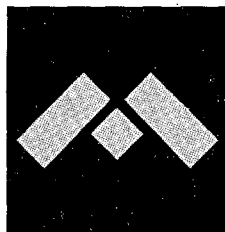
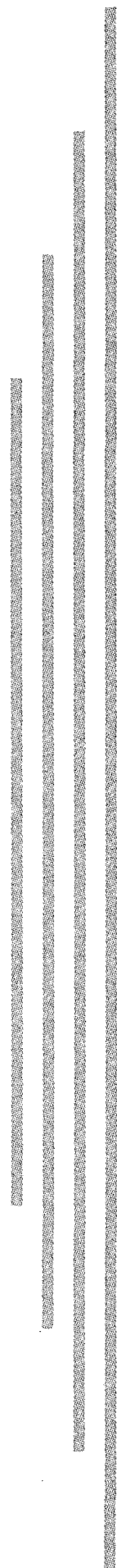


17TH ANNUAL REPORT

2008-2009



MAGNUM LIMITED





COMPANY INFORMATION

BOARD OF DIRECTORS :

Dr. Nagesh Bhandari	:	Chairman & Director
Mr. Shailesh Bhandari	:	Director
Mr. Hemant Desai	:	Director
Mr. Munendrasingh Jadon	:	Director

COMMITTEES OF BOARD:

AUDIT COMMITTEE :

Mr. Munendrasingh Jadon	:	Chairman
Mr. Hemant Desai	:	Member
Mr. Shailesh Bhandari	:	Member

SHAREHOLDERS' GRIEVANCE COMMITTEE :

Dr. Nagesh Bhandari	:	Chairman
Mr. Hemant Desai	:	Member
Mr. Munendrasingh Jadon	:	Member

AUDITORS :

M/s Asim Mehta & Associates

Chartered Accountants
Ahmedabad

BANKERS :

Bank of India

Navrangpura Branch
Swastik Char Rasta
Navrangpura
Ahmedabad

SHARE TRANSFER AGENT :

M/s Link Intime India Private Limited

(Formerly known as Intime Spectrum Registry Limited)
211, Sudarshan Complex,
Nr. Mithakhali Under Bridge Navrangpura, Ahmedabad – 380 009
Ph. (O) : 079 – 26465179
E-mail : ahmedabad@linkintime.co.in

REGISTERED OFFICE :

A-1, Skylark Apartment,
Satellite Road, Satellite,
Ahmedabad – 380 015,
Ph (O) : 079 – 26768844, (Fax) : 079 – 26768855
E-mail : magnum_ahd@yahoo.co.in



NOTICE FOR ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of Magnum Limited will be held on Wednesday, 30th day of September, 2009 at 10.00 A.M. at the Registered Office of the Company at A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380015 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit & Loss Account as on that date together with the Report of the Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Hemant Desai, who retires by rotation and is eligible for re-appointment.
3. To re-appoint Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and fix their remuneration.

By Order of the Board of Directors

Date : 31st August, 2009
Place : Ahmedabad

Nagesh Bhandari
Chairman

NOTE:

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY AS PER THE FORMAT INCLUDED IN THE ANNUAL REPORT SHOULD BE RETURNED TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. Members / Proxy should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
3. Members desiring any information on the Accounts are requested to write to the Company at least 10 days prior to the meeting so as to enable the Management to keep the information ready at the Meeting.
4. The register of members and share transfer books of the Company will remain closed from 22nd September, 2009 to 30th September, 2009 (Both days inclusive).

Particulars of the Director seeking Re-Appointment at the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement

Name of Director	Mr. Hemant Desai
Age	54 years
Date of Appointment	10th November, 2005
Qualification	B.E. Electronics
Expertise in functional areas	He is engaged in the filed of Medical Transcription. He is concentrating on sourcing business from US Clients.
Companies in which he holds Directorship / Committee Memberships	NIL

**DIRECTORS' REPORT**

To
The Members,
MAGNUM LIMITED
Ahmedabad

Your Directors have pleasure in presenting the 17th Annual Report on the business and operations of the Company together with Audited Accounts for year ended on 31st March, 2009.

FINANCIAL PERFORMANCE :

(Amount in Rupees)

Particulars	Year ended 31st March, 2009	Year ended 31st March, 2008
Sales and other Income	64,281	106,541
Profit / (Loss) before Interest, Deprecation & Tax	(454,072)	(948,316)
Profit / (Loss) before Deprecation & Tax	(455,309)	(952,318)
Profit / (Loss) before Tax	(1,945,926)	(2,003,874)
Provision for Fringe Benefit Tax	0	2000
Deferred Tax Assets / (Liability)	405,288	215,868
Net Profit / (Loss)	(1,540,638)	(1,790,006)
Balance Carried Forward	(2,344,944)	(804,306)

DIVIDEND :

Due to the loss incurred by the Company, your Directors express their inability to recommend any dividend for the year under review.

OPERATIONS :

During the year, the Company has discontinued the activity related to share transfer agent. Your Company has achieved a total income of Rs. 64,281 during the year compared to Rs. 106,541 of the previous year. The net Loss during the year was Rs. 1,540,638 compared to Net Loss of Rs. 1,790,006 during the previous year.

DIRECTORS :

Pursuant to sub-section (1) of section 256 of the Companies Act, 1956 and clause (1) of Article 126 of Article of Association of the Company, Mr. Hemant Desai, Director of the Company retires from the Board at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to section 217(2AA) of the Companies (Amendment) Act, 2000 of the Companies Act, 1956, the Board of Directors of the Company hereby confirms :

1. That in the preparation of the accounts for the financial year ended 31st March, 2009, the applicable accounting standards had been followed alongwith proper explanations relating to material departures;
2. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year of the Company and the loss of the company for that period;
3. That 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;
4. That the Board of Directors had prepared the accounts for the financial year ended 31st March, 2009 on a going concern basis.

AUDITORS :

Pursuant to sub-section (1) of the section 224 of the Companies Act, 1956, M/s Asim Mehta & Associates, Chartered Accountant, Ahmedabad, hold office until the conclusion of ensuing Annual General Meeting and are recommended for re-appointment. The Board recommends their re-appointment.



DEPOSITS :

The Company has not accepted any deposits during the year to which the provisions of section 58A and 58AA of the Companies Act, 1956 are applicable.

CORPORATE GOVERNANCE :

Your Company has complied with the mandatory provisions of Clause 49 relating to Corporate Governance of the Listing Agreement with the Stock Exchanges. A separate section on Corporate Governance and the certificate from Company's auditors confirming the compliance of conditions on Corporate Governance is annexed and forms part of this Report.

HUMAN RESOURCES :

Your Directors wish to place on record their deep appreciation to employees at all levels for their all round efforts, dedication, commitment and loyal services to the Company during the year under review.

PARTICULARS OF EMPLOYEES :

The particulars required under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not applicable as there are no employees falling in that category.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :

The information required under the provisions of the section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are Nil. There was no foreign exchange earning and outgo by the Company during the said year.

APPRECIATION AND ACKNOWLEDGEMENT :

The Board of Directors are pleased to place on record their appreciation for the continued guidance and support provided by Customers, Banks, Government Authorities, Auditors and Shareholders during the year under review. The Board also would particularly like to express great appreciation for the understanding and support extended by the employees at all levels.

Date : 31st August, 2009

Place : Ahmedabad

By Order of the Board of Directors

Nagesh Bhandari
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW :

The World economy has witnessed a financial crisis during the year 2008-2009 and the Indian economy was not an exception to it. India also witnessed an impact of the global turmoil and all the sectors including financial & service sector was badly affected.

During the year, the Company has discontinued the activities related to Share Transfer Agent and has surrendered the lease line to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As such no major activity was carried out by the Company during the year 2008-2009.

OPPORTUNITIES AND THREATS :

The financial crisis all over the world has affected all sectors and there was a less demand in the financial and service sector. The primary and secondary stock market is reviving with a slower speed during the last couple of months. As the company was engaged in share transfer related activities, there are ample opportunities available for the Company to revive the said business.

The crash in the Stock Markets in India during the last 18 months has narrowed down the scope of share transfer related activities. Apart from that there is tough competition in the business of Share transfer activity. During the year, the company has discontinued the share transfer related activities.

SEGMENT ANALYSIS AND REVIEW :

The activity of the Company was to provide service of Share Transfer related activity. Therefore the Company operates in a single business / geographical segment as envisaged in Accounting Standard (AS-17) issued by the ICAI. Hence segment wise performance is not furnished.

FUTURE OUTLOOK :

The future of Share Transfer related activities is by and large dependent upon the growth of primary and secondary capital market. With the revival of the primary capital market, there is a good opportunity for the Company to expand the activities of the Company and to provide the services to more companies.

RISKS & CONCERNS :

Our Company like other companies is exposed to various types of risks, such as financial risks, business risks, legal & statutory risks, political risks, management risks, environmental risks, knowledge risks etc. Externally, the Company is exposed to financial risks, strategic risks, operational risks and hazard risks. Internally, it is exposed to liquidity & cash flow risks, risks regarding intellectual capital, accounting controls, information systems etc.

Most significant of all such risks is regarding uncertainty of capital market, which may lead to fluctuations in share transfer related activities.

Your Company has put in place a Comprehensive Enterprise Risk Management System. All the risk factors related to company and its Client Companies have been identified and countermeasure for mitigation of such risk have been planned and are being implemented.

INTERNAL CONTROL AND ADEQUACY :

Magnum Ltd. has a proper and adequate internal control to ensure all assets are safeguard and protected against loss from unauthorized use or disposition,

The Internal Control System is designed to ensure that financial and other records are reliable for preparing financial information and other Data and for maintaining accountability of the assets. Our Company has robust internal system and process in place for ensuring the smooth conduct of its operations.

The integrity and reliability of the internal control systems are achieved through clear policies and procedures.

FINANCIAL PERFORMANCE :

During the year 2008-2009, the total income of the Company was Rs. 64,281 compared to Rs. 1,06,541 of the previous year. This was mainly due to discontinuation of share transfer related activity by the company.

The Net Loss before tax of the Company during the year was Rs. 19,45,926 against Rs. 20,03,874 during the previous year. The Net Loss after tax including deferred tax was Rs. 15,40,638 as against Rs. 17,90,006 in the previous year.



HUMAN RESOURCES :

Our Company has great value in the commitment, competence and vigour shown by its employees in all aspects of business. Our Company confirms its commitment to take initiatives to further align its HR Policies in order to meet the growing needs of the business.

We have employee focus in a sense that it provides fulfillment, stretch and development for its employees at all levels. It's all because of the considerable skill and motivation of employees, our Company is able to deliver customer satisfaction.

The board would like to express its sincere appreciation and gratitude on behalf of all the stakeholders of the Company, who benefit from the hard work of the employees.

CAUTIONARY STATEMENT :

Statement in this Management Discussion and Analysis report detailing the Company's objective, projections about the future, estimates, expectations or predictions including, but not limited to, statements about the Company's strategy for growth, products development, market position and expenditures may be "forward – looking statements" within the meaning of applicable securities laws and regulations.

Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes or other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.



REPORT ON CORPORATE GOVERNANCE

Corporate Governance is globally recognized as a fundamental component for the robust operation of every corporate entity. Sound governance practices and responsible corporate behavior contribute to superior long-term performance of Companies. It has evolved into a set of guidelines, designed to ensure a firm commitment to values and ethical conduct by corporates.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's Philosophy on Corporate Governance is that the Corporate Governance Code of the Listing Agreement ("the Code") prescribes only a minimum framework for governance of a business in corporate framework. The Company's philosophy is to develop this desired minimum framework and institutionalise the spirit it entails. This will lay the foundation for further development of superior governance practices, which are vital for growing successful business and for furthering the interest of all stakeholders in the best possible manner.

The Company recognises that transparency, disclosure, financial controls and accountability are the pillars of any good system of corporate governance. The policies and actions of the Company are in terms of guidelines on Corporate Governance with endeavour to enhance shareholders' value.

I. BOARD OF DIRECTORS :

The Board of Directors of the Company has an optimum combination of Executive and Non-executive Directors. The Board of Directors comprises of four Directors of which two Directors are Independent & Non-Executive Directors. Composition of Board is in conformity with the provisions of the Clause 49 (I)(A) of the Listing Agreement.

Composition of the Board of Directors and other related matters as on 31st March, 2009 are given below:

Name of Directors	Category	No. of other Directorship held	No. of board committees of which member/ Chairman
Dr. Nagesh Bhandari	Chairman & Promoter Director	6	NIL
Mr. Shailesh Bhandari	Promoter Director	9	NIL
Mr. Hemant Desai	Independent Non-Executive Director	NIL	NIL
Mr. Munendrasingh Jadon	Independent Non-Executive Director	NIL	NIL
Mr. Avinash Bhandari*	Promoter Director	2	NIL
Dr. Gitesh Shah*	Non-Executive Director	1	NIL

* Mr. Avinash Bhandari and Dr. Gitesh Shah has resigned from the Directorship of the Company w.e.f. 1st June, 2008

Details of Directorship given above exclude directorship held in Private Companies, unlimited companies and Companies registered under section 25 of the Companies Act, 1956. Details of committee membership includes Membership / Chairmanship of Audit Committee and Shareholders' / Investors' Grievances Committee only.

BOARD MEETING:

The Board Meetings are normally held at the registered office of the Company in Ahmedabad. The Board meets at least once a quarter with gap between two meetings not exceeding four months. The Board agenda papers and other explanatory notes are circulated to the Directors in advance.

During the year under review, the Board of Directors met 6(Six) times on 30th April, 2008, 1st June, 2008, 31st July, 2008, 3rd September, 2008, 22nd October, 2008 and 31st January, 2009.

The following table gives the attendance record of the Directors at the Board as well as last Annual General Meeting held on 30th September, 2008.



Name of Directors	No. of Board Meeting Attended	Attendance at the Last Annual General Meeting
Dr. Nagesh Bhandari	06	YES
Mr. Shailesh Bhandari	06	YES
Mr. Hemant Desai	06	NO
Mr. Munendrasingh Jadon	06	YES
Mr. Avinash Bhandari*	01	NO
Dr. Gitesh Shah*	NIL	NO

* Mr. Avinash Bhandari and Dr. Gitesh Shah have resigned from the Directorship of the Company w.e.f 1st June, 2008

II. COMMITTEES OF BOARD :

Currently Magnum Limited has two Board level committee viz. Audit Committee and Shareholders' Grievance Committee. Both Committees have combination of Executive, Non-executive and Independent Directors. The Board is responsible for the constitution, co-opting and fixing the terms of reference for Committee members of the said Committee.

A. AUDIT COMMITTEE :

Composition of the Audit Committee is in compliance with the requirements of Clause 49 (II)(A) of Listing Agreement and section 292A of the Companies Act, 1956.

The members of the Audit Committee for the year ended on 31st March, 2009 are as under:

1. Mr. Munendrasingh Jadon Chairman
2. Mr. Hemant Desai Member
3. Mr. Shailesh Bhandari Member (w.e.f 01/06/2008)
4. Mr. Avinash Bhandari Member (upto 01/06/2008)

The meetings of Audit Committee are normally held at the registered office of the Company in Ahmedabad. The Committee meets at least four times in a year and not more than four months shall elapse between two meetings.

During the year under review five meetings of the Audit Committee were held on 30th April, 2008; 31st July, 2008; 3rd September, 2008; 22nd October, 2008 and 31st January, 2009.

The following table gives the attendance record of the Members of the Audit Committee.

Name of Member	Designation	No. of Committee Meeting attended
Mr. Munendrasingh Jadon	Chairman	05
Mr. Hemant Desai	Member	05
Mr. Shailesh Bhandari	Member	04
Mr. Avinash Bhandari*	Member	01

Terms of reference of the Audit Committee are in compliance with the provisions Clause 49 of the Listing Agreement and the Companies Act, 1956.

B. REMUNERATION COMMITTEE:

The Company has not constituted a Remuneration Committee. At present, the Company does not pay any remuneration to Directors of the Company.

The Non-executive Directors do not draw any remuneration from the Company either by way of sitting fees or commission.

**C. SHAREHOLDERS' GRIEVANCE COMMITTEE :**

Composition of the Shareholders' Grievance Committee is in compliance with the requirements of Clause 49 of Listing Agreement.

The members of the Shareholders' Grievance Committee for the year ended on 31st March, 2009 is as under:

- | | |
|----------------------------|----------|
| 1. Dr. Nagesh Bhandari | Chairman |
| 2. Mr. Hemant Desai | Member |
| 3. Mr. Munendrasingh Jadon | Member |

The meetings of Shareholders' Grievance Committee are normally held at the registered office of the Company in Ahmedabad. The Committee met from time to time during the year under review for redressal of the shareholder's grievances. The Shareholders' Grievance Committee is authorised to review the process of transfer and dematerialization of shares and redressal of shareholders grievance, if any and expedite process of redressal of Complaints like non-transfer of shares, non-receipt of annual report etc.

The Company has not received any complaints during the year under review.

During the financial year 2008-2009, four meetings of the Shareholders' Grievance Committee were held. There was no pending share transfer, which were received more than one month prior to that date.

As per clause 47(a) of Listing Agreement, Ms. Meenu Maheshwari, Company Secretary of the Company was designated as Compliance Officer of the Company. Due to resignation of Ms. Meenu Maheshwari on 30th April, 2009, Mr. Shailesh Bhandari, Director of the Company was designated as Compliance Officer of the Company w.e.f. 30th April, 2009.

III. GENERAL BODY MEETINGS :

Details of Annual General Meetings (AGMs) held during the last three years are as follows:

AGM	Financial Year	Venue	Date & Time Resolution	No. of Special
16 th	2007-2008	A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015	30 th September, 2008 At 11.00 A.M.	NIL
15 th	2006-2007	A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015	29 th September, 2007 At 11.00 A.M	NIL
14 th	2005-2006	3 rd Floor, Smit Complex, Choice Lane, Off. C. G. Road, Navrangpura, Ahmedabad – 380 009	30 th September, 2006 At 11.00 A.M.	1

SPECIAL RESOLUTION:

- [1] Special Resolution under SEBI (Delisting of Securities) Guidelines, 2003 for voluntary delisting of equity shares of the Company from Ahmedabad Stock Exchange Limited and Vadodara Stock Exchange Limited was passed at the 14th Annual General Meeting held on 30th September, 2006.

Special Resolution moved at the above General Meeting was unanimously passed by a show of hands by the shareholders present at the meeting.

POSTAL BALLOT:

No Special Resolution was passed through Postal Ballot under Section 192A of the Companies Act, 1956 and the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 during the year 2008-2009 nor any resolution is proposed to be conducted through postal ballot.

IV. DISCLOSURES:**Disclosures on materially significant related party transactions:**

There are no materially significant related party transaction *i.e.* transaction material in nature, between the

**NOTE:**

Annual Listing fees for the year 2009-2010 have been duly paid to the Bombay Stock Exchange Ltd. and Annual Custodial Fees for the year 2009-2010 have been duly paid to the NSDL and CDSL.

F] Stock Code:

a)	Bombay Stock Exchange Limited	:	530347
b)	ISIN	:	INE591B01018

G] Registrar & Share Transfer Agent:

Shareholders are requested to send all documents pertaining to transfer and related request and other communication in relation thereto directly to the Registrar at the following address.

M/s Link Intime India Pvt. Ltd.

(Formerly known as Intime Spectrum Registry Limited)

211, Sudarshan Complex,

Nr. Mithakhali under Bridge,

Navrangpura, Ahmedabad – 380 009

Ph. No. : 079-26465179 E-mail : ahmedabad@linkintime.co.in

H] Share Transfer System:

Powers to approve share transfers and dematerialisation / rematerialisation of shares has been delegated to M/s Link Intime India Pvt. Ltd., Registrar & Share Transfer Agent of the Company for expeditious disposal of shareholders' requests and complaints.

I] CATEGORIES OF SHAREHOLDING AS ON 31ST MARCH, 2009 :

Category	No. Of Shares	% of Share Capital
Promoter and Promoter Group	1937033	44.29
Mutual Funds	62800	1.44
Corporate Bodies	413233	9.45
NRIs	37807	0.86
Clearing Members	2075	0.05
Indian Public	1920152	43.91
TOTAL	4373100	100.00

J] DEMATERIALISATION OF SHARES AND LIQUIDITY :

The Shares of the Company are under compulsory trading in demat form. Total 33,26,285 equity shares representing 76.06% were held in demat form and balance 10,46,815 equity shares representing 23.94% were held in physical form as on 31st March, 2009

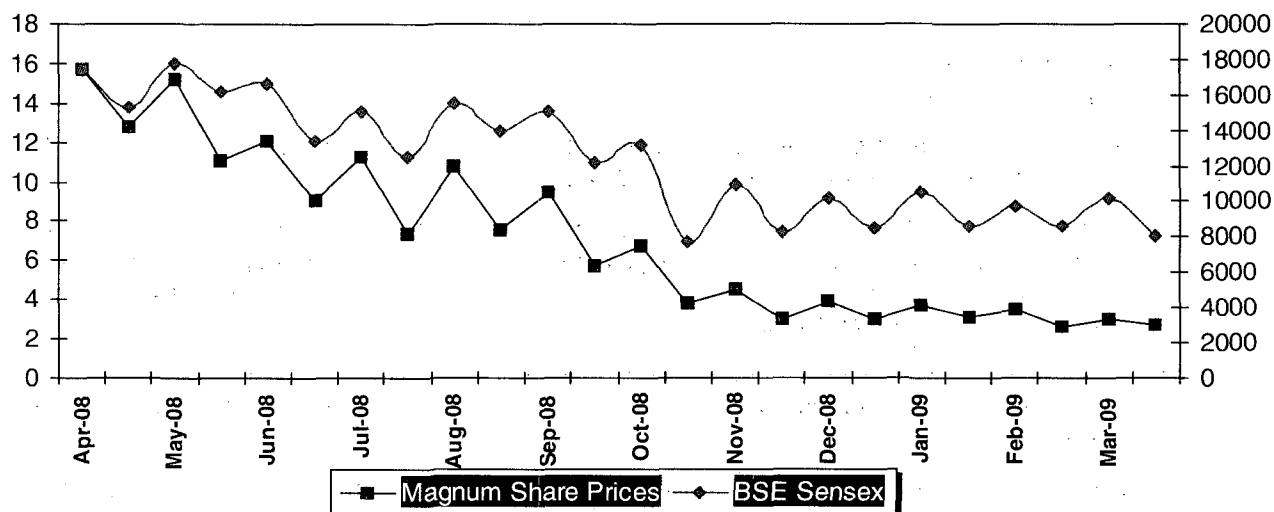
K] DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2009 :

Category	No. of Shareholders		No. of Shares	
	Total	% of Shareholders	Total	% of Shares
1 to 500	2646	80.77	487471	11.15
501 to 1000	323	9.86	274945	6.29
1001 to 2000	142	4.33	213022	4.87
2001 to 3000	48	1.46	121630	2.78
3001 to 4000	21	0.64	71462	1.63
4001 to 5000	16	0.49	75601	1.73
5001 to 10000	31	0.95	238607	5.46
10001 and above	49	1.50	2890362	66.09
TOTAL :	3276	100.00	4373100	100.00

**L] MARKET PRICE DATA:**

The monthly movement of equity share price during the year 2008-2009 at Bombay Stock Exchange Limited (BSE) is summarised as below:

Month	Share Price		BSE Sensex	
	High Price (Rs.)	Low Price (Rs.)	High	Low
April 2008	15.64	12.75	17,480.74	15,297.96
May 2008	15.19	11.09	17,735.70	16,196.02
June 2008	12.10	9.01	16,632.72	13,405.54
July 2008	11.30	7.30	15,130.09	12,514.02
August 2008	10.80	7.56	15,579.78	14,002.43
September 2008	9.44	5.71	15,107.01	12,153.55
October 2008	6.73	3.80	13,203.86	7,697.39
November 2008	4.56	2.99	10,945.41	8,316.39
December 2008	3.88	3.02	10,188.54	8,467.43
January 2009	3.74	3.07	10,469.72	8,631.60
February 2009	3.49	2.60	9,724.87	8,619.22
March 2009	3.03	2.74	10,127.09	8,047.17

STOCK PRICE**M] OUTSTANDING GDR / ADR / WARRANTS AND CONVERTIBLES BONDS, CONVERSION DATE AND LIKELY IMPACT ON THE EQUITY:**

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments as on date.

N] DEMATERIALISATION OF SHARES:

Equity Shares of the Company can be traded in dematerialised form only by all investors. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Demat security (ISIN) code for the equity shares in **INE591B01018**.

O] REGISTERED OFFICE & ADDRESS FOR CORRESPONDENCE:**MAGNUM LIMITED**

A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015

Ph. No. : 079-26768844, Fax No. : 079-26768855

Email : magnum_ahd@yahoo.co.in



DECLARATION OF CODE OF CONDUCT

In accordance with Clause 49(ID) of the Listing Agreement with the Stock Exchange, I Shailesh Bhandari, Director of the Company hereby declares that the Board of Directors have laid down a Code of Conduct for the Board Members and Senior Management of the Company and the Board Members and Senior Management have affirmed compliance with the said Code of Conduct for the year ended on 31st March, 2009.

Date : 31st August, 2009

Place : Ahmedabad

Shailesh Bhandari

Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
MAGNUM LIMITED
Ahmedabad

We have examined the compliance of Corporate Governance for the year ended on March 31, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the Compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements.

Our the basis of our verification, and us certified by Compliance Officer (Company Secretary), we have to state that no investors grievances were remaining unattended/pending for more than thirty days.

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, Asim Mehta & Associates
Chartered Accountants

Place : Ahmedabad

Date : 31st August, 2009

Asim C. Mehta

Proprietor

M. No. 35039



AUDITORS' REPORT

To,
The Members of
MAGNUM LIMITED

We have audited the attached Balance Sheet of MAGNUM LIMITED as at 31st March, 2009, the profit and loss account and also the cash flow statement for the year ended on that date annexed thereon. 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.

1. We conducted our audit with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure, a statement on the matters specified in paragraph 4 & 5 of the said order.
3. Further to our statements in the Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper Books of Account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet and 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 and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of written representations received from the Directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2009 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 with other notes thereon give the information required by the Companies Act 1956, in the manner so required and subjects to our notes on accounts and remarks as stated in Companies (Auditors Report) Order, 2003 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 at 31st March, 2009; and,
 - (ii) In the case of Profit and Loss Account, of the loss of the year ended on that date
 - (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For, Asim Mehta & Associates
Chartered Accountants

Place : Ahmedabad
Date : 31st August, 2009

Asim C. Mehta
Proprietor
M. No. 35039

ANNEXURE TO THE AUDITORS' REPORT:

(REFERRED TO IN PARAGRAPH [2] OF OUR REPORT OF EVEN DATE.)

As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of book & records of Company as we considered appropriate & according to the information and explanation given to us, during the course of our Audit, we report that in our opinion.

- 1) (a) The Company has not maintained records showing full particulars including quantitative details and situation of fixed Asset.
(b) All the fixed assets have not been verified by the management during the year but, according to the information and explanations given to us, there is a regular Programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
(c) During the year, in our opinion, a substantial part of fixed assets has not been disposed off by the Company, which would affect the going concern of the Company.
- 2) The company is in service Sector & is engaged in the area of Registrar and Share Transfer activity and also Software development, hence company has no stock of Inventory
- 3) (a) The company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Act during the financial year under the audit.
(b) Repayment of interest free loans from associates is not done hence there is no repayment involved.
- 4) In our opinion and according to the information and explanations given to us, and subject to notes of accounts, having regard to the explanations that there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- 5) (a) In our opinion and according to the information and explanations given to us, during the year, no transactions that need to be entered into the Register maintained and Section 301 of the Companies Act, 1956 have been found.
(b) In our opinion and according to the information and explanations given to us, there are no such transactions exceeding Rs. five lakhs each which have been made at prices, which are not reasonable having regard to the prevailing market prices, for such goods, materials or services at the relevant time.
- 6) As per explanation given to us, the Company has not accepted any deposits from public to which the provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 would apply. Therefore, the provisions of clause 4 (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 7) In our opinion the company has no internal Audit System commensurate with its size and nature of its business.
- 8) The Central Government has not prescribed the maintenance of the cost record u/s 209(1) (d) of the Companies Act, 1956 and hence the provisions of clause 4 (viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 9) (a) In our opinion and according to the information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including the investor education and protection fund, provident fund, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.



- (b) In our opinion and according to the explanation given to us, and the records examined by us there are no dues to be deposited on account of dispute.
- 10) The company has accumulated losses as at 31st March, 2009 amounted to Rs.23, 44,944 and has incurred cash loss of Rs. 4, 55,028 during the financial year ended on that date.
 - 11) Based on our audit procedures and on the information and explanations given by the management, the company has not obtained any loans from any financial Institution or bank.
 - 12) The company has not granted any loans and advances on the basis of security by way of pledge of shares, and other securities.
 - 13) In our opinion, the company is not a chit/ fund or a nidhi/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.
 - 14) In our opinion and according to the information and explanations given to us, the company is not a dealer or trader in securities.
 - 15) The company has not given any guarantees for loans taken by others from banks or financial institutions, the terms and conditions, whereof, in our opinion, are prima facie, prejudicial to the interest of the company.
 - 16) The company has not obtained any term loans that were not applied for the purpose for which these were raised.
 - 17) Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment, and vice versa.
 - 18) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
 - 19) The Company has not raised any money by public issue during the year.
 - 20) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For, Asim Mehta & Associates
Chartered Accountants**

Place : Ahmedabad
Date : 31st August, 2009

**Asim C. Mehta
Proprietor
M. No. 35039**

**BALANCE SHEET AS AT 31ST MARCH 2009**

(Amount in Rupees)

Particulars	Schedule No.	As at 31st March 2009	As at 31st March 2008
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	1	43731000	43731000
Reserves & Surplus	2	9109600	9109600
		52840600	52840600
DEFERRED TAX LIABILITY	3	996657	1401945
LOAN FUNDS			
Unsecured Loans	4	4300000	3800000
		58137257	58042545
TOTAL			
APPLICATION OF FUNDS :			
Fixed Assets			
Gross Block	5	14690714	14690714
Less : Depreciation		13474890	11983993
Net Block		1215824	2706722
INVESTMENT			
	6	13567109	13567109
CURRENT ASSETS LOANS & ADVANCES			
	7	42210411	42237489
LESS : Current Liabilities & Provisions	8	1201030	1273081
NET CURRENT ASSETS		41009381	40964408
MISCELLANEOUS EXPENDITURES :	9	2344944	804306
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
		58137257	58042545
TOTAL			
Significant Accounting Policies and Notes Formatting Part of Accounts	15		

As per our report of even date attached

For and behalf of the board

For, Asim Mehta & Associates
Chartered Accountants

Shailesh Bhandari
Director

Asim C. Mehta
Proprietor
Place : Ahmedabad
Date : 31st August, 2009

Nagesh Bhandari
Director



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

(Amount in Rupees)

Particulars	Schedule No.	2008-2009	2007-2008
INCOME			
1. From Operation	10	10208	105709
2. Other Income	11	54073	832
TOTAL		64281	106541
EXPENDITURE			
1. Personnel Expenses	12	280922	221067
2. Administrative & Other Expenses	13	237431	833790
3. Software Development Expenses		-	-
4. Interest & Finance Charges	14	956	4002
5. Loss on sale of investments		-	-
TOTAL		519309	1058859
Profit/(Loss) before Depreciation		(455028)	(952318)
Depreciation		1490898	1051555
Profit/(Loss) After Depreciation		(1945926)	(2003874)
Less : Provision for Taxation		-	-
Less : Provision for Fringe Benefit Tax		-	2000
Deferred Tax Assets (Liability)		405288	215868
Net Profit/(Loss) for the year		(1540638)	(1790006)
Add : Balance brought forward from previous year		(804306)	985700
Balance carried to the Balance Sheet		(2344944)	(804307)
Earning Per Shares (Basic & Diluted)		(0.35)	(0.41)
Significant Accounting Policies and Notes Formatting Part of Accounts	15		

As per our report of even date attached

For and behalf of the board

For, Asim Mehta & Associates
Chartered Accountants

Shailesh Bhandari
Director

Asim C. Mehta
Proprietor
Place : Ahmedabad
Date : 31st August, 2009

Nagesh Bhandari
Director



SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2009

(Amount in Rupees)

Particulars	As at 31st March 2009	As at 31st March 2008
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED :		
70,00,000 Equity Shares of Rs.10/- each	70000000	70000000
	70000000	70000000
ISSUED, SUBSCRIBED & PAID UP :		
43,73,100 Equity Shares of Rs.10/- each fully paid-up (Previous year 43,73,100 Equity Shares of Rs.10/- each fully paid-up)	43731000	43731000
TOTAL	43731000	43731000
SCHEDULE - 2		
RESERVES & SURPLUS		
Share Premium Account	6450000	6450000
State Subsidy	1659600	1659600
General Reserve	1000000	1000000
TOTAL	9109600	9109600
SCHEDULE - 3		
DEFERRED TAX ADJUSTMENTS		
Deferred Tax Liability (Earlier Years)	1401945	1617813
Deferred Tax Assets (Current Year)	(405288)	(215868)
TOTAL	996657	1401945
SCHEDULE - 4		
UNSECURED LOANS		
From Directors	2500000	2500000
From Others	1800000	1300000
TOTAL	4300000	3800000

**SCHEDULE - 5 FIXED ASSETS**

(Amount in Rupees)

Sr. No.	Description	Gross Block				Depreciation				Net Block	
		As at 31st March, 2008	Additions during the year	Deductions during the year	As at 31st March, 2009	As at 31st March, 2008	Additions during the Year	Deductions during the year	As at 31st March 2009	As at 31st March 2009	As at 31st March 2008
1	Plant & Machinery										
	Computers	6562068	--	--	6562068	5111442	1063711	--	6175152	386916	1450626
	Printers	2496083	--	--	2496083	2277930	93349	--	2371279	124804	218153
2	Electrical Installations										
	Air Conditioners	540996	--	--	540996	482978	30968	--	513946	27050	58018
	Electrical Fitting	780914	--	--	780914	711863	30005	--	741868	39046	69051
3	Office Equipments	4310653	--	--	4310653	3399780	272865	--	3672645	638008	910874
	TOTAL	14690714	--	--	14690714	11983993	1490898	--	13474890	1215824	2706722
	Previous Year	14649963	40751	--	14690714	10932437	1051555	--	11983993	2706722	3717526

Note : Depreciation is Calculated as per Straight Line Method.

SCHEDULE - 6 INVESTMENTS

(Amount in Rupees)

Sr. No.	Particulars	As at 31st March 2009		As at 31st March 2008	
		No. of Shares	Value	No. of Shares	Value
Quoted					
1	Arcadia Mercantile Capital	22,100	221,000	22,100	221,000
2	Bubna Major Bio-Tech	1,500	15,000	1,500	15,000
3	Centurion Bank Of Punjab Limited	2,000	30,084	2,000	30,084
4	Crest Paper Mills Limited	700	7,000	700	7,000
5	Carbay Polyfilms Limited	1,400	14,000	1,400	14,000
6	Dharnendra Agro Food Indl Td	202,400	5,053,005	202,400	5,053,005
7	Dharnendra Industries Limited	85,000	1,500,000	85,000	1,500,000
8	Etp Corporation Limited	2,000	89,302	2,000	89,302
9	Ganesh Housing Corporation Limited	1,540	154,036	1,540	154,036
10	Hitwardhak Cotton Industries Limited	100,000	1,000,000	100,000	1,000,000
11	Iota Chemicals Limited	5,000	85,475	5,000	85,475
12	J.K.Pharma Chem Limited	800	16,000	800	16,000
13	Linaks Micro Electronics Limited	2,000	29,928	2,000	29,928
14	Lakhanpal Foods Limited	2,500	27,275	2,500	27,275
15	Merry Share Fin Limited	113,100	1,185,317	113,100	1,185,317
16	Mrug Pharmaceuticals Limited	289,200	2,892,000	289,200	2,892,000



Sr. No.	Particulars	As at 31st March 2009		As at 31st March 2008	
		No. of Shares	Value	No. of Shares	Value
17	Pharmed Chemicals Limited	1,100	11,000	1,100	11,000
18	Rajindar Pipes Limited	800	32,000	800	32,000
19	Rose Mount Pharma Limited	8,100	226,337	8,100	226,337
20	Rank Aqua Estates Limited	1,200	47,394	1,200	47,394
21	Stellar Drugs Limited	5,000	85,600	5,000	85,600
22	Time Shipping Limited	42,100	458,574	42,100	458,574
23	Varun Cements Limited	800	20,000	800	20,000
24	Valley Abrasives Limited	11,600	116,000	11,600	116,000
25	Vintek R.F.Limited	5,000	132,782	5,000	132,782
26	Arch Commerz Limited	90	18,000	90	18,000
	TOTAL (I)		13,467,109		13,467,109
	Unquoted :				
1	Apollo Industries & Finance Limited	10,000	100,000	10,000	100,000
2	Crescent Finstock Limited	500	-	500	-
	TOTAL (II)		100,000		100,000
	GRAND TOTAL (I+II)		13,567,109		13,567,109
	Market Value of Quoted Investment		141,774		598,471

(Amount in Rupees)

Particulars	As at 31st March 2009	As at 31st March 2008
SCHEDULE - 7		
CURRENT ASSETS, LOANS AND ADVANCES		
Current Assets		
Sundry Debtors - (Considered Good, unsecured)	26264738	26294298
Out Standing for a period More than Six Months	--	18189
Others debts		
	26264738	26312487
CASH AND BANK BALANCES :		
Cash on hand	7725	17150
Balance with scheduled Banks in Current A/c.	53994	7191
	61719	24340
LOANS AND ADVANCES		
(Unsecured, Considered Good)		
(As certified by Management)		
Loans	5831587	5831587
Advances	5896409	5896409
Deposits	4155958	4172665
	15883954	15900661
TOTAL	42210411	42237489



(Amount in Rupees)

Particulars	As at 31st March 2009	As at 31st March 2008
SCHEDULE - 8 CURRENT LIABILITIES & PROVISIONS		
(A) SUNDRY CREDITORS : For Expenses	1199030	1271081
	1199030	1271081
(B) PROVISIONS : Provision for Fringe Benefit Tax	2000	2000
TOTAL	1201030	1273081
SCHEDULE - 9 MISCELLANEOUS EXPENDITURES : (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED) Profit & Loss Account	2344944	804306
TOTAL	2344944	804306
SCHEDULE - 10 INCOME FROM OPERATION		
Share Transfer Income	10208	105709
TOTAL	10208	105709
SCHEDULE - 11 OTHER INCOME		
Other Income	54073	832
TOTAL	54073	832
SCHEDULE - 12 PAYMENT TO EMPLOYEE		
Salary & Allowances	280922	221067
TOTAL	280922	221067
SCHEDULE - 13 ADMINISTRATIVE EXPENSES :		
Telephone Postage & Courier	7400	26436
Stationery, Printing & Xerox	5000	44487
Repairs & Maintenance Charges	8764	35055
Office Expenses	23497	14120
Legal & Professional Expenses	21650	42145
Consultancy Expenses	34543	-
Conveyance Expense	2422	2954
Rates, Taxes & Fees Expenses	72172	36005
Electricity Expenses	-	28344
Advertisement Expenses	15876	16130
Insurance Premium Expenses	472	4681
Lease Line Exps.	20635	544027
Listing Exps.	10000	22552
Auditor Remunerations	15000	16854
TOTAL	237431	833790
SCHEDULE - 14 INTEREST & FINANCE CHARGES		
Bank Charges	956	4002
TOTAL	956	4002

**SCHEDULE - 15****ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****I. ACCOUNTING POLICIES:-**

1. Income from operation comprises of Software Development and other related activities carried out on behalf of different clients.
2. **Gratuity: -**
No provision for gratuity has been made by the Company.
3. **Depreciation :-**
Depreciation is provided on a Straight Line basis applying the rates specified in schedule XIV to the Companies Act, 1956. Depreciation is provided on the basis of period for which it was put to use.
4. **Fixed Assets: -**
All Fixed Assets are valued at cost less depreciation.
5. **Valuation of Investments: -**
Investments are valued at cost and not at lower of cost or market value. Company has not provided for decline in the market value of the Investments. Diminution in the value of such long term Investments as on Balance Sheet date was **Rs. 1,33,25,335/-**

II. NOTES ON ACCOUNTS:-**1. Statutory Auditors Remuneration :**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Audit Fees	15000	16854
Total	15000	16854

2. Managerial Remuneration :

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Salary	0.00	0.00
H.R.A.	0.00	0.00
Total	0.00	0.00

3. TOTAL FOREIGN EXCHANGE EARNING & OUTGO:

1. Earning in Foreign Exchange for Export of Goods & Services: **Rs. NIL (Rs. NIL in Previous Year).**
2. Expenditures in Foreign Currency for Import of Materials, Traveling & Others: **Rs. NIL (Rs. NIL in Previous Year).**
4. Balance sheet abstract and company's general business profile as required in terms of the Part IV of the Schedule VI of the Companies Act, 1956 is attached herewith.
5. Balance of Sundry Debtors & Sundry Creditors are subject to confirmation and as certified by the management as to recoverability.
6. Amount has been rounded off to nearest rupee.
7. There is no amount payable to any small scale Industrial undertakings.
8. Particulars relating to Software: -
The Company is engaged in the development of Computer Software. The production and sale of such Software cannot be expressed in generic unit. Hence it is not possible to give quantitative details as required under paragraph 3 and 4 C of part II of Schedule VI of the Companies Act, 1956.



9. Previous Years figures have been regrouped wherever necessary.

10. Taxation

- A. No Provision for Income tax has been made as there is no profit in the current year.
- B. Consequent to the issuance of Accounting Standard-22 Accounting for Taxes on Income by the ICAI which is mandatory in nature, the Company has recognized Deferred Taxes which result from the timing difference between the Book Profits/(Loss) and Tax Profits/(Loss). Consequently, as require by the Standard the Company has recognized the deferred tax balance that would have accumulated prior to adopting the standard, if the standard had been in effect from the beginning. Details of deferred Tax Liability/Assets have been shown as under.

Note

Deferred Tax Assets on account of Depreciation was Rs. 4,05,288/- for the current year is transferred to profit & loss account. This is on account of Timing Difference of Depreciation provision. The above provision is made as required by Accounting Standard-22 issued by The Institute of Chartered Accountants of India.

11. There is no lease transaction during the year as per Accounting Standard-19.
12. The Company is operating only in one Segment hence no Segment-wise disclosure as per Accounting Standard 17 is provided.

13. **RELATED PARTY (AS IDENTIFIED BY THE COMPANY) DICLOUSURES UNDER ACCOUNTING STANDARD 18:-**

I. Associates.

- | | |
|--|--|
| 1. Electrotherm (India) Ltd. | 21. Gujarat Mint Alloys Ltd. |
| 2. Ahmedabad Aviation & Aeronautics Ltd. | 22. Global Avianautics Ltd. |
| 3. Alwar Trading & Investment Company | 23. Harita Projects Pvt. Ltd. |
| 4. Adroit Trading & Investment Company | 24. Indus Elec Trans Pvt. Ltd. |
| 5. Afghan Trading Pvt. Ltd. | 25. Indus Real Estate Pvt. Ltd. |
| 6. Bhandari Brothers Commercial Pvt. Ltd. | 26. ICS Commercial Pvt. Ltd. |
| 7. Bhaskarpara Coal Company Ltd. | 27. Jayshri Petro Yarn Pvt. Ltd. |
| 8. Crystal Real Estate Pvt. Ltd. | 28. Liberty Finance & Leasing Com. Pvt. Ltd. |
| 9. E-Motion Power Ltd. | 29. New Delhi Real Estate Pvt. Ltd. |
| 10. ET – Elec Trans Ltd. | 30. Palace Tours & Air Charters Pvt. Ltd. |
| 11. Electrotherm Infrastructure Pvt. Ltd. | 31. Palanpur Realty Developers Pvt. Ltd. |
| 12. Electrotherm Engineering & Projects Ltd. | 32. Palace Infrastructure Pvt. Ltd. |
| 13. Electrotherm Renewables Ltd. | 33. Suraj Real Estate Pvt. Ltd. |
| 14. Electrotherm Foundation | 34. S B Reality Developers Pvt. Ltd. |
| 15. EIL Software Pvt. Ltd. | 35. Sun Infrapower Pvt. Ltd. |
| 16. EIL Software Services Offshore Pvt. Ltd. | 36. Sun Residency Pvt. Ltd. |
| 17. EIL Hospitality Pvt. Ltd. | 37. S. N. Advisory Pvt. Ltd. |
| 18. EIL Realty Pvt. Ltd. | 38. Suraj Advisory Services Pvt. Ltd. |
| 19. EIL Technology Pvt. Ltd. | 39. Western India Specialty Hospital Ltd. |
| 20. EIL Engineering & Projects Ltd. | 40. Mangalam Information Technology Ltd. |

II. Key Management Personnel:

- | | |
|--------------------------|---|
| 1. Mr. Shailesh Bhandari | 3. Mr. Avinash Bhandari (Up to 1 st June, 2008) |
| 2. Mr. Nagesh Bhandari | 4. Mr. Gitesh K. Shah (Up to 1 st June, 2008) |



III. Relatives Of Key Management Personnel:

(Where Transaction Has Taken Place)

NIL

IV. Transaction with Related Parties

Company has not entered in to any transaction with related party during the year.

14. As per the Accounting Standard 13, diminution in the value of Investment of **Rs. 1,33,25,335** /-requires to be charged to P&L A/c. Now, if it would have been charged to P&L A/c. it could resulted in to Net loss of **Rs. 1,56,70,279/-**. As per managements perceptions, since the Investments are kept for Long term, periodical diminutions are not provided for.

Signature to Schedule 1 to 15

As per our report of even date attached

For, Asim Mehta & Associates
Chartered Accountants

Asim C. Mehta
Proprietor

Place : Ahmedabad

Date : 31st August, 2009

For and behalf of the board

Shailesh Bhandari
Director

Nagesh Bhandari
Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars	2008-2009 Rs.	2007-2008 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	(1945926)	(2003874)
Adjustments for :		
Depreciation	1490898	1051555
Operating profit before changes in working capital	455028	(952318)
Adjustments For :		
Trade & Other Receivable	47749	(18190)
Loans & Advances	16707	(26470)
Trade and other payable	72051	69399
Cash Generated from Operations	462622	(927580)
Income tax paid	-	-
Cash flow before extraordinary item.	462622	(927580)
NET CASH FLOW FROM OPERATING ACTIVITY (A)	462622	(927580)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	0	(40751)
Sale of Fixed Assets	-	-
Sale of Investments	-	-
NET CASH USED INVESTING ACTIVITIES (B)	0	(40751)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings :		
Repayment of Term Borrowing	500000	1300000
NET CASH FROM FINANCING ACTIVITIES (C)	500000	1300000
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS TOTAL [A+B+C]	37379	331668
CASH AND CASH EQUIVALENTS AS AT 1ST APRIL	24340	(307328)
CASH & CASH EQUIVALENTS AS AT 31ST MARCH	61719	24340

As per our report of even date attached

For and behalf of the board

For, Asim Mehta & Associates
Chartered Accountants

Shailesh Bhandari
Director

Asim C. Mehta
Proprietor
Place : Ahmedabad
Date : 31st August, 2009

Nagesh Bhandari
Director



ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PART-IV OF SCHEDULE VI OF THE COMPANIES ACT. 1956 :

BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

REGISTRATION NO : 16891 STATE CODE : 04
BALANCE SHEET : 31-03-2009 (Amount in Rs. Thousands)

II CAPITAL RAISED DURING THE YEAR

PUBLIC ISSUE Nil
RIGHT ISSUE Nil
BONUS ISSUE Nil
PRIVATE PLACEMENT Nil

III DETAILS OF MOBILISATION AND DEPLOYMENT OF FUNDS

TOTAL LIABILITIES 58137
TOTAL ASSETS 58137

SOURCE OF FUNDS

PAID-UP CAPITAL 43731
RESERVES & SURPLUS (Including Deffered Tax Liability) 9110
SECURED LOANS Nil
UNSECURED LOANS 4300

APPLICATION OF FUNDS

NET FIXED ASSETS 1216
INVESTMENTS 13567
NET CURRENT ASSETS 41009
MISC.EXPENDITURE 2345
ACCUMULATED LOSSES Nil

IV PERFORMANCE OF COMPANY

TURNOVER (INCLUDING OTHER INCOME) 64
TOTAL EXPENDITURE 2010
PROFIT/LOSS BEFORE TAX (1946)
PROVISION FOR TAXATION (405)
PROFIT/LOSS AFTER TAX (1541)
EARNING PER SHARE (In Rs.) 0.35
DIVIDEND % Nil

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (as per monetary terms)

Table with 2 columns: ITEM CODE (ITC CODE) and PRODUCT DESCRIPTION. Each cell contains a 2x2 grid of dashes.

As per our report of even date attached

For and behalf of the board

For, Asim Mehta & Associates Chartered Accountants

Shailesh Bhandari Director

Asim C. Mehta Proprietor Place : Ahmedabad Date : 31st August, 2009

Nagesh Bhandari Director



MAGNUM LIMITED

Regd. Office : A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad 380015.

PROXY FORM

DP ID	
Client ID	

FOLIO NO	
NO OF SHARES	

I/We _____ of _____ being a member/members of MAGNUM LTD hereby appoint _____ of _____ or failing him _____ of _____ as my/our Proxy to attend and vote for me/us and or on my/our behalf at the 17th Annual General Meeting of the Company to be held on Wednesday, 30th September, 2009 at 10.00 a.m. at Regd. Office of the Company or at any adjournment thereof.

Signed this _____ day of _____, 2009

Affix Revenue Stamp

Signature

NOTE :

- 1 The Proxy Form signed across revenue stamp should reach at the Company's Registered Office at A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad 380015 at least 48 hours before the scheduled time of the meeting.
2. The Proxy need not be a member of the Company.
3. Please fill in full particulars.
4. Company reserves the right to ask for indentification of the proxy

MAGNUM LIMITED

Regd. Office : A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad 380015.

ATTENDANCE SLIP

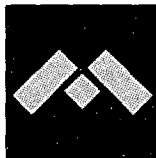
Please complete the attendance slip and hand it over at the entrance of the Meeting Place.

I/We hereby record my presence at the 17th Annual General Meeting of the Company to be held on Wednesday, 30th September, 2009 at 10.00 a.m. at Regd. Office of the Company.

DP ID	
Client ID	

FOLIO NO	
NO OF SHARES	

Name of the Shareholder (In Block Letters)	
Signature of Shareholder	
Name of the proxy (In Block Letters)	
Signature of the Proxy	



MAGNUM LIMITED

Regd. Office : A-1, Skylark Appartment, Satellite Road, Satellite, Ahmedabad-380015.
Phone : +91-79-26768844, Fax : +91-79-26768855