



TAK *Machinery and Leasing Ltd*

**47th
Annual Report
2008-2009**

| | | |
|---|--|---|
| DIRECTORS | DR. D.S. MAHADEVIA SHRI A.D. MAHADEVIA SHRI T.D. MAHADEVIA SHRI G.S. NANAVATY SHRI J.C. SHAH SHRI CHETAN J. PARIKH SHRI KISHORE J. TANNA | <i>Chairman</i> <i>Vice Chairman & Managing Director</i> <i>Managing Director</i> |
| BANKERS | UCO BANK STATE BANK OF INDIA HSBC | |
| SOLICITORS | MESSRS MANILAL KHER AMBALAL & CO. MESSRS DESAI & DIWANJI | |
| AUDITORS | MESSRS PATKAR & PENDSE Chartered Accountants | |
| COMPANY SECRETARIES | SHIRISH SHETYE & ASSOCIATES | |
| REGISTERED OFFICE | JANMABHOOMI BHAVAN, JANMABHOOMI MARG, FORT, MUMBAI 400 001 (INDIA) | |
| REGISTRARS AND SHARE TRANSFER AGENTS | LINK INTIME INDIA PVT. LTD. C/13, Panalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), MUMBAI - 400 078. | |

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NOTICE

NOTICE is hereby given that the Forty-seventh Annual General Meeting of the Members of TAK Machinery and Leasing Limited will be held at Kilachand Conference Room, Indian Merchants Chamber, Indian Merchants Chamber Marg, Churchgate, Mumbai - 400 020 on Wednesday, the 30th September, 2009 at 11.30 a.m. to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31.03.2009 and the Profit & Loss Account for the year ended 31.03.2009 together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Chetan J. Parikh who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Kishore J. Tanna who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. A.D. Mahadevia who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint the Auditors and fix their remuneration.

SPECIAL BUSINESS

7. To consider and, if thought fit, to pass with or without modification(s), if any, the following Resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 163 of the Companies Act, 1956, the approval of the members be and is hereby given to keep, on behalf of the Company, the Register of Members and copies of all Annual Returns together with certificates and documents required to be annexed thereto at Link Intime India Pvt Ltd., Share Transfer, Agents of and Registrar to the Company at their office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078."

REGISTERED OFFICE:

Janmabhoomi Bhavan,
Janmabhoomi Marg,
Fort, Mumbai 400 001

By Order of the Board

Dated: 27th July, 2009

D. S. MAHADEVIA
Chairman

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Register of Members and Share Transfer Books of the Company will be closed from 23rd September, 2009 to 30th September, 2009. (both days inclusive).
3. Members are requested to intimate immediately any change in their address to Company's Registrars and Share Transfer Agents, Link Intime India Pvt Ltd., C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai - 400 078.
4. If the dividend on shares is passed at the Meeting, payment of such dividend will be made on or before 29th October, 2009 to those members whose names appear on the Company's Register as on 30th September, 2009.

5. Unclaimed dividends for the years 1994-95 to 2000-01 (22nd to 28th Equity Dividends) have been transferred to the Investor Education & Protection Fund and for earlier years to the 'General Revenue Account' of the Central Government in terms of Section 205C and 205A of the Companies Act, 1956. The members who have not encashed the dividend warrants for the earlier years i.e. upto 1993-94 are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.
6. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is attached.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 :

As required by Section 173 of the Companies Act, 1956, the following, Explanatory Statement sets out all the material facts relating to the business mentioned under item No. 7 of the accompanying Notice dated 27th July, 2009.

ITEM NO : 7

The name of Intime Spectrum Registry Ltd. was changed to Link Intime India Pvt Ltd. and pursuant to the provisions of Section 163 of the Companies Act, 1956, the Register of Members, Index of Members and copies of all Annual Returns together with certificates and documents required to be annexed thereto are required to be kept at Link Intime India Pvt Ltd.

None of the Directors is interested in the resolution.

REGISTERED OFFICE:

Janmabhoomi Bhavan,
Janmabhoomi Marg,
Fort, Mumbai 400 001

Dated: 27th July, 2009

By Order of the Board

D. S. MAHADEVIA
Chairman

**DIRECTORS' REPORT**

To,
The Members,

Your Directors have pleasure in presenting the Forty-seventh Annual Report on the working of the Company along with the audited Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2009.

| | Year ended 31.03.2009 | Year ended 31.03.2008 |
|--|--------------------------|--------------------------|
| | Rupees | Rupees |
| Gross Profit for the year | 39,685,399 | 7,509,979 |
| Less : Depreciation | 982,681 | 1,230,875 |
| Profit after depreciation | 38,702,718 | 6,279,104 |
| Less : Provision for taxation | 4,195,000 | 690,370 |
| Add / Less : (i) Deferred tax Assets / (Liability) | (867,848) | (368,015) |
| Profit after depreciation and taxation | 33,639,870 | 5,220,719 |
| Add : Balance of Profit and Loss Account brought forward from previous year | 12,356,401 | 9,833,089 |
| Surplus available for appropriation | 45,996,271 | 15,053,808 |
| Appropriations | | |
| 1. Proposed Dividend (including tax on distributed profits) | 3,294,814 | 1,647,407 |
| 2. Statutory Reserve Fund | 6,730,000 | 1,050,000 |
| BALANCE CARRIED TO BALANCE SHEET | 35,971,457 | 12,356,401 |

During the year under review, the manufacturing and marketing division has recorded an impressive growth. In particular, the sales of cranes by the marketing division have been substantially higher. As far as the Finance division is concerned large surplus was earned from encashment of investments. This has resulted in considerably accelerated profit growth of Finance division. During the current year, so far, the performance of manufacturing and marketing division as well as Finance division remains satisfactory.

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 2/- per Equity Share for the year ended 31st March, 2009. In addition a special one - time dividend of Rs. 2/- per equity share is also recommended and there will be no deduction of tax at source.

FIXED DEPOSIT

The Company is not accepting any fixed deposits and is not holding any fixed deposits at the close of the financial year under review.

DIRECTORS

Shri.Chetan J. Parikh, Shri.Kishore J. Tanna and Shri.A.D. Mahadevia, Directors, retire by rotation at this Annual General Meeting and being eligible, offer themselves for re-appointment.

REMUNERATION COMMITTEE :

The Company has appointed a remuneration committee consisting of Shri J.C. Shah as Chairman and Shri Kishore J. Tanna and Shri Chetan J. Parikh as members, who are independent directors.

AUDITORS

M/s Patkar & Pendse, Chartered Accountants, Mumbai, the Auditors of the Company are holding office till the conclusion of the 47th Annual General Meeting of the Company, and being eligible, confirm their availability for re-appointment. If re-appointed, they will hold office until the conclusion of the next Annual General Meeting.

The observations of the Statutory Auditors, if any, are properly dealt with in the Notes to Accounts.

PARTICULARS OF EMPLOYEES

The particulars of employees in accordance with the provisions of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not given as none of the employees qualifies for such disclosure.

PARTICULARS REQUIRED TO BE FURNISHED BY THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 :

(1) A. CONSERVATION OF ENERGY

The relevant data on energy conservation is as follows :

| | |
|--|-------------------------|
| (i) No. of Electric & Pneumatic Hoists manufactured | 70 Nos. (73 Nos.) |
| (ii) No. of Cranes manufactured | NIL (NIL.) |
| (iii) Total units of Electricity consumed. | 8557 units (8879 units) |
| (iv) Average units of Electricity consumed per Hoist. | 100 units (96 units) |
| (v) Average units of Electricity consumed per Crane. | Not Applicable |
| (vi) Cost per unit of Electricity consumed per Hoist. | Rs.793 (Rs.553) |
| (vii) Cost per unit of Electricity consumed per Crane. | Not Applicable |

Note : Figures for previous year are given in brackets.

B. TECHNOLOGY ABSORPTION.

The Company is adopting general manufacturing process which does not involve any patented technology. Accordingly there is nothing to report on technology absorption .

(2) Foreign Exchange earnings and outgo : Earnings : NIL ; Outgo : NIL.

LISTING OF SHARES

Equity shares of the Company are listed on Stock Exchanges at Mumbai and Ahmedabad. The Company has paid the listing fees for both the Stock Exchanges for the year 2009-10.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 your Directors confirm that :

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) appropriate accounting policies have been selected and applied consistently, and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2009 and of the profit of the Company for the year ended March 31st, 2009.
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;

COMPLIANCE CERTIFICATE

Pursuant to Section 383 A of the Companies Act, 1956 a Compliance Certificate issued by M/s. Shirish Shetye & Associates, Company Secretaries, Mumbai is attached to this report.

On behalf of the Board

Place : Mumbai
Dated : 27th July, 2009.

D.S. MAHADEVIA.
Chairman.



Registration No.: 011-12227
Nominal Capital: Rs.2,00,00,000/-

COMPLIANCE CERTIFICATE

To,
The Members,
TAK Machinery & Leasing Ltd.,
Janmabhoomi Bhavan,
Janmabhoomi Marg, Fort,
MUMBAI - 400 001.

We have examined the registers, records, books and papers of TAK MACHINERY & LEASING LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2009. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers, as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns, as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited company, comments pertaining to 'private company' are not required.
4. The Board of Directors duly met 4 (four) times on 28th April, 2008, 28th July, 2008, 24th October, 2008 and 27th January, 2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. During the year under review, the Company has not passed any circular resolution.
5. The Company has closed its Register of Members from 19th September, 2008 to 25th September, 2008 and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March, 2008 was held on 25th September, 2008 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year under review.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The duly constituted Committee of Directors has approved the issue of duplicate share certificates.
 - (i) The Company has delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year under review.
 - (ii) The Company has deposited the amount of dividend declared in a separate bank account on 26th September, 2008, which is within five days from the date of declaration of such dividend.
 - (iii) The Company has paid/posted warrants for dividends to all the members within a period of 30 (thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to the Unpaid Dividend Account of the Company with Corporation Bank, Nariman Point Branch, Mumbai within the stipulated time limit.
 - (iv) The Company has transferred the amount in unpaid dividend account, which has remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund. During the year under review there is no application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - (v) The Company has duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted and the appointments of directors have been duly made. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year under review.
15. The appointment of Managing Director/Whole-time Director/Manager has been made in compliance with the provisions of section 269 read with schedule XIII to the Act and approval of the Central Government was not required to be obtained in respect of any such appointment.
16. The Company has not appointed any sole selling agent during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year under review.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transaction necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended 31st March, 2009.
25. The Company has made investments in other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year under review.
33. The Company has deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

M/s. SHIRISH SHETYE & ASSOCIATES
Company Secretaries

Place: Mumbai.
Date: 27th July, 2009

SHIRISH SHETYE
PROPRIETOR
C.P. No. 825



ANNEXURE - A

Registers as maintained by the Company

1. Register of Charges (section 143).
2. Register of Members and Index of Members (sections 150 & 151).
3. Minutes Books for Minutes of Meetings of the Board and Shareholders.
4. Books of Account (section 209).
5. Register of Contracts in which Directors are Interested (section 301).
6. Register of Directors, Managing Directors etc. (section 303).
7. Register of Directors' Shareholding (section 307).
8. Register of Fixed Assets [the Manufacturing and Other Companies (Auditors' Report) Order, 1988].
9. Register of Investments (section 372A).
10. Register of Transfer/Transmission of Shares.
11. Register of Duplicate Share Certificates.
12. Register of Directors' Attendance.
13. Register of Directors' Attendance for Share Transfer Committee.
14. Register of Members' Attendance.
15. Register of Proxies.

ANNEXURE - B

Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2009.

1. Form No. 20B alongwith Annual Return made as on 25th September, 2008 filed u/s 161.
2. Form No. 23AC and 23ACA alongwith Balance Sheet etc. for the year ended 31st March, 2008, filed u/s 220.
3. Form No. 66 alongwith Compliance Certificate for the year ended 31st March, 2008, filed u/s 383A.
4. Form No. 66 alongwith Form No. 1 dated 5th December, 2008 being statement of amounts credited to Investor Education and Protection Fund.
5. Form No. 62 alongwith quarterly Certificates of Amounts Due and Credited to Investor Education and Protection Fund.
6. Form No. 23 dated 20th March, 2008 for filing copies of agreements pertaining to appointment of Managerial Personnel filed u/s 192.
7. Quarterly unaudited results with half yearly review submitted to Stock Exchanges.
8. Half yearly certificates under clause 47 of the Listing Agreement submitted to Stock Exchanges.
9. Quarterly information regarding Distribution of Shareholding Pattern, under clause 35 of the Listing Agreement submitted to Stock Exchanges.
10. Statement of Holding, pursuant to Rule 8 of SEBI (SAST) Regulations, 1997 submitted to Stock Exchanges.
11. Quarterly Certificates issued under SEBI circular No. D&CC/FITTC/CIR - 16/2002 dated 31st December, 2002, submitted to Stock Exchanges.

AUDITORS' REPORT

To,
**The Members,
TAK Machinery and Leasing Limited**

We have audited the attached Balance Sheet of **TAK MACHINERY AND LEASING LIMITED** as at 31st March, 2009 and also the Profit & Loss Account and Cash Flow Statement for the year ended on that date both 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.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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 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 hereto a statement on the matters specified in paragraphs 4 & 5 of the said Order to the extent applicable.
3. Further to our comments in the Annexure referred to in paragraph 2 above we report that :
 - (a) We have obtained all the information & explanations which to the best of our knowledge & belief were necessary for the purposes 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 these books.
 - (c) The Balance Sheet, Profit & 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 mandatory 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 and taken on record by the Board of Directors we report that none of the Director's is 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, subject to :
 - (a) No provision having been made for doubtful debts Rs.50,713 and doubtful advance of Rs. 10,000 (Note 9).
 - (b) Non receipt of balance confirmations (Note 12).

and read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and present 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;
 - ii in the case of the Profit & Loss Account of the profit of the Company for the year ended on that date.
- and
- iii in the case of the Cash Flow Statement of the cash flows of the Company for the year ended on that date.

**For Patkar & Pendse
Chartered Accountants**

Place : Mumbai
Date : 27th July, 2009.

B.M. Pendse
Partner.
M.No. 32625



**ANNEXURE TO AUDITORS' REPORT
REFERRED TO IN OUR REPORT OF EVEN DATE
FOR THE YEAR ENDED ON 31ST MARCH, 2009**

1. (a) The Company had maintained proper records showing full particulars including quantitative details and situation of the fixed assets except for furniture and fixtures.
 - (b) As explained to us the fixed assets had been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) In our opinion, the Company had not disposed off a substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of inventory :
 - (a) as explained to us, inventories have been physically verified by the management at the end of the year.
 - (b) in our opinion and according to the information and explanations given to us the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) the Company had maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to book records.
3. (a) The company had not granted any loans to companies, firms or other parties covered in the register maintained under section 301 of the Act.
 - (b) The Company had not taken any loans from companies, firms or other parties covered in the register maintained under section 301 of the Act.
4. In our opinion and on the basis of information and explanations given to us, the Company had adequate internal control system commensurate with its size and the nature of its business for the purchase of finished goods, spares, plant and machinery, equipment and other assets and for the sale of goods and services. During the course of the audit we have not observed any major weakness in internal controls.
5. In our opinion and according to the information and explanations given to us, there were no transactions in pursuance of contracts or arrangements that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956.
6. The Company had not accepted any deposits from the public, hence the question of compliance to the necessary guidelines issued by the Reserve Bank Of India and the provisions of section 58A and 58AA of the Companies Act, 1956 and Rules framed thereunder does not arise.
7. In our opinion the Company had an internal audit system commensurate with its size and nature of its business.
8. The maintenance of Cost Records for the Company, had not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 for the year under review.
9. In respect of statutory dues :
 - (a) according to the records of the Company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Cess, Excise duty, Custom duty and any other statutory dues have been generally, regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2009 for a period of more than six months from the date they became payable.
 - (b) the disputed statutory dues aggregating to Rs. 13,04,954 that have not been deposited on account of matters pending before appropriate authorities are as under :

| Sr. No. | Particulars | Financial years to which matter pertains | Forum where dispute is pending | Amount (Rupees) |
|---------|-------------|--|--------------------------------|-----------------|
| 1. | Income Tax | 1979-80 | High Court | 1,59,896 |
| | | 1983-84 | High Court | 3,39,224 |
| | | 1984-85 | High Court | 7,86,820 |
| 2. | Sales Tax | 1981-82 | High Court | 19,014 |

10. The Company did not have accumulated losses. The company had not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us the Company had not defaulted in repayment of dues to a financial institution, bank or debenture holder.
12. In our opinion and according to the information and explanations given to us the Company had maintained adequate records where the Company had granted loans and advances on the basis of security by way of pledge of shares, debentures 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. As the Company is dealing / trading in shares, securities, debentures and other investments; in our opinion proper records had been maintained of the transactions and contracts and timely entries have been made therein. All shares, securities, debentures and other investments are held by the Company in its own name.
15. According to the information and explanations given to us and the records examined by us the Company had not given any guarantees for loans taken by others from banks or financial institutions.
16. The Company had not raised any term loans.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment and vice versa.
18. According to the information and explanations given to us, the Company had not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company had not issued debentures.
20. The Company had not raised any money through public issues during the year.
21. 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 year.

For Patkar & Pendse
Chartered Accountants

B.M. Pendse
Partner.
M.No. 32625

Place : Mumbai
Date : 27th July, 2009.



BALANCE SHEET AS AT 31ST MARCH, 2009

| | Schedule | As at 31.03.2009 Rupees | As at 31.03.2008 Rupees |
|--|----------|-------------------------------|-------------------------------|
| SOURCES OF FUNDS | | | |
| SHAREHOLDERS' FUNDS | | | |
| (a) Capital | 1 | 7,050,925 | 7,050,925 |
| (b) Reserves and Surplus | 2 | 81,681,122 | 51,336,066 |
| TOTAL | | <u>88,732,047</u> | <u>58,386,991</u> |
| APPLICATION OF FUNDS | | | |
| FIXED ASSETS | | | |
| (a) Gross Block | 3 | 31,539,167 | 31,651,438 |
| (b) Less : Depreciation | | <u>24,722,939</u> | <u>24,368,354</u> |
| | | 6,816,228 | 7,283,084 |
| INVESTMENTS | 4 | 29,239,458 | 33,939,864 |
| CURRENT ASSETS, LOANS AND ADVANCES | | | |
| (a) Inventories | 5 | 5,864,023 | 3,610,337 |
| (b) Value of outside jobs on hand | | 99,000 | 99,000 |
| (c) Sundry Debtors | | 4,551,111 | 2,951,610 |
| (d) Cash and Bank Balances | | 52,274,790 | 11,079,151 |
| (e) Loans and Advances | | <u>2,957,623</u> | <u>6,650,268</u> |
| | | 65,746,547 | 24,390,366 |
| LESS : CURRENT LIABILITIES AND PROVISIONS | | | |
| (a) Liabilities | 6 | 11,329,434 | 7,866,883 |
| (b) Provisions | | <u>2,939,624</u> | <u>1,426,160</u> |
| | | 14,269,058 | 9,293,043 |
| NET CURRENT ASSETS | | | |
| | | <u>51,477,489</u> | <u>15,097,323</u> |
| DEFERRED TAX ASSETS (See note no.13) | | | |
| | | 1,198,872 | 2,066,720 |
| TOTAL | | <u>88,732,047</u> | <u>58,386,991</u> |
| SIGNIFICANT ACCOUNTING POLICIES | | | |
| NOTES FORMING PART OF THE ACCOUNTS | | | |
| | 10 | | |
| | 11 | | |

As per our separate report
annexed herewith

FOR PATKAR AND PENDSE
Chartered Accountants.

B.M. Pendse
Partner
Membership No. 32625
Place : Mumbai
Dated : 27th July, 2009

For and on behalf of the board

A.D. Mahadevia
Vice Chairman & Managing-Director

T.D. Mahadevia
Managing Director

Place : Mumbai
Dated : 27th July, 2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

| | Schedule | 2008-09 Rupees | 2007-08 Rupees |
|---|----------|-------------------|-------------------|
| INCOME | | | |
| Sales (after adjusting Rs. NIL for returns of earlier years) (Previous year 12.789/-) | | 36,989,821 | 18,638,491 |
| Other Income | 7 | 47,534,030 | 9,397,271 |
| | | <u>84,523,851</u> | <u>28,035,762</u> |
| EXPENDITURE | | | |
| Cost of Goods sold | 8 | 29,678,039 | 13,591,703 |
| Other Expenses | 9 | 15,149,724 | 6,924,141 |
| Interest | | 10,689 | 9,939 |
| Depreciation | | 982,681 | 1,230,875 |
| | | <u>45,821,133</u> | <u>21,756,658</u> |
| PROFIT BEFORE TAXATION | | <u>38,702,718</u> | <u>6,279,104</u> |
| Provision for Taxation | | 4,100,000 | 595,000 |
| Fringe Benefit Tax | | 95,000 | 95,370 |
| Deferred Tax Assets / (Liabilities) | | (867,848) | (368,015) |
| PROFIT FOR THE YEAR | | <u>33,639,870</u> | <u>5,220,719</u> |
| Balance brought forward from previous year | | 12,356,401 | 9,833,089 |
| AMOUNT AVAILABLE FOR APPROPRIATIONS | | <u>45,996,271</u> | <u>15,053,808</u> |
| APPROPRIATIONS | | | |
| Proposed Dividend | | 2,816,200 | 1,408,100 |
| Tax on Distributed Profits | | 478,614 | 239,307 |
| Transferred to Statutory Reserve Fund | | 6,730,000 | 1,050,000 |
| Balance carried to Balance Sheet | | 35,971,457 | 12,356,401 |
| | | <u>45,996,271</u> | <u>15,053,808</u> |
| SIGNIFICANT ACCOUNTING POLICIES | 10 | | |
| NOTES FORMING PART OF ACCOUNTS | 11 | | |

As per our separate report annexed herewith

For and on behalf of the board

FOR PATKAR AND PENDSE
Chartered Accountants.

A.D. Mahadevia
Vice Chairman & Managing Director

B.M. Pendse
Partner
Membership No. 32625
Place : Mumbai
Dated : 27th July, 2009

T.D. Mahadevia
Managing Director

Place : Mumbai
Dated : 27th July, 2009

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

| | As at 31.03.2009 Rupees | As at 31.03.2008 Rupees |
|---|-------------------------------|-------------------------------|
| SCHEDULE 1 | | |
| SHARE CAPITAL | | |
| Authorised : | | |
| 20,00,000 Equity Shares of Rs. 10/- each | <u>20,000,000</u> | <u>20,000,000</u> |
| Issued : | | |
| 7,09,100 Equity Shares of Rs. 10/- each | <u>7,091,000</u> | <u>7,091,000</u> |
| Subscribed : | | |
| 7,04,050 Equity Shares of Rs. 10/- each fully paid up | 7,040,500 | 7,040,500 |
| Add : Forfeited Shares | 10,425 | 10,425 |
| (Amount originally paid up) | <u>7,050,925</u> | <u>7,050,925</u> |
| SCHEDULE 2 | | |
| RESERVES AND SURPLUS | | |
| Share Premium | | |
| As per last Balance Sheet | 1,031,050 | 1,031,050 |
| General Reserve | | |
| As per last Balance Sheet | 29,998,615 | 29,998,615 |
| Transferred from Profit & Loss A/c. | <u>29,998,615</u> | <u>29,998,615</u> |
| Contingency Reserve | | |
| As per last Balance Sheet | 2,500,000 | 2,500,000 |
| Investment Reserve | | |
| As per last Balance Sheet | 700,000 | 700,000 |
| Statutory Reserve Fund | | |
| As per last Balance Sheet | 4,750,000 | 3,700,000 |
| Transferred from Profit & Loss A/c. | 6,730,000 | 1,050,000 |
| | <u>11,480,000</u> | <u>4,750,000</u> |
| Surplus in Profit and Loss Account | <u>35,971,457</u> | <u>12,356,401</u> |
| | <u>81,681,122</u> | <u>51,336,066</u> |

| SCHEDULE 3 FIXED ASSETS | | | | | | | | | | | |
|------------------------------------|-----------------------------|----------------------------------|-----------------------------------|------------------------------|-----------------------|-----------------------------------|---------------------|-----------------------|------------------------|------------------------|--|
| ASSETS | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | | |
| | Cost as at 31.3.2008 Rupees | Additions during the year Rupees | Deductions during the year Rupees | Total As at 31.3.2009 Rupees | Upto 31.3.2008 Rupees | Deductions during the year Rupees | For the Year Rupees | Upto 31.3.2009 Rupees | As at 31.3.2009 Rupees | As at 31.3.2008 Rupees | |
| Lease Hold Land | 1,284,980 | - | - | 1,284,980 | - | - | - | - | 1,284,980 | 1,284,980 | |
| Building | 2,906,433 | - | - | 2,906,433 | 553,487 | - | 117,648 | 671,135 | 2,235,298 | 2,352,946 | |
| Electric Installation | 251,444 | - | - | 251,444 | 110,707 | - | 19,577 | 130,284 | 121,160 | 140,737 | |
| Plant and Machinery | 877,814 | - | - | 877,814 | 361,898 | - | 71,766 | 433,664 | 444,150 | 515,916 | |
| Furniture and Fixtures | 2,110,662 | 59,028 | 75,225 | 2,094,465 | 1,715,547 | 69,705 | 100,415 | 1,746,257 | 348,208 | 395,115 | |
| Vehicles | 4,500,280 | 717,651 | 813,725 | 4,404,206 | 1,996,202 | 558,390 | 660,793 | 2,098,605 | 2,305,601 | 2,504,078 | |
| Technical Documents | 250,000 | - | - | 250,000 | 164,149 | - | 11,942 | 176,091 | 73,909 | 85,851 | |
| LEASED ASSETS: | | | | | | | | | | | |
| Plant and Machinery | 17,824,556 | - | - | 17,824,556 | 17,821,094 | - | 540 | 17,821,634 | 2,922 | 3,461 | |
| Furniture and Fixtures | 1,645,269 | - | - | 1,645,269 | 1,645,269 | - | - | 1,645,269 | - | - | |
| TOTAL | 31,651,438 | 776,679 | 888,950 | 31,539,167 | 24,368,353 | 628,095 | 982,681 | 24,722,939 | 6,816,228 | 7,283,084 | |
| Previous Year | 31,701,225 | 93,140 | 142,927 | 31,651,438 | 23,261,248 | 123,769 | 1,230,875 | 24,368,354 | 7,283,084 | | |



**SCHEDULE : 4
LONG TERM INVESTMENTS (AT COST)
QUOTED**

| Name of Company | Face Value Rupees | As at 31.03.2009 | | As at 31.03.2008 | |
|---------------------------------------|----------------------|------------------|-----------------|------------------|-----------------|
| | | Qty. Nos. | Value Rupees | Qty. Nos. | Value Rupees |
| Non -Convertible Debentures | | | | | |
| TISCO(@2%DIV) | 100 | - | - | 10,963 | 1,096,300 |
| UNITS / BONDS | | | | | |
| Morgan Stanley | 10 | - | - | 167,000 | 3,226,678 |
| 6.75% Tax Free US 64 BONDS | 100 | - | - | 2,007 | 200,700 |
| | | | | | 4,523,678 |
| EQUITY SHARES (FULLY PAID) | | | | | |
| 3 I Infotech Ltd | 10 | 4,000 | 125,802 | - | - |
| Ador Weldings Ltd. | 10 | - | - | 7,000 | 286,180 |
| Aditya Birla Nuvo Ltd. | 10 | - | - | 1,504 | 474,309 |
| Alok Industries Ltd. | 10 | - | - | 5,000 | 335,104 |
| Allahabad Bank | 10 | 4,000 | 153,931 | - | - |
| Agro Dutch Ltd. | 10 | - | - | 13,500 | 544,127 |
| Amtek Auto Ltd. | 2 | - | - | 1,000 | 322,859 |
| Amtek India Ltd. | 2 | - | - | 5,000 | 311,648 |
| Ankur Drugs & Pharma Ltd. | 10 | - | - | 4,000 | 355,991 |
| Avaya global Connect Ltd. | 10 | - | - | 3,500 | 592,535 |
| Bank of Baroda | 10 | - | - | 1,500 | 89,475 |
| Bank of India | 10 | - | - | 1,620 | 51,565 |
| Bayer (India) Ltd. | 10 | - | - | 1,666 | 230,921 |
| Bharati Shipyards Ltd. | 10 | - | - | 117 | 7,722 |
| Bharat Petroleum Corpn.Ltd. | 10 | - | - | 2,888 | 674,845 |
| Bharat Bijlee Ltd | 10 | 600 | 261,016 | - | - |
| Birla Corporation Ltd. | 10 | - | - | 10,000 | 471,455 |
| Binani Industries Ltd. | 10 | - | - | 6,000 | 343,638 |
| Bombay Dyeing Ltd | 10 | - | - | 500 | 324,087 |
| Container Corporation of (India) Ltd. | 10 | - | - | 1,500 | 455,129 |
| Century Enka Ltd. | 10 | - | - | 2,500 | 538,959 |
| Central Bank of India | 10 | - | - | 77 | 7,854 |
| Deepak Fert & Petro Cor Ltd | 10 | 3,000 | 172,330 | - | - |
| Dredging Corporation Ltd. | 10 | - | - | 683 | 290,258 |
| Dish TV India Ltd | 1 | - | - | 1,150 | 23,752 |
| Dr.Reddy's Laboratories Ltd | 5 | - | - | 1,000 | 654,094 |
| Elecon Eng Cor Ltd | 2 | 7,000 | 220,586 | - | - |
| Elder Pharma Ltd. | 10 | - | - | 2,000 | 273,972 |
| GAIL (India) Ltd. | 10 | - | - | 3,629 | 394,795 |
| G.E.Shipping Company Ltd. | 10 | - | - | 12,800 | 477,814 |
| GMR Infrastructure Ltd | 2 | - | - | 2,000 | 373,960 |
| Great Offshore Ltd. | 10 | - | - | 1,000 | 51,268 |

| Name of Company | Face Value Rupees | As at 31.03.2009 | | As at 31.03.2008 | |
|---|----------------------|------------------|-----------------|------------------|-----------------|
| | | Qty. Nos. | Value Rupees | Qty. Nos. | Value Rupees |
| Gujarat Narmada | 10 | 3,000 | 181,644 | - | - |
| HCL Techno | 2 | 2,000 | 202,067 | - | - |
| HDFC Bank Ltd. | 10 | - | - | 1,500 | 15,000 |
| HDILLTD | 10 | - | - | 400 | 388,945 |
| HEG Ltd. | 10 | 2,000 | 193,132 | 2,000 | 336,932 |
| Helios & Mathes Ltd. | 10 | - | - | 2,000 | 336,096 |
| Hindalco Industries Ltd. | 1 | - | - | 5,000 | 432,244 |
| Hindalco Industries Ltd.- Right Issue | 1 | - | - | 1,431 | 137,376 |
| Hindustan Unilever Ltd. | 1 | - | - | 900 | 176,225 |
| Hindustan Petroleum Corpn. Ltd. | 10 | - | - | 3,000 | 703,268 |
| (Hindustan) Micro Inks Ltd. | 10 | - | - | 400 | 229,132 |
| ICICI Bank Ltd | 10 | - | - | 1,175 | 1,104,500 |
| I.D.F.C. Ltd. | 10 | - | - | 796 | 27,064 |
| Indian Shaving Products Ltd. (Gillette India Ltd.) | 10 | - | - | 300 | 108,567 |
| Jaiprakash Associates Ltd | 2 | - | - | 1,000 | 377,816 |
| Reliance Industries Ltd. (I.P.C.L) | 10 | - | - | 1,600 | 520,060 |
| Karnataka Bank Ltd. | 10 | - | - | 6,482 | 203,523 |
| Kotak Bank Ltd | 10 | - | - | 300 | 323,132 |
| LIC Housing Finance Ltd. | 10 | - | - | 2,650 | 165,768 |
| Lloyde Electric Ltd. | 10 | - | - | 2,000 | 341,649 |
| Manugraph India Ltd. | 2 | - | - | 3,000 | 25,712 |
| Man Industries Ltd | 1 | - | - | 2,500 | 316,047 |
| Manugram Cement Ltd | 10 | 3,000 | 177,603 | - | - |
| Marico Industries Ltd. | 10 | - | - | 27,440 | 175,845 |
| Monsanto India Ltd. | 10 | - | - | 300 | 148,872 |
| Mcleod Russei India Ltd. | 10 | - | - | 4,350 | 249,106 |
| Mcdowell Holdings Ltd | 10 | - | - | 800 | 52,794 |
| Micro Tech Ltd | 10 | - | - | 1,500 | 383,305 |
| Murdesh Ceramics Ltd. | 10 | - | - | 4,000 | 332,192 |
| National Aluminium Co. Ltd. | 10 | - | - | 2,000 | 190,181 |
| N.I.I.T. Ltd. | 2 | 10,000 | 208,743 | 10,500 | 333,604 |
| N.I.I.T. Technology Ltd. | 10 | 3,000 | 159,829 | 2,700 | 310,547 |
| NTPC Ltd. | 10 | - | - | 964 | 59,768 |
| ONGC Ltd. | 10 | - | - | 1,897 | 948,750 |
| Oriental Bank of commerce | 10 | - | - | 1,200 | 274,523 |
| Peninsula Land Ltd. | 10 | - | - | 5,000 | 535,696 |
| Phoenix Lamps Ltd. | 10 | - | - | 2,536 | 56,668 |
| Phoenix Mill Ltd | 2 | 3,000 | 223,954 | - | - |
| Prithvi Information Ltd. | 10 | - | - | 1,000 | 327,627 |
| Punj Lloyd Ltd. | 2 | - | - | 1,000 | 444,586 |
| Punjab National Bank | 10 | - | - | 110 | 42,900 |
| Ranbaxy Laboratories Ltd. | 5 | - | - | 600 | 297,934 |
| Rolta India Ltd. | 10 | 3,000 | 167,605 | - | - |
| Rural Electrification Ltd | 10 | - | - | 441 | 46,305 |



| Name of Company | Face Value Rupees | As at 31.03.2009 | | As at 31.03.2008 | |
|--|-------------------|------------------|-------------------|------------------|-------------------|
| | | Qnty. Nos. | Value Rupees | Qnty Nos. | Value Rupees |
| Sangam India Ltd. | 10 | - | - | 2,000 | 140,825 |
| S.E.Asia Marine Ltd. | 10 | - | - | 2,500 | 359,854 |
| Shyam Teletelink Ltd. | 10 | - | - | 31,760 | 251,941 |
| Simbholi Sugar Ltd. | 10 | - | - | 4,000 | 324,406 |
| Sirpur Paper Ltd. | 10 | - | - | 3,000 | 285,872 |
| State Bank Of India | 10 | - | - | 1,000 | 436,030 |
| South Indian Bank Ltd | 10 | 3,000 | 155,773 | - | - |
| Syndicate Bank | 10 | - | - | 20,000 | 204,206 |
| TATA Chemicals Ltd. | 10 | - | - | 3,950 | 221,622 |
| TATA Power Ltd. | 10 | - | - | 3,000 | 500,813 |
| TATA Sponge & Iron Ltd. | 10 | - | - | 2,000 | 258,839 |
| TATA Tea Ltd. | 10 | - | - | 2,000 | 500,331 |
| TISCO Ltd. | 10 | - | - | 12,747 | 2,115,326 |
| Torrent Pharma Ltd. | 5 | - | - | 2,000 | 299,966 |
| Union Bank of India. | 10 | - | - | 5,000 | 119,050 |
| Usha (Beltron) Martin Ltd. | 5 | - | - | 7,500 | 284,935 |
| United Spirit Ltd. (MC Dowell & Co. Ltd.) | 10 | - | - | 2,000 | 293,566 |
| Voltamp Trans | 10 | 700 | 242,451 | - | - |
| V.S.N.L.(Tata Communicaton Ltd) | 10 | - | - | 3,000 | 273,868 |
| Wanbury Ltd | 10 | - | - | 2,500 | 366,227 |
| Zee (Telefilm) Entertainment Ltd. | 1 | - | - | 2,000 | 239,942 |
| | | | 2,846,466 | | 27,916,186 |
| Aggregate of quoted investments :- | | | | | |
| Cost | | | 2,846,466 | | 32,439,864 |
| Market Price | | | 2,846,466 | | 81,950,049 |
| UNITS - UNQUOTED : | | | | | |
| Birla Sunlife Short Term Fund | | 1,564,476 | 15,653,362 | - | - |
| ICICI Prud Flex Income Plan | | 1,015,712 | 10,739,630 | - | - |
| Birla Floating Rate Fund-G-STP | 10 | - | - | 75,297 | 1,000,000 |
| Franklin Templeton India Smaller Co. Fund | 10 | - | - | 50,000 | 500,000 |
| (Repurchase price of above units is Rs. 2,63,92,992/-) | | | 26,392,992 | | 1,500,000 |
| TOTAL | | | 29,239,458 | | 33,939,864 |

NOTE: Where the Market Value of the Debenture/Share is not available, the cost has been considered as Market Value.

| SCHEDULE 5 | As at 31.03.2009 Rupees | As at 31.03.2008 Rupees |
|---|--|--|
| CURRENT ASSETS, LOANS AND ADVANCES | | |
| (a) INVENTORIES | | |
| As taken, valued & certified by the Managing Director of the Company : Stocks | | |
| A - Raw material & Components | 3,877,245 | 3,003,371 |
| B - Stock in Process | 87,799 | 207,134 |
| C - Finished Goods | 1,898,979 | 399,832 |
| | <u>5,864,023</u> | <u>3,610,337</u> |
| (b) VALUE OF OUTSIDE JOB ON HAND | 99,000 | 99,000 |
| (c) SUNDRY DEBTORS (UNSECURED) | | |
| (a) Debts outstanding for a period exceeding six months | 181,141 | 127,418 |
| (b) other debts | 4,369,970 | 2,824,192 |
| | <u>4,551,111</u> | <u>2,951,610</u> |
| Notes : | | |
| Considered Good | 4,500,398 | 2,930,670 |
| Considered Doubtful | 50,713 | 20,940 |
| | <u>4,551,111</u> | <u>2,951,610</u> |
| (d) CASH AND BANK BALANCES | | |
| Cash on hand | 42,880 | 34,875 |
| Balance with Scheduled Banks : | | |
| In Current Account | 4,427,534 | 741,243 |
| In Unpaid Dividend Account | 637,643 | 566,465 |
| In Fixed Deposit Account | 47,166,733 | 9,736,568 |
| | <u>52,231,910</u> | <u>11,044,276</u> |
| | <u>52,274,790</u> | <u>11,079,151</u> |
| (e) LOANS AND ADVANCES (UNSECURED) | | |
| Deposit with Joint Stock Co. | | 2,500,000 |
| Advances recoverable in cash or kind or for value to be received | 2,957,623 | 4,150,268 |
| Advance tax (including tax deducted at source Rs. 5,27,070/-) (Previous Year Rs. 2,63,487/-) (Net of Provisions) | | |
| | <u>2,957,623</u> | <u>6,650,268</u> |
| Notes: | | |
| Considered Good | 2,947,623 | 6,640,268 |
| Considered Doubtful | 10,000 | 10,000 |
| | <u>2,957,623</u> | <u>6,650,268</u> |



| | As at 31.03.2009 Rupees | As at 31.03.2008 Rupees |
|---|-------------------------------|-------------------------------|
| SCHEDULE 6 | | |
| CURRENT LIABILITIES AND PROVISIONS | | |
| A. CURRENT LIABILITIES : | | |
| i) Sundry Creditors | | |
| - Dues to Small Scale Industries | 441,125 | 504,329 |
| - Others | 9,567,070 | 3,146,995 |
| ii) Advances from Customers | 683,596 | 3,649,094 |
| iii) Unclaimed Dividends | 637,643 | 566,465 |
| | <u>11,329,434</u> | <u>7,866,883</u> |
| B. PROVISIONS : | | |
| Proposed Dividend | 2,816,200 | 1,408,100 |
| Provision for Taxation (Net of Advance tax) | 123,424 | 18,060 |
| | <u>2,939,624</u> | <u>1,426,160</u> |
| | <u>14,269,058</u> | <u>9,293,043</u> |

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT**SCHEDULE 7****OTHER INCOME**

| | | |
|---|-------------------|------------------|
| Charges for outside jobs | 351,313 | 382,604 |
| Design & Drawing Charges | 1,000,000 | |
| Dividend | 2,718,956 | 1,202,732 |
| Interest (Gross) : | | |
| On Income Tax refund | 17,424 | 13,754 |
| Other interest | 2,362,852 | 1,292,944 |
| (Tax deducted Rs. 4,89,093/-) (Previous Year Rs. 2,53,476/-). | <u>2,380,276</u> | <u>1,306,698</u> |
| Miscellaneous Income | 82,845 | 58,420 |
| Profit on Commodity Trading | | 187,307 |
| Profit on Sale of Investments | 40,412,324 | 5,366,080 |
| Sales Tax refunds of previous years | 542,982 | 692,122 |
| Sundry Credit Balance W/Back | 233 | 3,040 |
| Freight Charges Recd | 30,373 | 198,268 |
| Bill Discounting Charges | 14,728 | |
| | <u>47,534,030</u> | <u>9,397,271</u> |

| | 2008-09 Rupees | 2007-08 Rupees |
|---|-------------------|-------------------|
| SCHEDULE 8 | | |
| COST OF GOODS SOLD | | |
| Opening Stock | 3,610,337 | 3,415,364 |
| Purchases | 31,931,725 | 13,786,676 |
| | <u>35,542,062</u> | <u>17,202,040</u> |
| Less : Closing Stock | 5,864,023 | 3,610,337 |
| | <u>29,678,039</u> | <u>13,591,703</u> |
| SCHEDULE 9 | | |
| OTHER EXPENSES | | |
| 1. Payments to and Provisions for Employees : | | |
| Salaries, gratuity, retrenchment compensation, bonus & leave encashment etc. | 2,027,623 | 1,601,099 |
| Contribution to Provident Fund, Super annuation fund etc. | 271,640 | 247,710 |
| Workmen & Staff Welfare Expenses | 48,871 | 65,843 |
| Salary to Chairman and Managing Directors | 765,000 | 720,000 |
| | <u>3,113,134</u> | <u>2,634,652</u> |
| 2. Others : | | |
| Insurance | 72,337 | 93,590 |
| Other Repairs | 100,852 | 21,131 |
| Rent | 154,020 | 154,020 |
| Rates and Taxes | 82,471 | 53,757 |
| Stationery, Printing, Postage, Telegram and Advertisement | 260,042 | 226,221 |
| Telephone Expenses | 155,978 | 142,531 |
| Directors' Fees | 7,000 | 7,500 |
| Travelling Expenses (including fare, stay, halting expenses etc.) | 124,831 | 120,641 |
| Vehicle Expenses | 602,153 | 507,838 |
| General Charges (including Municipal cess payment of Rs.86,969/-) (previous year 2,34,283/-) | 788,271 | 827,375 |
| Sundry balances written off | 2,620 | 30,128 |
| Legal and Professional charges | 260,730 | 212,961 |
| Water Charges | 7,383 | 13,210 |
| Sales Tax | - | 511 |
| Loss on Sale of investments | 6,941,452 | 275,267 |
| Short Provision of I.T. w/off | 2,950 | - |
| Auditor's Remuneration | 27,500 | 27,500 |
| Electricity Charges | 395,093 | 251,323 |
| Transportation Charges | 217,161 | 257,624 |
| Loss on Sale of Assets | 97,579 | 9,908 |
| Packing Charges | 270,261 | 300,542 |
| Sundry Expenses | 559,749 | 462,012 |
| Erection Charges | 206,157 | 293,899 |
| Engineering & Designing Charges | 700,000 | - |
| | <u>12,036,590</u> | <u>4,289,489</u> |
| | <u>15,149,724</u> | <u>6,924,141</u> |



SCHEDULE 10

SIGNIFICANT ACCOUNTING POLICIES

1. (a) SALES

Sales are accounted when goods are despatched.

(b) OTHER INCOME

- i) Other Income is accounted for on accrual basis and interest on doubtful deposits are accounted if and when received.
- ii) Income from erection and outside jobs is accounted on completion and approval of the job by the party.

2. INVESTMENTS

Long term investments are stated at cost less provision for diminution in value other than temporary, if any.

3. INVENTORIES

Inventory valued at cost or market value whichever is lower.

4. FIXED ASSETS

Fixed Assets are valued at cost.

5. DEPRECIATION

(a) In respect of additions upto 1981-82 on Straight Line Method u/s.205 (2) (b) of the Companies Act, 1956.

(b) In respect of additions from 1982-83 including Leasing Equipments on Written Down Value Method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

(c) In respect of additions of Leasing Equipment from 1985-86 by amortising the cost of the equipment over the primary period of the lease agreement considering the date of agreement as the date of installation which works out higher than one worked out as per the rates provided in Schedule XIV of the Companies Act, 1956. Depreciation on addition to and sale of other assets has been provided on pro-rata basis with reference to the date of installation or date of such sale as the case may be. Depreciation on additions to leased assets has been provided from the date of commencement of the agreement.

6. SALES TAX

Credit for Purchase set-off is taken on completion of the assessment.

7. RETIREMENT BENEFITS

Contribution to Provident Fund and Superannuation Fund is made to the Provident Fund Dept. of the Central Government and the L.I.C. superannuation scheme respectively and is charged to the Profit and Loss account on an accrual basis. Gratuity has been provided as per the actuarial valuation in respect of employees and charged to profit and loss account. Leave encashment benefit has been provided on actual basis as per the rules of the Company.

8. DEFERRED TAX

Deferred tax is accounted for by computing the tax effect of timing differences which arise during the year and reversed in subsequent periods.

| | As at 31.03.2009 Rupees | As at 31.03.2008 Rupees |
|--|--------------------------------|-------------------------------|
| SCHEDULE 11 | | |
| NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT | | |
| 1. Estimated amount of capital contracts remaining to be executed and not provided for. | NIL | NIL |
| 2. Contingent liability on partly paid debentures and shares. | NIL | NIL |
| 3. Guarantees given by a bank. | 656,246 | 539,527 |
| 4. No provision has been made as regards liability in respect of pending labour demands not accepted by the Company. | Amount unascertained | Amount unascertained |
| 5. Claims against the Company not acknowledged as debts. | 60,000 | 60,000 |
| 6. (a) Appeals filed by the Income Tax Department against appellate decisions favourable to the Company involving tax amount to (b) Necessary provision in respect of above liabilities, including interest if any, will be made in the accounts on final outcome of appeals. | 1,285,940 | 1,285,940 |
| 7. Payment to Auditors (Including Service tax) Audit fees | 30,333 | 30,899 |
| 8. Claim of material amount on account of disputes raised by a customer against the Company which has not been accepted and has been referred to the Arbitrator. The matter is under litigation and the liability, if any, cannot be ascertained and hence not provided in the accounts. | | |
| 9. No provision has been made in respect of doubtful debts amounting to Rs. 50,713/- (Previous year Rs.20,940/-) and doubtful advances amounting to Rs.10,000 /- (Previous year Rs. 10,000/-). | | |
| 10. As of 31st March,2009 the Company had no outstanding dues to small scale industrial undertakings for sum of Rs.1 lac or more for more than 30 days. | | |
| 11. Advances recoverable include loan to employees of Rs.25,200/- (Previous year Rs.33,000/-). Maximum balance outstanding during the year is Rs.33,000/- (Previous year Rs.40,000/-). | | |
| 12. Confirmation for debit and credit balances have not been received from several parties. | | |
| 13. DEFERRED TAX ASSETS | | |
| | As on 31.03.2009 | As on 31.03.2008 |
| <u>Deferred tax assets :</u> | | |
| (i) Depreciation | 252,416 | 203,240 |
| (ii) Expenses / provision allowable for tax purpose when paid | 437,806 | 386,567 |
| (iii) On carried forward losses / unabsorbed depreciation | 52,188 | 1,476,913 |
| (iv) On carried forward short term capital losses | 456,462 | |
| | <u>1,198,872</u> | <u>2,066,720</u> |

Note : Pursuant to Accounting Standard (AS) 22, during the year deferred tax liabilities of Rs.8,67,848/- has been debited to Profit and Loss account and credited to Deferred Tax Assets.

14. TRANSACTION WITH RELATED PARTY :

| A) Key Management Personnel | Description of transaction | Amount in Rs. |
|--|----------------------------|---------------------|
| 1. Dr. D.S.Mahadevia Chairman | Remuneration | } Refer note no. 15 |
| 2. Shri T.D.Mahadevia Managing Director | Remuneration | |
| 3. Shri A.D.Mahadevia Vice Chairman & Managing Director | Remuneration | |
| B) Other related parties Directors | Fees and expenses | 14,406 |



15. (a) Managerial Remuneration u/s 198 of the Companies Act, 1956

| | 2008-09 | | | 2007-08 | | |
|---|----------------|---|----------------------|----------------|---|----------------------|
| | Chairman | Vice-Chairman and Managing Director | Managing Director | Chairman | Vice-Chairman and Managing Director | Managing Director |
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| 1. Salary | 240,000 | 240,000 | 285,000 | 240,000 | 240,000 | 240,000 |
| 2. Commission | - | - | - | - | - | - |
| 3. Contribution to Provident Fund /Superannuation Fund | 24,000 | 44,000 | 44,000 | 24,000 | 44,000 | 44,000 |
| 4. Provision for Gratuity | - | 10,000 | 12,500 | - | 10,000 | 10,000 |
| 5. Other perquisites in cash or kind | 44,537 | 167,123 | 213,453 | 33,508 | 166,231 | 190,100 |
| TOTAL | 308,537 | 461,123 | 554,953 | 297,508 | 460,231 | 484,100 |

b) The computation of net profit under Section 198 of the Companies Act, 1956 has not been given since, due to the inadequacy of net profit as per section 309(5), no commission is payable for the year ended 31st March, 2009.

16. Information regarding goods manufactured :

| Class of Goods | Opening Stock | | Purchases/Production | | Closing Stock | | Sales | |
|--|------------------|-------------------------|----------------------|---------------------------|------------------|-------------------------|--------------------|---------------------------|
| | Qty. Nos. | Value Rs. in Lacs | Qty. Nos. | Value Rs. in Lacs | Qty. Nos. | Value Rs. in Lacs | Qty. Nos. | Value Rs. in Lacs |
| 1. Electric and Pneumatic Hoists | 2 (13) | 4.00 (10.24) | 70 (73) | 88.09 (59.34) | 14 (2) | 18.99 (4.00) | 58 (84) | 105.73 (95.67) |
| 2. Cranes@ | - | - | 30 (22) | 215.97 (63.38) | - | - | 30 (22) | 246.96 (72.15) |
| 3. Raw materials, components & stores etc.# | - | 32.10 (23.91) | - | 15.26 (15.15) | - | 39.65 (32.10) | - | 17.21 (18.56) |
| | 2 (13) | 36.10 (34.15) | 100 (95) | 319.32 (137.87) | 14 (2) | 58.64 (36.10) | 88 (106) | 369.90 (186.38) |

NOTE:

- # Quantitative information regarding Rawmaterials, Components & Stores cannot be given as the items are numerous and cannot be classified into suitable categories.
- @ 30 Nos. Cranes Purchased during the year.

17. SEGMENT INFORMATION:

(Rupees in lacs)

A) Information about Business Segment - Primary

| S. No. | Particulars | Production/ Marketing | Finance | Total |
|--------|--|--------------------------|---------|----------|
| 1. | Segment Revenue | 389.98 | 455.09 | 845.07 |
| 2. | <u>Segment Result:</u> | | | |
| | Profit / (Loss) Before Taxation | 48.12 | 367.40 | 415.52 |
| | Less : | | | |
| | 1) Interest | | | 0.11 |
| | 2) Other unallocated corporate expenses (Net of income) | | | 28.38 |
| | Profit/ (Loss) Before Tax | | | 387.03 |
| 3. | <u>Other Information :</u> | | | |
| | Segment Assets | 171.73 | 780.56 | 952.29 |
| | Add : Unallocated common assets | | | 123.27 |
| | Total Assets (Excluding deferred tax assets) | | | 1,075.56 |
| | Segment Liabilities | 71.80 | 0.22 | 72.02 |
| | Add : Unallocated common liabilities | | | 128.21 |
| | Total Liabilities | | | 200.23 |
| 4. | Capital Expenditure during the year : | 7.77 | | 7.77 |
| 5. | Depreciation and amortisation : | 3.73 | 3.44 | 7.17 |
| | Add : Unallocated Depreciation | | | 2.66 |
| | | | | 9.83 |
| 6. | Non - Cash Expenditure : | | | NIL |

B) Secondary Segment

The Company has no secondary segment.

| | 2008-09 Rupees | 2007-08 Rupees |
|---|-------------------|-------------------|
| 18. Earning Per Share (EPS) : | | |
| (i) Net profit available for Equity shareholders(Rupees) | 33,639,870 | 5,220,719 |
| (ii) Weighted average number of shares at the beginning and end of the year. | 704,050 | 704,050 |
| (iii) Basic and Diluted Earnings per share (Rupees) | 47.78 | 7.42 |
| 19. Expenditure in Foreign Currency on account of : Others | | |
| 20. Earnings in Foreign Currency | | |
| 21. There is no remittance of foreign currency in respect of dividend during the year. | | |
| 22. Figures for the previous year have been regrouped and re-classified to conform with those of the current year, wherever necessary. | | |
| Signature to Schedule 1 to 11 | | |

For and on behalf of the board

A.D. Mahadevia
 Vice Chairman & Managing Director

T.D. Mahadevia
 Managing Director

 Place : Mumbai
 Dated : 27th July, 2009

**CASH FLOW STATEMENT FOR THE YEAR ENDING MARCH 31, 2009**

| A) CASH FLOW FROM OPERATING ACTIVITIES | (Rs. in Lacs) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2009 | Year ended March 31, 2008 |
| Net Profit after Tax and extraordinary items | 336.40 | 52.21 |
| Adjustments for : | | |
| Depreciation | 9.83 | 12.30 |
| Provision for Tax | 41.95 | 6.90 |
| Interest Paid | 0.11 | 0.09 |
| Interest Received | (23.80) | (13.07) |
| Dividend Received | (27.19) | (12.03) |
| Operating profit before working capital changes | <u>337.30</u> | <u>46.40</u> |
| Adjustments for : | | |
| Trade and other receivables | (15.99) | (24.93) |
| Inventories | (22.54) | (2.73) |
| Loans and Advances | 45.60 | 22.83 |
| Trade payables | 34.62 | 33.90 |
| Cash generated from Operations | <u>378.99</u> | <u>75.47</u> |
| Interest Paid | (0.11) | (0.09) |
| Income Tax (Net) | (45.68) | (8.32) |
| Cash flow before extraordinary items | <u>333.20</u> | <u>67.06</u> |
| Profit on sale of Investments and Fixed Assets (Net) | (333.73) | (50.75) |
| Net cash from operating activities | (0.53) | 16.31 |
| B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Sale of Fixed Assets | 1.63 | 0.04 |
| Purchase of Fixed Assets | (7.77) | (0.93) |
| Sale of Investments | 2725.65 | 332.47 |
| Purchase of Investments | (2,343.93) | (325.65) |
| Interest Received | 23.80 | 13.07 |
| Dividend Received | 27.19 | 12.03 |
| Net cash generated/(used) in investing activities | 426.57 | 31.03 |
| C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Repayment of Unsecured Loans | | |
| Dividend Paid | (14.08) | (14.08) |
| Net cash used in financing activities | (14.08) | (14.08) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 411.96 | 33.26 |
| Cash and cash equivalents: | | |
| Opening balance | 110.79 | 77.53 |
| Closing balance | 522.75 | 110.79 |

For and on behalf of the Board

A.D. Mahadevia

Vice Chairman & Managing Director

Mumbai, 27th July, 2009

Auditor's Report

We have checked the attached cash flow statement of TAK Machinery and Leasing Limited for the year ended March 31, 2009 from the books and records maintained by the Company in the ordinary course of business and have found it in accordance therewith.

Mumbai, 27th July, 2009

For Patkar & Pendse

Chartered Accountants

B.M. Pendse

Partner

Membership No. 32625

Balance Sheet Abstract and Company's General Business Profile

For the Year ended March 31, 2009

I. Registration Details

| | | | |
|------------------|-----------|------------|---------|
| Registration no. | 1 2 2 2 7 | State Code | 1 1 |
| Balance Sheet | 3 1 | 0 3 | 2 0 0 9 |
| Date | Date | Month | Year |

II. Capital Raised during the Year (Amount in Rs. Thousands)

| | | | |
|--------------|-----|-------------------|-----|
| Public Issue | NIL | Rights Issue | NIL |
| Bonus Issue | NIL | Private Placement | NIL |

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. Thousands)

| | | | |
|-------------------|-----------|--------------|-----------|
| Total Liabilities | 8 8 7 3 2 | Total Assets | 8 8 7 3 2 |
|-------------------|-----------|--------------|-----------|

Sources of Funds

| | | | |
|-----------------|---------|--------------------|-----------|
| Paid-Up Capital | 7 0 5 1 | Reserves & Surplus | 8 1 6 8 1 |
| Secured loans | NIL | Unsecured Loans | NIL |

Application of Funds

| | | | |
|--------------------|-----------|-------------------|-----------|
| Net Fixed Assets | 6 8 1 6 | Investments | 2 9 2 3 9 |
| Net Current Assets | 5 1 4 7 7 | Misc. Expenditure | NIL |
| Accumulated Losses | NIL | | |

IV. Performance of the Company (Amount in Rs. Thousands)

| | | | |
|---|--------------------------|---|-------------------|
| | Turnover | | Total Expenditure |
| | 8 4 5 2 4 | | 4 5 8 2 1 |
| + | Profit Before Tax | + | Profit After Tax |
| + | 3 8 7 0 3 | + | 3 3 6 4 0 |
| | Earning Per Share in Rs. | | Dividend Rate % |
| | 4 7 . 7 8 | | 4 0 |

V. Generic Names of Three Principal Products / Services of Company

(as per monetary terms)

Item Code No.

Product Description.

Not Applicable

I. Financing II. Investments III. Production/Trading of Cranes, Hoists and Spares

TAK Machinery and Leasing Ltd

Regd. Office : Janmabhoomi Bhavan, Janmabhoomi Marg, Mumbai 400 001.

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

I hereby record my presence at the 47th Annual General Meeting of the Company at Kilachand Conference Room, Indian Merchants Chamber, Indian Merchants Chamber Marg, Churchgate, Mumbai 400 020 on Wednesday the 30th Sept, 2009 at 11.30 a.m.

Full Name of the Shareholder
(in block letters)

Signature

Folio No. _____

Full Name of the Proxy
(in block letters)

Signature

TAK Machinery and Leasing Ltd

Regd. Office : Janmabhoomi Bhavan, Janmabhoomi Marg, Mumbai 400 001.

PROXY

I / We _____ of _____

being a member / Members of the above named Company hereby appoint _____

_____ of _____ or failing him

_____ of _____

as my / our proxy to attend and vote for me / us, on my / our behalf at the Forty seventh Annual General Meeting of the Company to be held on Wednesday the 30th Sept, 2009 at 11.30 a.m and at any adjournment thereof.

Signed this _____ day of _____ 2009

Signature _____

Address _____

Affix
15 Paise
Revenue
Stamp

IMPORTANT :

- a) The Companies Act, 1956 lays down that an instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than FORTY-EIGHT HOUR before the time fixed for holding the meeting.
- b) A proxy need not be a member.

NOTES



NOTES

BOOK - POST

To,

If undelivered, please return to:

TAK Machinery & Leasing Ltd.,
Janmabhoomi Bhavan, Janmabhoomi Marg,
Fort, Mumbai - 400 001.