	11115828	16200925
PROFIT BEFORE TAX		-55140710	2816618
PROVISION FOR INCOME TAX		0	0
FRINGE BENEFIT TAX (PREVIOUS YEAR)		6357	47547
FRINGE BENEFIT TAX (CURRENT YEAR)		25220	
PROFIT AFTER TAX		-55172287	2769071
ADD : BALANCE BROUGHT FORWARD		1661782	-1107289
Less : DEFERRED TAX LIABILITY REVERSE		0	0
NET LOSS C/F TO BALANCE SHEET		-53510505	1661782

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR KHANDHAR & PARIKH
CHARTERED ACCOUNTANTS

YOGENDRA KUMAR GUPTA

Mg. - DIRECTOR

PARTNER

LALIT SHARMA

- DIRECTOR

PLACE : AHMEDABAD

DATE : 01/09/2007

MAHAN INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31st March,2007

	(AMOUNT IN RUPEES)	
SCHEDULE : 1 : SHARE CAPITAL	AS ON 31.03.2007	ASON 31.03.2006
<u>AUTHORISED</u>		
7300000 (7300000) Equity share of Rs. 10/-each	73000000	73000000
<u>ISSUED , SUBSCRIBED & FULLY PAID UP</u>		
7150000 (7150000) Equity share of Rs. 10/-each	71500000	71500000
 SCHEDULE: 2: RESERVE & SURPLUS		
Profit & Loss account	0	1661782
	0	1661782
 SCHEDULE : 3 : SECURED LOANS		
a Working Capital from Scheduled Bank Against Hypothecation of Stock & Book Debts and colletral security of Office Premises & Personal guarantee of Directors ICICI Car Loan (Against Hypothication of Car)	3039893	3114893
	307254	
b Loan Against Shares from Finance companies Secured against pledge of Shares	21490199	128181991
	24837346	131296884
 SCHEDULE : 4 : UNSECURED LOANS		
From Directors	6942671	5857899
From Others	100239055	70120483
	107181726	75978382

SCHEDULE : 5 : FIXED ASSETS

AMOUNT IN Rs.

DESCRIPTION	GROSS BLOCK				DEPRICIATION				NET BLOCK	
	AS ON 01.04.2006	ADD DURING THE YEAR	LESS DURING THE YEAR	AS ON 31-03-2007	UP TO 31-03-2006	DURING THE YEAR	ADJUST- MENT	AS ON 31-03-2007	AS ON 01.04.2007	AS ON 31.03.2006
AIR CONDITIONER	93315			93315	30911	4432		35343	57972	62404
COMPUTER	392966			392966	285363	63700		349336	43630	107330
ELECTRIC FITTINGS	48233			48233	23395	2291		25686	22547	24838
EPBAX EQUIPMENTS	15649			15649	7567	743		8310	7339	8082
FURNITURE & FIXTURES	504436			504436	315335	31931		347266	157170	189101
MACHINERY	38300			38300	6175	1819		7994	30306	32125
MOTOR CAR	1275575	391174		1666749	285035	137877		422912	1243837	990540
OFFICE EQUIPMENTS	78291			78291	29105	3719		32824	45467	49186
OFFICE PREMISES	954322			954322	163034	15555		178589	775733	791288
PRINTER	403200	7904		411104	98072	65941		164013	247091	305128
TOTAL	3804287	399078		4203365	1244265	328008		1572273	2631092	2560022
PREVIOUS YEAR FIGURES	3789037	15250	637320	3804287	1043224	201041		1244265	2560022	2745813



SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31st March, 2007

		(AMOUNT IN RUPEES)	
		COST	COST
		31.03.2007	31.03.2006
QTY	NOS.		
SCHEDULE : 6 : INVESTMENTS			
<u>QUOTED SHARES</u>			
*	Jhonmeyers Granites Ltd.	154000	154000
*	Kanhaiya Foods Ltd.	64925	64925
*	Karan Fibers & Fabrics Ltd.	1990449	1990450
	Spenta Finance Ltd.	7625	7625
	Fast Capitaal Growth ltd (P.Y.QTY 118438)	0	245167
	Indo Asian Fuse Gear Ltd (P.Y. QTY. 23000)	0	353591
	a	2216999	2815758
<u>UNQUOTED SHARES (AT COST)</u>			
	D.K. Association	300	300
	Charotar Housing Corporation	10000	10000
	Chase Infotech Ltd.	1844000	1844000
	Ujala Finstock pvt. Ltd.	180000	180000
	b.	2034300	2034300
	Total a+b	4251299	4850057
<u>NOTES :</u>			
1	Aggregate value of Quoted Investments at Cost Price	2216999	2815758
	Aggregate Market value of Quoted Investments	2216999	14375288
*	Market value of (*) marked shares is not available, hence cost of these shares has considered as Market value		
2	Aggregate value of Unquoted Investments at Cost Price	2034300	2034300
SCHEDULE : 7 : CURRENT ASSETS			
1	Stock in Trade (as taken valued & Certified by Director at Cost or Market Value which ever is lower)	27439882	169873053
2	Sundry Debtors (Unsecured & considered Good)		
	Over six Months	14771548	14946402
	Others	0	2381161
		14771548	17327562
3	Cash in Hand (as certified by the Director)	437489	526249
4	Bank Balance	149733	193037
		42798653	187919901
SCHEDULE : 8 : LOANS & ADVANCES & DEPOSITS			
(Unsecured considred good)			
Advance receivable in cash or kind for value to be received			
	Loan & Advances	129707797	96000382
	Tax Deducted at Sources	196210	326075
		129904007	96326457

MAHAN INDUSTRIES LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31st March,2007

		(AMOUNT IN RUPEES)	
		AS ON	AS ON
		31.03.2007	31.03.2006
SCHEDULE : 9 : CURRENT LIABILITIES & PROVISIONS			
<u>CURRENT LIABILITIES</u>			
Sundry Creditors		29460040	10916653
Other Current Liabilities		120424	320913
	a	29580464	11237567
<u>PROVISIONS</u>			
Audit Fee Payable		14045	14030
Expenses Payable		10976	25793
	b.	25021	39823
	Total a+b	29605485	11277390
SCHEDULE : 10 :			
MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED			
a. Preliminary Exp.		58001	87001
Less : Written off		29000	29000
	a	29001	58001
b. Public Issue Expenses		0	3497
Less :Written off		0	3497
	b.	0	0
	Total a+b	29001	58001
SCHEDULE : 11 : INCOME FROM FINANCIAL ACTIVITY & SHARE TRADING			
Interest on Loan & Deposits		402044	332848
Profit/Loss From Shares		-55100010	9515644
Dividend		235547	1769898
		-54462420	11618390
SCHEDULE : 12 : OTHER INCOME			
Rent Income		24000	18000
Income from I.T. Enable Work		0	40000
		24000	58000



SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31st March, 2007

(AMOUNT IN RUPEES)

AS ON AS ON
31.03.2007 31.03.2006

SCHEDULE : 13 : ADMINISTRATION , SELLING & OTHER EXP.

Advertisement exp.	10878	6142
Bank Charges & L.C.Expenses	10922	855
Books & Periodicals	3694	1556
Consultancy Exp.	30000	44000
Conveyance, Petrol & Traveling Exp.	453957	347336
Director's Remuneration	37500	0
Donation	5000	0
Electricity Exp.	32912	24936
Filing Fee	3500	2000
Insurance Exp.	16463	21366
Legal & mortgage Exp.	6738	2250
Listing Fee	85000	26250
NSDL-CDSL CHARGES	22448	28047
Office Expenses & Misc. Exp.	5112	22255
Office Maintenance	10800	8100
Postage Exp.	1569	1446
Printing & Stationery	31721	29939
Rent, Rates & Taxes	1000	17215
Repair & Maintenance Exp.	23938	39698
Salary, Bonus & Out sourcing Exp.	48627	84554
Share Transfer & Stamping Exp.	3503	21125
Staff welfare Expenses	20158	4925
Telephone & Internate Expenses	64094	125031
Service Tax & Other Charges	603329	1389533
Transaction Charges	88361	230040

TOTAL **1621222** **2478598**

SCHEDULE : 14 : INTEREST EXPENSES :

Bank Interest	27997	378254
Interest on ICD	389346	167902
Interest on margin funding for Purchase of Share	8573303	9855372
	8990646	10401528

SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31st March,2007

Schedule: 15 Notes to Accounts

1. Significant Accounting Policies:
 - a. Accounting Convention:

The Accounts have been prepared under the Historical Cost Convention and Going Concern basis.
 - b. Revenue and Expenditure Recognition:

Income is recognized as under:
 - i. Project Consultancy and Other Activities:

Income recognized upon completion of stages as per contracts.
 - ii. It is general policy of Company to account for all expenditure on accrual basis except otherwise stated.
 - c. Fixed Assets and Depreciation:
 - i. Fixed Assets are capitalized at cost inclusive of installation expenses. Fixed Assets are shown at cost less accumulated depreciation.
 - ii. Depreciation has been charged by straight line method (SLM) at the rates prescribed in schedule XIV to the Companies Act, 1956 on pro-rata basis.
 - d. Investments:
 - a) Quoted and Un-quoted securities are valued at cost.
 - b) Income from dividends recognized upon receipt and the gains at the time of sale of investments. Interests from inter-corporate deposit recognized on accrual basis. Securities purchased cum interest shown at cost on balance sheet date after reducing interest accrued there on from the purchase consideration.
 - e. Valuation of stocks in trade:
 - a) Stock in trade of quoted Scripts are taken at year end and closing market rate or cost whichever is lower.
 - f. Deferred Tax:

The effect at end of the year consequent to compliance with Accounting Standard 22 "Accounting for Taxes on Income" results in deferred tax asset & the same has been not recognized, as there is not virtual certainty to support that sufficient future taxable income will be available against such deferred tax assets.
 - g. Segment Reporting:

During the current year the company has dealt in shares, and also done trading in cement, the trading activity is nominal, & hence the segment information required under segment reporting is not furnished.
2. The Previous year period is of 9 months From 01-07-05 to 31-03-06



3. The Company is registered with RBI vide Reg. No.01-00247 dt.16.5.1998; as Non deposit taking Non Banking Finance Company.
4. Balance of Loans & Advances, Sundry Debtors, Sundry Creditors and Current Liabilities and classification under the above heads, in absence of any documentary support, given and accepted as agreed by management, are subject to confirmation.
5. Previous year figure's have been regrouped and rearranged wherever necessary. However figures for the Previous year is for nine months and hence not comparable.
6. Earnings/ Expenditure in Foreign Exchange - NIL
7. Expenditure of employees in respect of remuneration of not less than Rs. 24,00,000/- per year or Rs. 2,00,000/- per month if employed for the part of the year is NIL.
8. Contingent liabilities for following items has provided for is Rs. NIL (Previous year Rs.NIL).
- Income Tax demand for the Asst. Year 2001-02. The company has gone in appeal with CIT (A) against the order of ITO for assessment year 2001-02. The original demand was Rs.2225639/- was reduced to Rs. 46490/- by the CIT (A).Which was duly paid the department has filed the appeal in I.T.A.T. against this order; the appeal in ITAT is pending.
- 9 No provision of the gratuity has been made, as no employee is entitled for the same.
- 10 No provision for interest amounting to Rs. 364787/- has been made a company as applied for OTS and matter is pending & the outstanding amount of loan made as per Books is 3039893/- is subject to confirmation from Bank statement, since bank is closed.
- 11 Due to Loss no provision for income tax is required.
- 12 The company has made an application to BSE for listing the shares issued amounting to Rs. 1,15,00,000/-. Which has been rejected and necessary procedures is been carried out to rectify the same.
13. Profit and Loss from the Trading of the Shares:

PARTICULARS	31.03.2007		31.03.2006	
	Qty.	Amount Rs.	Qty.	Amount Rs.
Sales	5087381	502054416	7247387	947181723
Closing Stock	619785	27439882	2320776	169873053
Total (a)	5707166	529494298	9568163	111705477
Less: Opening Stock	2320776	169873053	2284716	154089653
Purchases/Allotment	3386390	415948878	7283447	951655142
Net Profit in Vallan Transaction & future trading	--	(1227623)	--	(1794337)
Total (b)	5707166	584594308	9568163	110753913
Net Profit /(Loss) to P & L A/c.		(55100010)		9515644

MAHAN INDUSTRIES LIMITED

14. Quantitative details of trading of Cloth, Coke, Chemicals, Building Material etc.

Sr no	Particulars	Units	Opening Stock		Purchases		Turnover		Closing Stock	
			Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount
1	<u>Bldg. Material</u>	Bags	----	----	1424	132907	1424	133616	-----	----
	a. Cement 2006-07		----	----	-----	-----	-----	-----	-----	-----
	2005-06									
2	Chemicals 2006-07	Kgs	--	--	--	--	--	--	--	--
	2005-06		10314	574000	--	--	10314	580815	-	--

15. Particulars of payment made to Auditors:

	<u>2006-2007</u>	<u>2005-2006</u>
Audit fees(including Service Tax)	Rs. 14045/-	Rs. 14030/-

16. Managerial Remuneration Paid to the Director Rs. 37500/- NIL

17. Related Party Disclosures:

a) Name of Key Management Personnel:

Mr. Yogendra Kumar Gupta - Managing Director

Mr. Manik Dattatreya C. - Director

b) Transactions during the year with key management personnel:

i) Director Remuneration RS. 37500/-

c) Outstanding Balance

i) Unsecured Loan Closing Rs. 6942671/- Rs. 5857899/-

ii) Maximum credit Balance outstanding Rs. 22671035/- Rs.10776361/-
during the year

18. Earnings per Equity Share

	<u>2006-2007</u>	<u>2005-2006</u>
Net Profit / Loss after tax	-55172287	2769070
No. of Shares of Rs.10/- each	7150000	7150000
Basic & Diluted Earning per share (in Rs.)	-7.71	0.52

19. Paisa is rounded off to nearest rupee.

20. Wherever original bills /voucher are not available we have relied on the bills /vouchers duly authenticated by the Directors.

21. In the opinion of the Board the Current assets , Loans and Advances although unsecured considered good have the value at which they are stated in the Balance Sheet if realized in the ordinary course of business.



22. The statement of significant accounting policies and the notes no. 2 to 21 form an integral part of the accounts for the period ended on 31st March, 2007.

Signature to Schedule 1 to 15 of Balance Sheet and Profit and Loss Account.

As per our report of even date.
For, KHANDHAR & PARIKH.,
Chartered Accountants

For and on behalf of Board

Y. K. Gupta- Director

Lalit Sharma- Director

VASANT PATEL
PARTNER
Place: Ahmedabad
Date: 01.09.2007

Place: Ahmedabad
Date: 01.09.2007

CASH FLOW STATEMENT

	Year Ended 31/03/2007 Amount	Year Ended 31/03/2006 Amount
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extra ordinary items	(55140710)	2816618
Adjustment for:		
Depreciation	328008	201041
Provision for MICS EXP. WRITTEN OFF	29000	32497
Income Tax Refund (paid)	(31577)	(47547)
(A)	(54815279)	3002609
Adjustment for:		
Current Assets (B)	(111411635)	(55789238)
Current Liabilities (C)	(18328095)	(6008937)
Net Cash from operating activities D = A+B+C	(74924451)	(58795566)
CASH FLOW FROM INVESTING ACTIVITY		
Sale /Purchase of Fixed Assets	(399078)	(15250)
Sale /Purchase of Investment	598758	14374302
Net Cash Generated From investing activities (E)	199680	14359052
B. CASH FLOW FROM FINANCE ACTIVITY		
Borrowing (Net)	(75256194)	43577085
Net Cash from financing activities (F)	(75256194)	43577085
Add/(Less): Prior period Items (G)	0.00	0.00
NET INCREASE IN CASH/BANK BALANCE H=D+E+F+G	(132063)	(859429)
CASH/BANK BALANCE OPENING	719286	1578715
CASH/BANK BALANCE CLOSING	587223	719286

As per our report of even date attached

For, KHANDHAR & PARIKH.
Chartered Accountants

For and on behalf of Board

VASANT PATEL
PARTNER

Mr. Yogendra Kumar Gupta – Mg. Director

Place : Ahmedabad
Date : 01.09.2007

Lalit Sharma - Director

We have verified the attached Cash Flow Statement of MAHAN INDUSTRIES LTD. and found the same in agreement with audited P&L A/c. and Balance sheet of the same date it has been drawn in accordance with the requirement of Clause 32 of the listing agreement with the Stock Exchange.

Place : Ahmedabad

For, KHANDHAR & PARIKH
Chartered Accountants
Date : 01.09.2007
VASANT PATEL

PARTNER



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details		
Registration No.	24053	
Balance Sheet Date	31 st March, 2007	State Code : 004
2. Capital Raised during the year		
Public Issue		Preferential Issue
Nil		Nil
Bonus Issue		Share Warrant
Nil		Nil
3. Position of Mobilisation and Deployment of funds (Rs. In Lacs)		
Total Liabilities		Total Assets
2035.19		2035.19
SOURCES OF FUNDS:		
Paid up Capital		Secured Loans
715.00		248.37
Unsecured Loan		
1071.82		
APPLICATION OF FUNDS :		
Net Fixed Assets		Investments
26.31		42.51
Net Current Assets		Miscellaneous Exp.
1430.97		0.29
Accumulated Losses		
535.11		
4. Performance of Company (Rs. In Lacs)		
Total Income (Incl. Other Income)		Total Expenditure
(-)440.25		111.16
Profit Before Tax		Profit After Tax
(-)551.41		(-) 551.72
Earning per Share		Dividend Rate %
(-) 7.71		Nil
5. Generic Names of Three Principal Products/Services of the Company		
Item Code No. (ITO CODE)		Service Description
Not Applicable		Not Applicable

For and on behalf of Board

Mr. Yogendra Kumar Gupta – Mg. Director

Lalit Sharma - Director
Place: Ahmedabad

Date: 01.09.2007.

MAHAN INDUSTRIES LIMITED

Registered Office:

3rd Floor, D.K.House, Nr. Mithakhali Under Bridge, Ahmedabad – 380 006.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Place)

13th Annual General Meeting 29th September, 2007

I/We hereby record my/our presence at the 13th Annual General Meeting held at 3rd Floor, D.K.House, Nr. Mithakhali Under Bridge, and Ahmedabad-380 006. On Saturday, 29th September 2007 at 10-00a.m.

Full Name of the Member (IN BLOCK LETTERS) _____

Reg. Folio No. _____ No. of Shares held _____

Full Name of the Proxy (IN BLOCK LETTERS) _____

SIGNATURE OF THE MEMBER (s) OR PROXY/PROXIES PRESENT

(Please complete and sign this attendance slip and handover at the Registered Office, only Member (s) of their Proxies with this Attendance Slip will be allowed entry to meeting.)

Tear of

MAHAN INDUSTRIES LIMITED

Registered Office:

3rd Floor, D.K.House, Nr. Mithakhali Under Bridge, Ahmedabad – 380 006.

PROXY FORM

Reg. Folio No. _____ No. of Share held _____ I/we _____

_____ of _____ in the _____

District of _____ being a member / members of Mahan Industries Ltd., hereby

Appoint _____ of _____ in the District _____

Of or failing him/her _____ of _____ in District of _____

As my/our Proxy to attend and vote for me/us and on my/our behalf at the Thirteen Annual General Meeting of the company to be held on Saturday, 29th September 2007 and at any adjournment thereof.

As witness my hand/our hands this _____ day of _____

_____ 2007.

Affix
Revenue
Stamp of
Rs. 1.

Signed by said

1. The form should be signed across the stamp as per specimen signatures registered with the Company.
2. The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before time fixed for holding the aforesaid meeting.

The directors of your company are exploring possibility of profitable venture and hopeful of improved result in years to come.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors of the company during the year have explored all the possibilities to develop the business so as to get the maximum returns to its shareholders. The company during the financial year traded in financial securities and lost having during market crash of May-2006. Looking to the present scenario of overall economic growth. At present the company look forward and trying to explore possibilities in the business in bio-fuel, and give improved results.

The company has an adequate internal control system. The audit committee frequently meets to review the financial performance of the company.

DIRECTORS:

Shri Chanakya Shukla and Kalpesh Trivedi retires by rotation and being eligible offers themselves for re-appointment. Members are requested to reappoint them.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the listing agreement the report on Corporate Governance is attached which forms part of the Directors Report.

AUDITORS AND AUDIT REPORT

M/s Khandhar & Parikh, Chartered Accountants, the Auditors of the Company retire at the conclusion of the Thirteenth Annual General Meeting & being eligible offer themselves for re-appointment. The Company has received a letter from the auditors of the Company stating that their appointment, if made will be within the limits specified in Section 224 (1B) of the Companies Act, 1956. Your Directors recommend their appointment.

The observations made by the Auditors' in their report are self-explanatory and therefore, do not call for any comments.



NOTICE

Notice is hereby given that 13th Annual General Meeting of the Members of MAHAN INDUSTRIES LIMITED will be held on Saturday, September 29, 2007 at 10.00 a.m. at the Registered office of the Company at 3rd Floor, D. K. House, Nr. Mithakhali Underbridge, Ahmedabad-380006 (Gujarat) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2007 and Profit & Loss Account on that date together with the Reports of Directors' and Auditors' thereon.
2. To appoint Director in place of Shri Chanakya Shukla who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Director in place of Shri Kalpesh Trivedi who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board

FOR MAHAN INDUSTRIES LIMITED

Date : 01/09/2007

Yogendra Kumar Gupta

Place : Ahmedabad

Managing Director

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be the member of the company.

Book - Post

If undelivered please return to
MAHAN INDUSTRIES LTD.
3rd Floor D.K. House,
Nr. Mithakhali Under Bridge.
Ahmedabad - 380 006.