

TWENTY FIRST ANNUAL REPORT
2008-2009



MINAL ENGINEERING LIMITED

Board of Directors

Mr. J. B. Parikh	-	Chairman
Mr. Shrikant J. Parikh	-	Managing Director
Mr. J.V. Joshi	-	Director
Mr. Amul J. Patel	-	Director
Ms. Arpita Parikh	-	Director
Mr. Vikram J. Parikh	-	Director

Registered Office:

214/A, Paradise Complex,
Sayajigunj, Baroda - 390 005

Auditors:

M/s Chandrakant & Sevantilal & J.K. Shah & Company,
Chartered Accountants,
301, Lalita Tower, 3rd Floor,
Near Hotel Rajpath,
Bh. Rly. Station - Akota Road,
Vadodara - 390 007.

Bankers:

Corporation Bank,
Alkapuri, Vadodara.

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The Twenty first Annual General Meeting of the company will be held on 30th September, 2009 at 11.30 a.m. at the Registered Office of the Company at 214/A, Paradise Complex, Sayajigunj, Vadodara.

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twenty first Annual General Meeting of the Company will be held on Wednesday the 30th September, 2009 at 11.30 a.m. at the Registered Office of the Company at 214/A, Paradise complex, Sayajigunj, Vadodara - 390005, Gujarat to transact the following businesses:

ORDINARY BUSINESS:

- 1) To consider, approve and adopt the Balance sheet as at 31st March, 2009 and the Profit & Loss Account for the year ended on that date together with the Directors' and Auditors' Report there on.
- 2) To appoint a director in place of Mr. J. V. Joshi, who retires by rotation at the ensuing Annual General Meeting of the company and being eligible, offers himself for reappointment.
- 3) To appoint a director in place of Ms. Arpita Parikh, who retires by rotation at the ensuing Annual General Meeting of the company and being eligible, offers herself for reappointment.
- 4) To consider and if thought fit pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED that M/s Chandrakant & Sevantilal & J.K. Shah & Company, Chartered Accountants, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by mutual consent of board of directors and the Auditors."

SPECIAL BUSINESS:

- 5) To consider and if thought fit to pass with or without modification the following resolution as special resolution

"RESOLVED That the company approves, pursuant to the provisions of section 314(1) (b) of the Companies Act 1956, and subject to the consent of the Company at general meeting by special resolution and subject to such other consents, approvals, permissions as may be required, the appointment of Ms. Anila Parikh, to hold an office or place of profit under the Company as Officer - Marketing, for a period of five years and on such terms and conditions and on such remuneration as may be decided by the Board of Directors, provided that the aggregate remuneration payable to Ms. Anila Parikh shall not exceed Rs. 50,000 per month.

- 6) To consider and if thought fit to pass with or without modification the following resolution as special resolution

"RESOLVED that the company approves, pursuant to the provisions of section 314(1) (b) of the Companies Act 1956, and subject to the consent of the Company at general meeting by special resolution and subject to such other consents, approvals, permissions as may be required, the appointment of Ms. Brijal Parikh, to hold an office or place of profit under the Company as Officer - Marketing, for a period of five years and on such terms and conditions and on such remuneration as may be decided by the Board of Directors, provided that the aggregate remuneration payable to Ms. Brijal Parikh shall not exceed Rs. 50,000 per month.

**By Order of Board
For Minal Engineering Limited**

**Place: Vadodara
Date: 31/07/2009**

**V. J. Parikh
Director**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HER SELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.(FORM ATTACHED HEREWITH)
2. Members are requested to notify immediately their change of address, transfer, transmission deeds and such other correspondence to the Registrar and Transfer Agent MCS Limited, at Neelam Appartment, 88, Sampatrao Colony, Vadodara 390 005.
3. The Register of Members and Share Transfer books of the Company will be closed from 23rd September, 2009 to 29th September, 2009. (both days inclusive).
4. Members/Proxies should bring the Attendance Slips duly filled in for attending the meeting.
5. Members are requested to bring their copy of Annual Report to the Annual General Meeting.
6. **Members desirous of seeking any information/clarification on the accounts or operations of the company is requested to forward his/ her query to the Registered Office so as to reach at least seven working days prior to the meeting, so the required information can be made available at the meeting.**
7. Members, who hold shares in dematerialized form are requested to bring their depository account number (Client ID No.) for easy identification and recording of attendance at the meeting.
8. Members who wish to make nomination for the shares held in the Company may kindly send the details in the form 2B as prescribed under the Companies Act, 1956.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956 FOR ITEM NO. 5 & 6

Ms. Anila Parikh and Ms. Brijal Parikh have been appointed as Officer - Marketing in the company at a remuneration of Rs. 10000/- and Rs. 20000/- respectively per month. The above appointments call for compliance of Section 314 (1) (b) of the Act. Your directors have thus in accordance with the 1st proviso to Section 314 (1) of the Act sought your approval.

Mr. Shrikant Parikh, Mr. J B Parikh & Mr. Vikram J Parikh being relative of Ms. Anila Parikh & Ms. Brijal Parikh are interested in the above resolution.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **21st Annual Report** together with the Audited Financial Statement along with the Report of the Auditors **for the year ended on 31st March 2009.**

➤ **Financial Results and Profitability:**

Rs. In Lacs

FINANCIAL RESULTS	2008-09	2007-08
Total Income	388.91	91.85
Total Expenditure	188.69	181.76
Profit before Depreciation & Tax	209.63	(81.13)
Less: Depreciation	9.41	8.78
Profit before tax	200.22	(89.91)
Provision for tax	4.43	1.24
Profit after Tax	195.78	(91.16)
Profit brought forward	29.19	120.35
Profit available for appropriation	224.97	29.18
Appropriations:		
Dividend	0	0
Dividend Tax	0	0
Transfer to General Reserve	0	0
Balance Carried forward	224.97	29.18
Paid up Equity Share Capital	637.00	637.00
Share Forfeited Account	75.53	75.53
Reserves and Surplus	418.09	222.31

➤ **Operation**

Your directors take pleasure in reporting that the company has achieved a turnover of Rs. 94.82 Lacs. The company has recorded a Profit of Rs. 209.63 Lacs before depreciation and interest as against Loss of Rs. 81.13 Lacs in the previous year. After providing a sum of Rs. 9.41 Lacs towards depreciation, Income Tax provision of Rs. 4.11 Lacs and after adjusting a sum of Rs. 0.31 Lacs towards deferred tax, the operation resulted in net Profit of Rs. 195.78 Lacs as against Loss of Rs. 91.16 Lacs in the previous year.

The Profit for the year includes a sum of Rs. 260.93 Lacs, share of profit in C Mahendra Infojewels of which company is a Partner.

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➤ **Amount proposed to be carried to reserves:**

The company has not declared any dividend and thus the Profit has been carried to reserves.

➤ **Dividend**

Your Board of Directors have decided to plough back the profits in the business and hence not recommended any dividend.

➤ **Conservation of energy, technology adsorptions and foreign exchange earnings and outgo:**

In accordance with the provisions of Section 217(1) (e) of The Companies Act, 1956, read with Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 are as per annexure to the report.

➤ **Deposits:**

The company has neither accepted nor renewed any Public Deposits pursuant to the Section 58A of the Companies Act, 1956.

➤ **Directors :**

Mr. J. V. Joshi and Ms. Arpita Parikh, Directors of the company will retire by rotation in the Annual General Meeting, and being eligible offer themselves for reappointment.

➤ **Auditors:**

The Statutory Auditors of the Company M/s Chandrakant & Sevantilal & J. K. Shah & Company, Chartered Accountants are retiring at conclusion of this Annual General Meeting, being eligible they offers themselves for reappointment. The Auditors have confirmed that, if appointed, their appointment will be within the limits as laid down under section 224(1B) of the Companies Act, 1956.

Notes forming part of the accounts, which are specifically referred to by the Auditors in their Report are self explanatory and therefore do not call for any further comments.

➤ **Employee Particulars:**

There are no employees covered under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and hence no information is required to be furnished.

➤ **Director's Responsibility Statement:**

Pursuant to Section 217(2AA) of The Companies Act, 1956, the directors confirm that, to the best to their knowledge and belief:

- (i) that in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimated 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 and of the profit and loss of the company for the period.
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing the detecting fraud and other irregularities;
- (iv) that the directors had prepared the annual accounts on a going concern basis.

➤ **Report on Corporate Governance and Auditor's Certificate:**

A separate section on Corporate Governance and a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges form part of Annual Report.

Directors would like to thank the shareholders, customers, dealers, suppliers, bankers and all other business associates for the continued support given by them to the Company and their confidence in its management.

**For and on behalf of the Board of Directors of
Minal Engineering Limited**

Place: Vadodara
Date : 31.07.2009

Sd /-
J. B. Parikh
Chairman

ANNEXURE TO DIRECTOR'S REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

1. CONSERVATION OF ENERGY
 - a) Energy Conservation measures taken:
The Company is taking various steps to conserve the energy.
 - b) Impact of the above steps:
The impact of above step is positive.
 - c) Total energy consumption and energy consumption per unit of production:
Refer enclosed Form-A
2. TECHNOLOGY ABSORPTION
 - d) Efforts made in technology absorption
Not Applicable
3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings	: Rs. Nil
Foreign Exchange Outgo	: Nil

Form A (See Rule 2)

Form for disclosure of particulars with respect to conservation of energy.

- | | | | |
|------|--|--------------|--|
| A. | Power and fuel Consumption | Current year | |
| 1. | Electricity | | |
| a) | Purchase Unit | 33177 | |
| | Total Amount | 139411.00 | |
| | Rate/ Unit | 4.202038/- | |
| b) | Own generation | | |
| (i) | Through diesel generator Unit | | |
| | Unit per-ltr of diesel oil Cost/unit | | |
| (ii) | Through steam turbine/generator Units | | |
| | Unit per-ltr of fuel oil/gas Cost/unit | | |
| 2. | Coal (specify quantity and where used) | | |
| | Quantity (tones) | | |
| | Total Cost | | |
| | Average Rate | | |
| 3. | Furnace Oil | | |
| | Quantity (tones) | | |
| | Total Cost | | |
| | Average Rate | | |
| 4. | Others | | |
| | Quantity (tones) | | |
| | Total Cost Rate/unit | | |

Not Applicable

- | | | | | |
|----|------------------------------------|-----------|---------|----------|
| B. | Consumption per unit of production | Standards | Current | Previous |
| | | if any | Year | Year |
| | Products (with details) unit | | | |
| | Electricity | | | |
| | Furnace Oil not ascertained | | | |
| | Coal (specify quantity) | | | |
| | Others (specify) | | | |

Not Applicable

FORM B (See Rule 2)

Form for disclosure of particulars with respect to absorption.

Research and Development (R&D)

1. Specific areas in which R & D carried out by the Company.
2. Benefits derived as a result of the above R & D
3. Future plan of action
4. Expenditure on R& D
 - a) Capital
 - b) Recurring
 - c) Total
 - d) Total R&D expenditure as a percentage of total turnover

Technology absorption, adoption and innovation

1. Efforts, in brief, made towards technology absorption, adoption and innovation
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction product development, import substitution etc.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year). Following information may be furnished:
 - (a) Technology Imported
 - (b) Year of Import
 - (c) Has technology been fully absorbed?
 - (d) Of not fully absorbed, areas where this has not take place, reasons therefore and future plans of action.

Not Applicable

Addendum to the Director's report u/s 217(3)
Reply of Board of Directors to Audit Report for the year ended 31st March, 2009

➤ **Auditor's qualification(s), reservation(s) or adverse remark(s) in the auditor's report**

- 1) Non provision for diminution in value of investment as required by Accounting Standard 13 "Accounting for Investments" (See Note No. – 4).
- 2) Non Provision for leave encashment and Gratuity Liabilities payable upon retirement as required by accounting standard 15 Employees' benefit (See Note No. – 5).
- 3) In respect of Trading Division (Jewellery & Consumer Division), the Company has not maintained quantitative records of all the items in which the Company is dealing and in absence of stock statement showing item wise Quantities and value, for the purpose of annual account, the inventory of opening stock and closing stock as taken, value and certified by director is relied upon.

➤ **Director's comments on qualification(s), reservation(s) or adverse remark(s) of the auditors as per Board's report**

- 1) There has been a diminution of Rs. 3.53 Lacs in the value of long term investments held by the Company as at 31st March, 2009. No provision against the same has been considered necessary since in the opinion of management such diminution is temporary in nature.
- 2) a) Total present liability for future payment of gratuity as on 31st March, 2009 is neither provided nor actually determined. These liabilities will be dealt with on cash basis.
b) Leave encashment liability, if any, has not been determined, presently, and would be charged when paid.
- 3) Due to large no. of items having different sizes & different quality, it is not possible to maintain a record of all the items.

Place: Vadodara
Date: 31.07.2009

Sd /-
Vikram Parikh
Director

Sd /-
J. B. Parikh
Chairman

REPORT ON CORPORATE GOVERNANCE

In compliance with the Clause 49 of the Listing Agreement entered with Stock Exchanges, the company herewith submits the report on the matters as mentioned in the said clause and practices followed by the company.

The company's philosophy on good corporate governance envisages a combination of business practices that result in enhancement of the value of the company to the shareholders and to fulfill its obligation to its other stakeholders.

MANDATORY REQUIREMENTS:**I. Board of Directors:****(A) Composition of Board:**

The board of the company comprise of 6 directors out of it 1 director Mr. Shrikant Parikh, Managing Director is executive director and all the other directors are non- executive directors of the company out of the non executive directors two directors are independent directors. The Directors bring in wide range of expertise and experience to the Board, facilitating proficient and unbiased direction and control to the Company.

The composition of board is as under:

Directors	No of Board Meetings held	Board Meetings attended	No. of directorships held in other Public Ltd. companies	Attendance in the last AGM
<i>Executive Director:</i>				
Mr. Shrikant Parikh, Managing Director	7	5	Nil	No
<i>Non- Executive Directors:</i>				
Mr. J. B. Parikh, Chairman	7	7	Nil	Yes
Mr. Vikram J. Parikh, Director	7	7	Nil	Yes
Mr. Amul J. Patel, Director	7	6	Nil	Yes
Mr. J.V. Joshi, Director	7	7	Nil	Yes
Ms. Arpita S. Parikh, Director	7	4	Nil	No

(B) Board and Committees:

During the year 2008-09, the Board of Directors met on 7 occasions on the following dates: 30/04/2008, 07/05/2008, 28/06/2008, 30/07/2008, 24/10/2008, 30/01/2009 & 20/03/2009.

The board complies with Code of Conduct as provided for all Board members and Senior Management of the company. Compliance of the code is affirmed on annual basis every year.

The Board has constituted three committees as under:-

Audit Committee:**Composition:**

The company has a qualified and independent audit committee comprising of:

- Mr. J.V.Joshi, Independent Director
- Mr. Amul J. Patel, Independent Director
- Mr. J.B. Parikh

Meetings

All the members of the committee are financially literate and the independent directors are having expertise in accounting and financial management. The constitution of the committee also meets with the requirement under Section 292A of The Companies Act, 1956. The Audit Committee has met four

times during the financial year to review the accounting practices including review internal control/ audit system and financial statements of the company, The attendance of the directors was a follows:

Members of Audit Committee	Designation	No. of meetings attended
Mr. Amul J. Patel	Chairman	6
Mr. J. B. Parikh	Member	7
Mr. J. V. Joshi	Member	7

Minutes of the Audit Committee Meetings are noted by Board of Directors at the subsequent Board Meetings. The chairman of the meeting will be present at Annual General Meeting to answer the queries of shareholders, alternatively; he would decide who should answer the queries.

Shareholders/ Investors Grievance Committee:

The company has constituted a Shareholders' Grievance Committee consisting of two directors viz. Mr. Amul J. Patel and Mr. J. B. Parikh. One Investor's complaint is pending at the end of the year due to non submission of requisite information by the investor.

The functions of the committee are to specifically look into the redressal of shareholder and investor complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividends etc.

Members of the Committee	Designation	No. of meetings attended
Mr. Amul J. Patel	Chairman	6
Mr. J. B. Parikh	Member	7

Remuneration Committee:

The board has set up a Remuneration Committee comprising of:

- (i) Mr. J. B. Parikh, Chairman
- (ii) Mr. J. V. Joshi

The committee is set up to determine on behalf of Board of Directors and on behalf of the shareholders with agreed terms of reference, the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment. The quorum of the meeting is all the members present. No meeting of Remuneration Committee was held during the year under review.

None of the Directors of the company are members of more than ten committees or acting as chairman of more than five committees.

The board periodically reviews compliance report of all laws applicable to the company.

(C) Remuneration to directors:

The company has remuneration committee consisting of two directors viz. Mr. J. B. Parikh and Mr. J. V. Joshi. The details of remuneration paid to directors for the financial year 2008-09 are as under:

Name of Director	Sitting Fee	Salary & Other perquisites	Commission	Total
Mr. J. B. Parikh	-	-	-	-
Mr. Shrikant J. Parikh	-	Rs. 84250/-	-	-
Mr. Vikram J. Parikh	-	-	-	-
Mr. Amul J. Patel	-	-	-	-
Mr. J. V. Joshi	-	-	-	-
Ms. Arpita Parikh	-	-	-	-

II. Disclosures

1. Disclosure on materially significant related party transaction that may have potential conflict with the interest of company at large:-
None of the transactions with any of the related parties were in conflict with the interest of the company.
2. There were no instances of penalties imposed on the Company, by the Stock Exchange(s). SEBI, or any statutory on any matter related to capital markets, during last three years.

3. Senior Management discloses all material financial and commercial transactions, where they have material interest that may have potential conflict with the interest of the company at large to the board from time to time.

Management Discussion and Analysis Report:

The company has earned other incomes of Rs. 33.15 Lacs. Net Profit of the company stood at Rs. 195.78 Lacs. There was no material development in Human Resources/ Industrial Relations front, the relations with the employees remained cordial throughout the year.

Shareholders:

- The company entered into agreement with M/s M.C.S. Ltd. as the Registrar & Transfer Agent to expedite the register and transfers of shares and to look into the redressal of shareholder and investors complaints, Shareholders/ Investors Grievance Committee consisting of Mr. Amul J. Patel and Mr. J. B. Parikh is formed.
- Material financial and commercial transactions of the management (defined as 'Board of Directors'), where they have personal interest, that may have a potential conflict with the interest of the company at large have been reported to the Board from time to time.

Means of Communication

- o Quarterly financial results are submitted to the Stock Exchanges where the shares of the Company are listed, within the stipulated time frame. Further, the quarterly financial results are also published in Business Standard, Loksatta, Asian Age and News Lines (The ET Gujarati & English edition & Vadodara Samachar) as per the statutory requirement.

o General Shareholder's Information:

(i) Annual General Meeting:

The Twenty First Annual General Meeting of the Company will be held on Wednesday, 30th September, 2009 at 11.30 a.m. at the registered office of the company.

(ii) Financial year

The financial year of the company starts from 1st April to 31st March.

(iii) Date of Book Closure

The Register of members and Share Transfer Books of the company will remain close from 23rd Sep., 2009 to 29th Sep., 2009 to ascertain the members of the company for the purpose of Annual General Meeting of the Company.

(iv) Listing on Stock Exchanges

The Names along with addresses of the Stock Exchanges where the securities of the company are listed, are as under:-

- The Stock Exchange, Mumbai (BSE)
25th Floor, P.J. Towers, Dalal Street, Mumbai- 400 001
- Ahmedabad Stock Exchange (ASE)
Kamdhenu Complex, Nr. Polytechnic College, Panjra Pole, Ahmedabad
- Vadodara Stock Exchange (VSE)
Fortune Tower, Sayajigunj, Vadodara.

Listing fee has been paid to all the stock exchanges till date.

(v) Stock Code

The Stock Codes of the company at The Sock Exchange, Mumbai is 522235.

(vi) Market Price Data

Market price on BSE from the month of April, 2008 to March, 2009 is as under.

Months	High (Rs.)	Low (Rs.)	Months	High (Rs.)	Low (Rs.)
April, 08	33.60	21.40	October 08	11.89	5.73
May, 08	23.70	16.20	November, 08	8.05	5.75
June, 08	17.40	14.00*	December, 08	7.15	5.74
July, 08	16.59	13.15	January, 09	7.99	5.25
August, 08	18.30	14.16	February, 09	6.29	4.76
September, 08	18.70	9.05	March, 09	5.37	4.11

(vii) Registrar & Share Transfer Agent

MCS Limited

Neelam Apartment, 88 Sampatrao Colony, Vadodara

(viii) Share Transfer System and Dematerialization:

All the shares of the company are traded compulsory in the dematerialized form. The company has entered into an agreement with both NSDL and CDSL whereby the shareholders have an option to dematerialize their shares with depositories. Demate ISIN Number in NSDL and CDSL, for equity shares is INE097E01010.

As on 31st March, 2009, 5476574 shares were in Dematerialized form representing 85.97% of the total shares.

(ix) Distribution of Shareholding

Nominal value of Shareholding (Rs.)	Shareholders		Amount held	
	Numbers	% to total	In Rs.	% to total
1-5000	1611	74.4455	3087350	4.8466
5001-10000	529	24.4455	9642630	15.1374
10001-20000	5	0.2311	694900	1.0909
20001-30000	5	0.2311	1175670	1.8456
30001-40000	2	0.0924	666410	1.0462
40001-50000	2	0.0924	944510	1.4827
50001-100000	7	0.3235	5626720	8.8330
100001 and above	3	0.1386	41862610	65.7176
Total	2164	100.00	63700800	100.00

(x) Shareholding Pattern

	Category	No. of shares held	percentage of shareholding
1	Promoter Holding	4397528	69.03
2	Mutual Funds and UTI	Nil	Nil
3	Banks, FI, Insurance Companies	Nil	Nil
4	Private Corporate Bodies	464347	7.29
5	NRI's/ OCBs	137379	2.16
6	Indian Public*	1370426	21.51
7	Trusts	400	0.01
8	Clearing Members in Transit	Nil	Nil
	GRAND TOTAL	63,70,080	100.00

* Note : Indian Public includes HUF holding 35,577 Shares.

(xi) Site Location:

351, GIDC, Makarpura, Vadodara – 390 010. Tel. 0265- 2638506, 2642570, Fax: 2782254

(xii) Address for Investors' Correspondance:

Registered Office: 214/A, Paradise Complex, Sayajigunj, Vadodara - 390 005.

o Particulars of past three Annual General Meetings:

	2006	2007	2008
Date of the AGM	30 th September, 2006	29 th September, 2007	30 th September, 2008
Venue	Company's Registered Office at Baroda	Company's Registered Office at Baroda	Company's Registered Office at Baroda

Note: All the resolutions set out in the respective Notices for the above Meetings, including the Special Resolutions were duly passed by the Shareholders with the requisite majority in each case. No resolution requiring Postal Ballot was passed at the above meetings.

III. Chief Executive Officer and Chief Finance Officer:

Mr. Shrikant Parikh, Managing Director and Mr. Vikram Parikh, Chief Finance Officer of the company review the financial statements and cash flow statements and also certify to the board regarding non omission of material fact and statements and compliance of existing accounting standards, applicable laws and regulations.

They also accept the responsibility for establishing and maintaining internal control systems and evaluating the effectiveness of the system and disclosing the same to Audit committee and auditors.

IV. Corporate Governance Report:

The Statutory Auditors have certified that the company has complied with all the applicable mandatory requirements as provided in Clause 49 of the Listing Agreement entered into with the Stock Exchanges and the same is annexed to the Director's Report.

NON MANDATORY REQUIREMENTS:

The extent of implementation of non-mandatory requirements is furnished hereunder

(1) Remuneration Committee:

The board has set up a Remuneration Committee comprising of:

- (i) Mr. J. B. Parikh, *Chairman*
- (ii) Mr. J. V. Joshi

The committee is set up to determine on behalf of Board of Directors and on behalf of the shareholders with agreed terms of reference, the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.

The quorum of the meeting is all the members present. The chairman of the meeting will be present at Annual General Meeting to answer the queries of shareholders, alternatively; he would decide who should answer the queries

Minal Engineering Limited as a responsible corporate citizen believes that Corporate Governance is not just compliance with statutory requirements but doing what is best in the interest of all the stakeholders and the society at large in a transparent and ethical way.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE***To the members of Minal Engineering Limited,***

We have examined the compliance conditions of Corporate Governance by the Minal Engineering Limited for the year ended 31st March, 2009, as stipulated in clause 49 of the Listing Agreement of the Minal Engineering Limited with The Stock Exchange, Mumbai (BSE) and Vadodara Stock Exchange (VSE) and Ahmedabad Stock Exchange (ASE).

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

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

We state that no investors' grievances are pending for a period exceeding one month against the Company as per the records maintained by the shareholders'/ Investors' Grievance Committee and certificate given by Registrar & Transfer Agent.

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

**For Chandrakant & Sevantilal & J.K. Shah & Co.
Chartered Accountants**

Place: Baroda
Date: 30.06.2009

(H.B. Shah)
Partner

COMPLIANCE CERTIFICATE

[As per rule 3 of the Companies (Compliance Certificate) Rules, 2001]

Registration No.: 04-10259

Nominal Capital: 10, 00,00,000/-

To,

The Members,

Minal Engineering Limited,

214/A Paradise Complex,

Sayajigunj, Vadodara – 390 005

I/We have examined the registers, records, books and papers of **Minal Engineering Limited** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under 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 my/our opinion and to the best of my/our information and according to the examinations carried out by me/us and explanations furnished to me/us by the company, its officers and agents, I/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 there under 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 there under.
3. The company being a public limited company, comments are not required.
4. The Board of Directors duly met Seven (7) times on 30/04/2008, 07/05/2008, 28/06/2008, 30/07/2008, 24/10/2008, 30/01/2009 & 20/03/2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company had closed its Register of Members from 23rd Sept., 2008 to 29th September, 2008 (both date inclusive) 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 30/09/2008 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 Extraordinary General Meetings were duly held during the financial year.
8. The company has not advanced any loan to its directors or persons or firms or companies referred in section 295 of the Act.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. The company has, in accordance with 1st proviso to section 314(1), sought approval of shareholders of the Company in ensuing Annual General Meeting.
12. The Company did not receive any application for issue of duplicate share certificate during the year under review.
13. The Company has :
 - (i) Not allotted any shares during the year under review.
 - (ii) the company has not declared dividends during the year under review.
 - (iii) the company has not violated the provisions of Section 205A, 205B, 205C of the Companies Act, 1956.
 - (iv) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.
15. The company has appointed Managing Director in compliance with provisions of Section 269 read with Schedule XIII of the Act.
16. The company has not appointed Sole Selling Agent during the year under review.
17. The company has obtained all necessary approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
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 there under.

19. The company has not allotted any securities during the financial year under review.
20. The company has not bought back any shares during the financial year ending 31st March, 2009.
21. The company has not redeemed preference shares/debentures during the year.
22. The company wherever necessary has kept in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The company has not invited/accepted any deposits including unsecured loans falling within the purview sections 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 not made any additional loans and investments, (or not given guarantees or provided securities) to other bodies corporate as per Section 372 A and consequently no entries has 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.
31. No prosecution initiated against and no show-cause notices received by the company for alleged offences under the Act and also there were no fines and penalties or any other punishment imposed on the company during the year ending 31st March, 2009. However, notices/orders were received from the office of the Securities and Exchange Board of India with respect to shareholder grievances which were duly satisfied.
32. The company has not received any amount as security from its employees during the year under certification.
33. The company has not constituted for its employees, Provident Fund scheme of its own, as per the meaning of section 418 of the Act.

Place: Vadodara

Minal Shah
MAS & Associates
(Practising Company Secretary)
C.P. No. 5503

Date: 31/07/09

Place: Vadodara

ANNEXURE 'A'

Registers as maintained by the company:

1. Register of Members u/s 150
2. Register of Transfer
3. Register of Directors, Managing Director, Manager and Secretary u/s 303
4. Register of Director's Shareholding u/s 307
5. Register of Contracts, companies and firms in which directors are interested u/s 301(3).
6. Minutes of Meeting of Board of Directors.
7. Minutes of Meeting of General Meetings.
8. Register of Loans and Investment u/s 372A.

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, 2008.

Sr. No	Form No.	Filed under Section	Date of Document	For
1	Annual Return	159	30/09/2008	Annual Return
2	B/S & CC	220	31/03/2008	Balance Sheet & Compliance Certificate

AUDITOR'S REPORT TO THE MEMBERS OF MINAL ENGINEERING LIMITED.

We have audited the attached Balance Sheet of **MINAL ENGINEERING LIMITED**, as at 31st March, 2009 and also the Profit and Loss Account and Cash Flow Statement of the Company 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.

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.

- 1) As required by the Companies (Auditor's Report) Order, 2003 as amended by the companies (Auditor's Report) (Amendment) Order 2004(Together 'the order') 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 the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 2) **FURTHER TO OUR COMMENTS IN THE ANNEXURE REFERRED TO IN PARAGRAPH 1 ABOVE, WE REPORT THAT:**
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 the books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) On the basis of written representations received from the Directors as on 31/03/2009 and taken on records by the Board of Directors, we report that none of the Directors 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.
 - e) In our opinion, subject to non compliance with the specified accounting standard relating to:-
 - i) **Non provision for diminution in value of investment as required by Accounting Standard 13 "Accounting for Investments" (See Note No. - 4).**
 - ii) **Non Provision for leave encashment and Gratuity Liabilities payable upon retirement as required by accounting standard 15 Employees' benefit (See Note No. - 5).** the Profit and Loss Account, Balance Sheet and Cash Flow Statement dealt with by this report comply with the other accounting standards as referred to in the Section 211(3C) 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 subject to:
 - i) **In respect of non provision of diminution in value of investment of Rs. 3.53 Lacs (See Note No. - 4).**
 - ii) **In respect of non determination and non provision of gratuity liability and of liability towards leave encashment upon retirement (See Note No. - 5).**
 - ii) **In respect of Trading Division (Jewellery & Consumer Division), the Company has not maintained quantitative records of all the items in which the Company is dealing and in absence of stock statement showing item wise Quantities and value, for the purpose of annual account, the inventory of opening stock and closing stock as taken, valued and certified by director is relied upon.** and read with the other notes appearing thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
 - a) in the case of the Balance Sheet of the state of affairs, of the Company as at 31st March, 2009 and;
 - b) in the case of the Profit and Loss Account of the Profit for the year ended on that date.
 - c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

FOR CHANDRAKANT & SEVANTILAL & J.K. SHAH & CO.
Chartered Accountants

ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF MINAL ENGINEERING LIMITED, BARODA ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009.**(REFER TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)**

- 1 a) As informed to us the work of compiling fixed assets register showing full particulars including quantitative details and situation of Fixed Assets is in progress.
 - b) The fixed assets of the Company have been physically verified by the management at reasonable intervals during the year which, in our opinion is reasonable having regard to size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
 - c) No disposal of a substantial part of fixed assets of the Company has taken place during the year.
 - 2 a) As explained to us, the inventories were physically verified by the management at reasonable intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures 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) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories (**Except Trading Division (Jewellery & Consumer Division)**) and the discrepancies noticed on such physical verification between physical stock and the book records were not material and have been adequately dealt with in the books of account.
 - 3) According to information and explanations given to us, the Company has not granted or taken any loan secured or unsecured to or from the Companies, firms or other parties covered in the register maintained Under Section 301 of the Companies Act, 1956.
Accordingly paragraphs 4(iii) (a), (b), (c), (d), (e), (f) and (g) of the orders are not applicable.
 - 4) (a) In our opinion and according to the information and explanations given to us, having regards to the explanation that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regards to the purchase of inventory, fixed assets and for the sale of goods and services.
 - (b) During the course of our audit, we have not observed any major Weakness in the internal controls.
 - 5 a) To the best of our knowledge and belief, and according to information and explanation given to us, the transaction that needed to be entered in to the register in pursuance of Section 301 of the Companies Act, 1956, have been so entered.
 - b) In our opinion and having regard to our comments in paragraph 4 above, and according to information and explanation given to us, transaction made in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Companies Act 1956 and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
 - 6) Company has not accepted any deposits to which the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder would apply.
 - 7) The Company does not have an internal audit system.
 - 8) The Central Government has not prescribed maintenance of cost records Under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
 - 9 a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities
 - b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2009, for a period of more than six months from the day they become payable.
-

- c) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- 10) The Company has no accumulated losses and has not incurred cash losses during the current financial year but has incurred cash losses in the immediately preceding financial year.
- 11) The Company has not defaulted in repayment of dues to any financial institution or Banks.
- 12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- 13) The provisions of any Special Statute applicable to Chit Funds, Nidhis or Mutual Benefit Funds/Societies are not applicable to the Company.
- 14) The Company is not dealing in or trading in shares, securities, debentures, or other investments and hence, requirement of paragraph 4(xiv) are not applicable to the Company.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from the Banks and Financial Institutions.
- 16) The Company has not taken any Terms Loans during the year.
- 17) According to the Cash Flow Statement and other records examined by us and on the basis of information and explanation given to us, on an overall basis, funds raised on Short Term basis have, prima facie, not being used during the year for Long Term investment and vice versa.
- 18) During the year, the Company has not issued and allotted any shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- 19) Since the Company does not have any debentures, the question of creation of securities for debentures does not arise.
- 20) Since the Company has not raised money by Public Issue, this clause is not applicable.
- 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 was noticed or reported during the year.

FOR CHANDRAKANT & SEVANTILAL & J.K. SHAH & CO.
Chartered Accountants

PLACE : BARODA.
DATE : 30/06/2009.

(H.B. SHAH)
PARTNER

BALANCE SHEET AS AT 31ST MARCH, 2009

PARTICULARS	Schedule No.	AS AT 31/3/2009		AS AT 31/3/2008
<u>SOURCES OF FUNDS</u>				
<u>SHARE HOLDER'S FUNDS</u>				
Share Capital	1	71,253,800		71,253,800
Reserves & Surplus	2	41,809,455		22,231,164
			113,063,255	93,484,964
<u>LOAN FUNDS</u>				
Secured Loan	3	100,857		5,085,045
Deferred Tax Liability		907,759	1,008,616	495,885
Total Rupees			114,071,871	99,065,894
<u>APPLICATION OF FUNDS</u>				
<u>FIXED ASSETS</u>				
Gross Block	4	24,651,889		24,359,558
Less: Depreciation		8,146,729		7,205,147
NET BLOCK			16,505,160	17,154,411
<u>INVESTMENT</u>				
	5		40,820,907	14,817,514
<u>CURRENT ASSETS, LOANS & ADVANCES</u>				
a) Inventories	6	24,901,926		15,118,640
b) Sundry Debtors		1,837,283		586,473
c) Cash and Bank Balances		20,511,222		34,649,314
d) Loans and Advances		17,806,725		17,633,081
			65,057,156	67,987,508
<u>LESS: CURRENT LIABILITIES & PROVISIONS</u>				
a) CURRENT LIABILITIES	7	8,363,851		1,015,078
b) PROVISIONS		31,501		46,461
			8,395,352	1,061,539
NET CURRENT ASSETS			56,661,804	66,925,969
<u>MISCELLANEOUS EXPENDITURE</u>				
<i>(To the extent not written off or adjusted)</i>				
Preliminary Expenses	8		84,000	168,000
Accounting Policies and Notes thereon				
Forming Part of the Accounts	H			
Total Rupees			114,071,871	99,065,894

As Per Our Report of Even Date
FOR CHANDRAKANT & SEVANTILAL & J.K. SHAH & CO.
 Chartered Accountants

(H. B. SHAH) PARTNER

PLACE: VADODARA
 DATE: 30/06/2009

For & on behalf of the Board

J. B. PARIKH **VIKRAM PARIKH**
 Chairman Director

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

Particulars	Schedule No.	FOR THE YEAR ENDED 31/03/2009		FOR THE YEAR ENDED 31/03/2008
<u>INCOME</u>				
Sales/Jobwork Income	A		9,482,688	11,067,002
Share in Profit/Loss from Partnership Firm			26,093,393	(5,669,257)
Other Income	B		3,315,211	3,787,362
TOTAL INCOME			38,891,292	9,185,107
<u>EXPENDITURE</u>				
Raw Material Consumed & Purchase for trading	C	16,132,758		4,878,203
Manufacturing Expenses	D	673,675		435,914
Payments to & Provision for Employees	E	904,446		911,623
Administrative, Selling & Other Expenses	F	9,760,831		12,948,007
Interest & Finance Charges		155,621		245,445
Depreciation		941,582		878,460
Change in Stock	G	(9,783,286)		(2,204,689)
Preliminary Expenses Written Off		84,000		84,000
TOTAL EXPENDITURE			18,869,626	18,176,963
PROFIT/ LOSS BEFORE TAXATION			20,021,666	(8,991,856)
LESS: PROVISION FOR TAXATION			0	-
DEFERRED TAX		411,874		70,496
FRINGE BENEFIT TAX		31,501		54,360
INCOME TAX OF EARLIER YEAR		0		-
			443,375	124,856
PROFIT / LOSS AFTER TAXATION			19,578,291	(9,116,712)
BALANCE BROUGHT FORWARD FROM THE PREVIOUS YEAR			2,918,870	12,035,582
AMOUNT AVAILABLE FOR APPROPRIATION			22,497,161	2,918,870
<u>APPROPRIATION</u>				
d) Balance Carried to Balance Sheet			22,497,161	2,918,870
			22,497,161	2,918,870
Earning Per Share (Rs.)			3.07	(1.43)
Accounting Policies and Notes Forming Part of the Accounts	H			

As Per Our Report of Even Date
FOR CHANDRAKANT & SEVANTILAL & J.K. SHAH & CO.
 Chartered Accountants

(H. B. SHAH) PARTNER

PLACE: VADODARA
 DATE: 30/06/2009

For & on behalf of the Board

J. B. PARIKH **VIKRAM PARIKH**
 Chairman Director

AS PER REPORT OF SHRI H. B. SHAH

PARTICULARS	As At 31/03/2009		As At 31/03/2008	
SCHEDULE: 1				
<u>SHARE CAPITAL</u>				
AUTHORISED				
10000000 (Previous Year 10000000) Equity Shares of Rs. 10/- each.		100,000,000		100,000,000
ISSUED, SUBSCRIBED AND PAID UP				
6370080 (Previous Year 6370080) Equity Shares of Rs. 10/- each Fully Paid-up. (Of the total Equity Shares, 5325130, (P.Y.5325130) Equity Shares were issued as fully paid Bonus Share by Capitalising Rs.52029800/- from General Reserve and Rs.1221500/- from Revaluation Reserve)		63,700,800		63,700,800
FORFEITED SHARES				
Amount Originally Paid-up on Forfeited Shares		7,553,000		7,553,000
TOTAL		71,253,800		71,253,800
SCHEDULE: 2				
<u>RESERVES & SURPLUS</u>				
INVESTMENT ALLOWANCE RESERVE				
Balance As Per Last Year Balance Sheet		277,810		277,810
CAPITAL RESERVE				
Balance As Per Last Year Balance Sheet				
State Subsidy	261,231		261,231	
Central Subsidy	219,000		219,000	
		480,231		480,231
REVALUATION RESERVE				
Balance As Per Last Year Balance Sheet		161,883		161,883
GENERAL RESERVE				
Balance As Per Last Year Balance Sheet		18,392,370		18,392,370
PROFIT & LOSS ACCOUNT				
As Per the Annexed Account		22,497,161		2,918,870
TOTAL		41,809,455		22,231,164
SCHEDULE: 3				
<u>SECURED LOAN</u>				
A) From Corporation Bank (Secured Against Fixed Deposits of the Company)		100,857		85,045
B) From Bank of India (Secured Against Fixed Deposits of the Company)		0		5,000,000
TOTAL		100,857		5,085,045

SCHEDULE: 4 FIXED ASSETS

SR. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		BALANCE AS AT 01/04/2008	ADDITIONS DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL AS AT 31/03/2009	BALANCE AS AT 01/04/2008	DEPRECIATION FOR THE YEAR	DEDUCTION DURING THE YEAR	BALANCE AT 31/03/2009	BALANCE AT 31/03/2009	BALANCE AT 31/03/2008
1	LEASEHOLD LAND	543235	0	0	543235	0	0	0	0	543235	543235
2	FACTORY BUILDING	921244	0	0	921244	407965	30770	0	438735	482509	513279
3	OFFICE PREMISES	10812700	0	0	10812700	300357	176247	0	476604	10336096	10512343
4	PLANT & MACHINERY	5246152	0	0	5246152	4731124	249192	0	4980316	265836	515028
5	ELECTRIC FITTINGS	839852	0	0	839852	33283	39893	0	73176	766676	806569
6	OFFICE EQUIPMENTS	118578	0	0	118578	44138	5632	0	49770	68808	74440
7	COMPUTERS	390715	14500	0	405215	285470	65009	0	350479	54736	105245
8	FURNITURE & FIXTURES	3211538	277831	0	3489369	197755	158662	0	356417	3132952	3013783
9	VEHICLES	2275544	0	0	2275544	1205055	216177	0	1421232	854312	1070489
	TOTAL	24359558	292331	0	24651889	7205147	941582	0	8146729	16505160	17154411
	PREVIOUS YEAR	21966009	2393549	0	24359558	6326687	878460	0	7205147	17154411	15639322

Note:-

Plant and Machinery were revalued on 31/03/1993 by a registered valuer and accordingly the Gross Block of the Plant and Machinery was increased by Rs. 13,83,383/- by transferring the said amount to Revaluation Reserve.

PARTICULARS	As At 31/03/2009		As At 31/03/2008	
SCHEDULE: 5				
<u>INVESTMENTS</u>				
<u>LONG TERM, NON TRADE</u>				
A) QUOTED				
FULLY PAID SHARES				
11000 (Previous Year 11,000) Equity Shares in Estern Mining Ltd., of Rs. 10/- each.	352,000			352,000
100 (Previous Year 100) Equity Shares in Vardhman Wires & Polymers Ltd., of Rs. 10/- each.	1,000			1,000
		353,000		353,000
B) UN QUOTED				
1 Share in Sterling Centre Premises Owners Co-op. Society Ltd., of Rs. 500/- each.		500		500
C) INVESTMENT IN PARTNERSHIP FIRM				
By Way of Capital in C. Mahendra InfoJewels		40,467,407		14,464,014
TOTAL		40,820,907		14,817,514
SCHEDULE: 6				
<u>CURRENT ASSETS, LOANS & ADVANCES</u>				
CURRENT ASSETS				
INVENTORIES				
<i>(As Taken, Valued & Certified by a Director)</i>				
Work-in-process	1,222,328		1,193,569	
Finished Goods	23,679,598	24,901,926	13,925,071	15,118,640
SUNDRY DEBTORS				
<i>(Unsecure, Considered Good)</i>				
Exceeding Six Months	1,524,497		0	
Others	312,786	1,837,283	586,473	586,473
CASH & BANK BALANCES				
Cash on Hand	725,700		2,244,114	
Balance with Schedule Banks:				
In Current Accounts	205,124		3,218,446	
In Fixed Deposit Accounts	19,580,398	20,511,222	29,186,754	34,649,314
LOAN & ADVANCES				
<i>Advances recoverable in cash or in kind or for value to be received.</i>				
Advance Income Tax (Net of Provision)	1,133,672		781,008	
Deposits	5,228,789	17,806,725	5,322,500	17,633,081
TOTAL		65,057,156		67,987,508

PARTICULARS	As At 31/03/2009		As At 31/03/2008	
SCHEDULE: 7				
<u>CURRENT LIABILITIES & PROVISIONS</u>				
a) CURRENT LIABILITIES				
Sundry Creditors	8,207,872		776,902	
Other Liabilities	155,979	8,363,851	238,176	1,015,078
b) PROVISIONS				
Fringe Benefit Tax	31,501	31,501	46,461	46,461
TOTAL		8,395,352		1,061,539
SCHEDULE: 8				
<u>MISCELLANEOUS EXPENDITURE</u>				
<i>(To the extent not written off or adjusted)</i>				
<u>Preliminary Expenses</u>				
Balance as per last year	168,000		252,000	
Less: Written-off During the Year	84,000	84,000	84,000	168,000
TOTAL		84,000		168,000

AS PER REPORT OF SHRI H. B. SHAH

PARTICULARS	For the year ended 31/03/2009		For the year ended 31/03/2008	
SCHEDULE: A				
<u>SALES/JOBWORK</u>				
Manufacturing Sales		236,510		304,700
Trading Sale		8,718,220		9,888,077
Jobwork Income (Tax Deducted Rs. 9681/- P.Y. Rs. 17529/-)		527,957		874,225
TOTAL		9,482,688		11,067,002
SCHEDULE: B				
<u>OTHER INCOME</u>				
Rent		48,000		48,000
Discount/Kasar		13,593		11,555
Interest on Income-tax Refund		0		9,259
Interest Received (Tax Deducted Rs.342457/-, P.Y. Rs.728117/-)		1,635,051		3,539,359
Dividend Received		200		220
Foreign Exchange Gain		1,618,367		167,845
MIS Income		0		11,124
TOTAL		3,315,211		3,787,362
SCHEDULE: C				
<u>RAW MATERIAL CONSUMED & PURCHASE FOR TRADING</u>				
PURCHASE FOR TRADING		16,132,758		4,853,248
<u>RAW MATERIAL CONSUMED</u>				
Opening Stock	0		15,037	
Add: Purchase	0		9,918	
		0		24,955
TOTAL		16,132,758		4,878,203

PARTICULARS	For the year ended 31/03/2009		For the year ended 31/03/2008	
SCHEDULE: D				
<u>MANUFACTURING EXPENSES</u>				
Labour Charges		214,415		46,514
Power & Fuel		151,651		201,172
Freight, Octroi Charges		465		3,030
Packing Material		288,321		48,705
Consumable & General Stores		18,823		136,493
TOTAL		673,675		435,914
SCHEDULE: E				
<u>PAYMENT TO & PROVISION FOR EMPLOYEES</u>				
Salary, Wages & Other Allowances		695,226		604,691
Directors Remuneration		84,250		81,000
Contribution to ESI		12,058		17,865
Staff welfare Expenses		87,587		176,931
Gratuity		25,325		31,136
TOTAL		904,446		911,623
SCHEDULE: F				
<u>ADMINISTRATIVE, SELLING & OTHER EXPENSES</u>				
Printing & Stationery		237,922		344,932
Postage & Telephone Expenses		105,830		111,309
Travelling & Conveyance (Including Director's Travelling Rs. 28485, P.Y. Rs.26,036)		251,812		249,327
Electrical Expenses		335,972		328,716
Rent, Rates & Taxes		6,912,791		9,897,459
<u>Auditors' Remuneration</u>				
Audit Fees	43,491		43,491	
Taxation Matter	5,000		4,000	
Others	19,043	67,534	18,868	66,359
Professional & Legal Fees		281,847		95,404
Advertisement Expenses		97,444		36,227
Speculation loss		0		109,920
<u>Repairs & Maintenance:-</u>				
Plant & Machinery	36,980		100,088	
Computer	550		48,062	
Others	49,655	87,185	105,196	253,346
Sales Promotion Expenses		878,026		1,008,952
Professional Tax		2,400		1,000

PARTICULARS	For the year ended		For the year ended	
	31/03/2009		31/03/2008	
<i>Insurance Premium</i>		305,279		100,190
<i>Miscellaneous Expenses</i>		71,691		180,297
<i>Security Charges</i>		61,251		65,735
<i>Donation</i>		1,000		0
<i>Listing Fees</i>		62,847		56,472
<i>Discount</i>		0		1,994
<i>Bad debts Written Off</i>		0		39,218
<i>Frieght Outward</i>		0		1,150
TOTAL		9,760,831		12,948,007
SCHEDULE: G				
CHANGE IN STOCK				
<i>Closing Stock of finished goods</i>	23,679,598		13,925,071	
<i>Closing Stock of Work-in-progress</i>	1,222,328		1,193,569	
		24,901,926		15,118,640
<i>Less: Opening Stock of finished goods</i>	13,925,071		11,720,231	
<i>Opening Stock of Work-in-progress</i>	1,193,569	15,118,640	1,193,720	12,913,951
TOTAL		(9,783,286)		(2,204,689)

SCHEDULE: H SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009.

1) SIGNIFICANT ACCOUNTING POLICIES.

The Accounts have been prepared on historical cost basis, ignoring changes, if any, in the purchasing power of money and on the accounting principles of "going concern" concept except otherwise stated.

REVENUE RECOGNITION:

All revenues and expenses are accounted on accrual basis, except to the extent stated otherwise.

FIXED ASSETS

Fixed Assets are stated at cost of acquisition as reduced by accumulated depreciation.

The cost of assets include direct/indirect and incidental costs incurred to bring them in to their present location and working condition for the intended use.

DEPRECIATION

Depreciation is provided on straight line basis as per the rates and method prescribed under Schedule XIV to the Companies Act, 1956.

INVESTMENTS

Long Term Investments are valued at cost, provisions for diminution in value of investment is made if in the opinion of the management, the decline is permanent in nature.

INVENTORIES

Inventories are stated at the lower of cost or net realisable value. Cost is determined at the FIFO Method. The cost of work in progress and finished goods comprises direct material, direct labour, other direct cost and related production overhead.

Stores are written off in the year of purchase.

RETIREMENT BENEFITS

- a) Gratuity Liability is accounted as and when paid.
 b) Leave Encashment Liability is accounted as and when paid.

FOREIGN CURRENCY TRANSACTIONS

All transactions in foreign currency are recorded by applying the exchange rate prevailing at the time of the transaction.

Gains or losses upon settlement of the transaction during the year is recognised in the Profit and Loss Account except those related to acquisition of fixed assets which are adjusted to the cost of fixed assets.

Foreign Currency Transactions remaining unsettled at the end of the year are translated at the year-end rate.

Gains or Losses arising as a result of above are adjusted in the Profit and Loss Account except relating to the loan liability for acquisition of Fixed Assets which is adjusted to the cost of the Fixed Assets.

BORROWING COSTS

Borrowing Costs directly attributed to the acquisition of Fixed Assets are capitalised as a part of the cost of Asset upto the date the Asset is put to use. Other Borrowing Costs are charged to the Profit and Loss Account in the year in which they are incurred.

DEFERRED TAX

Deferred Tax is recognised subject to the consideration of prudence on timing differences, being the difference between Taxable Income and Accounting Income that originate in one period and are capable of reversal in one or more subsequent periods.

IMPAIRMENT OF FIXED ASSETS:

Where there is an indication that if any Asset is Impaired, the recoverable amount, if any is estimated and the impairment loss is recognized to the extent carrying amount exceeds recoverable amount.

- 2) In consultation with the Vadodara Stock Exchange and after due compliance of legal requirements, the Company had forfeited 22,58,000 Equity Shares of Rs. 10/- each and resultant paid-up value of Rs. 75,53,000/- of such shares have been shown alongwith the paid-up capital of the Company.
- 3) There has been a diminution of Rs. 3.53 Lacs in the value of long term investments held by the Company as at 31st March, 2009. No provision against the same has been considered necessary since in the opinion of management such diminution is of temporary in nature.
- 4) a) Total present liability for future payment of gratuity as on 31st March, 2009 is neither provided nor actuarially determined. This liabilities will be dealt with on cash basis.
 b) Leave encashment liability, if any, has not been determined, presently, and would be charged when paid.

5) SEGMENT REPORTING**SEGMENT RESULTS OF PRIMARY BUSINESS SEGMENTS****(Rs. in lacs)**

Sr No.	Particulars	Engineering Division (Rs.)	Jewellery Division (Rs.)	Other (Rs.)	Total (Rs.)
1	Revenue				
	a) External Sales				
	i) Manufactured Goods / Jobwork	7.64	-	-	7.64
		(11.78)	(-)	(-)	(11.78)
	ii) Traded Goods	-	87.18	-	87.18
		(-)	(98.88)	(-)	(98.88)
	b) Unallocated corporate Income Share in Profit / Loss Partnership Firm			260.93	260.93
				(-56.69)	(-56.69)
	c) Other Income	0.48	16.32		16.80
	Total Revenue	8.12	103.50	260.93	372.55
		(11.78)	(98.88)	(-56.69)	(53.97)

Sr No.	Particulars	Engineering Division (Rs.)	Jewellery Division (Rs.)	Other (Rs.)	Total (Rs.)
2	Segment Result				
	Profit before Interest, Tax & Depreciation	3.41	-69.51	260.93	194.83
		-9.72	(-12.80)	(-94.01)	(116.56)
	Less: Depreciation				9.41
					(8.78)
	Add.: Interest Received				16.35
					(37.87)
	Less: Interest Paid				1.56
					(2.45)
	Less: Provision for Taxation				4.43
					(1.24)
	Net Profit / Loss				195.78
					(-91.16)
3	Other Information				
	Segment Assets	362.99	432.01	404.67	1199.67
		(508.20)	(320.97)	(148.17)	(977.34)
	Segment Liabilities	8.08	60.96	-	69.04
		(8.20)	(103.11)	(-)	(111.31)
	Capital Expenditure	-	-	-	-
		(-)	(23.93)	(-)	(23.93)
	Depreciation	3.90	5.51	-	9.41
		(3.88)	(4.90)	(-)	(8.78)

- 6) During the year the Company has accounted for deferred tax in accordance with the Accounting Standard 22 – "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

The break up of deferred tax balance is as under:

(Rs. In Lacs)

Deferred Tax Liability	31/03/2009	31/03/2008
Depreciation	9.07	4.95
Net Deferred Tax Liability	4.12	(0.70)

7) TRANSACTIONS WITH RELATED PARTY

Related Party	Description of Nature of Transactions	Transactions during the year 2008/2009	Outstanding Balance as on 31/03/2009	Transactions during the year 2007/2008	Outstanding Balance as on 31/03/2008
A) With Directors					
Shri S.J.Parikh	Remuneration	84,250	--	81,000	--
B) With Associates					
1) C. Mahendra Info Jewels	Sales/ Jobwork Purchases	- 42,74,794	- Cr. 43,25,373	50,579 -	Cr. 50,579 -
2) C.Mahendra Jewel (USA)	Purchases	6,30,938	Cr. 6,44,834	-	-
3) Minal Electrical & Engineering	i) Rent Received	48,000	-	48,000	Dr. 48,000
	ii) Jobwork/ Sales	3,66,582	Dr. 2,74,083	3,04,235	Dr. 19,700
4) Minal Plastic Products	i) Rent Paid	36,000	Cr. 8,500	36,000	Dr. 27,500

Related Party	Description of Nature of Transactions	Transactions during the year 2008/2009	Outstanding Balance as on 31/03/2009	Transactions during the year 2007/2008	Outstanding Balance as on 31/03/2008
C) With Key Personnel management					
1) Anila S. Parikh	Salary	1,20,000	-	-	-
2) Brijal A. Gandhi	Salary	2,60,000	-	-	-

- 8) The Company is a Partner in the firm where in the share in profit of each partner, the total capital of all the partners as on 31st March, 2009 are stated as under :z

A	NAME OF THE FIRM	C. Mahendra infojewels
B	PARTNERS	SHARE OF PROFIT/LOSS
1.	SHRI SHRIKANT J. PARIKH	80.75%
2.	MINAL ENGINEERING LTD.	18.50%
3.	SHRI JESINGLAL B. PARIKH	0.75%
		100%
C	TOTAL CAPITAL OF THE PARTNERS	RS. 19,60,58,294

9) EARNING PER SHARE

Earning per share (EPS) is calculated in accordance with Accounting Standard – 20 (AS20) as under

	2008-09	2007-08
Net Profit / (Loss) after taxation (Rs.)	19578291	(91,16,712)
Weighted average of Equity Shares (Nos)	63,70,080	63,70,080
Nominal Value of Equity Share (Rs.)	10	10
EPS (Rs.)	3.07	(1.43)

- 10) Sundry Debtors includes Rs. 2,74,083/- being amount due from the firm in which Directors are interested (Maximum Outstanding during the year Rs.2,74,083 /-)(Previous Year Rs. 7,36,881/-)
- 11) As required by the Notification No. GSR 129(F) dated 22nd February, 1999 issued by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs there are no small scale undertakings to which the Company owes sum which is outstanding for more than 30 days.
In the absence of necessary information with the company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the information required under the said Act could not be complied and disclosed.
- 12) In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business and provisions for all the known liabilities and depreciation are adequate and not in excess of the amount reasonably necessary.
- 13) Previous year figures are regrouped, re-arranged and recast wherever felt necessary so as to make them comparable with that of current year.
- 14) Additional information pursuant to provisions of Paragraph 3 & 4 in Part –II of Schedule-VI to the Companies Act, 1956.

Information in respect of goods manufactured / purchased for resale, sold and stocks (As Certified by a Director)

	2008/2009	2007/2008
A Licenced Capacity	N.A.	N.A.
Installed Capacity	N.A.	N.A.
ACTUAL PRODUCTION		
a) Braille Typewriters	Nil	Nil
b) Parts	Nil	11

i) STOCK OF MANUFACTURED FINISHED GOODS AND TURNOVER

(Rs. In Lac)

Particulars	Opening Stock		Closing Stock		Sales	
	Qty	Value	Qty	Value	Qty	Value
Braille Typewriter	71	5.42	47	3.64	24	2.37
	(103)	(7.67)	(71)	(5.42)	(32)	(2.93)
Metal Parts	NIL	NIL	NIL	NIL	NIL	NIL
	(NIL)	(NIL)	(NIL)	(NIL)	(11)	(0.11)
Job-Work						5.28 (8.74)
						7.65 (15.12)

ii) GOODS FOR RESALE / TRADING

(Rs. In Lac)

	Opening Stock		Purchase		Closing Stock		Sales	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Jewellery & Consumes Items	37887	133.82	76351	161.32	110814	233.15	3424	87.18
	(17324)	(109.52)	(26355)	(48.53)	(37887)	(133.82)	(5792)	(39.88)
								87.18

Figures in brackets pertains to previous year.

RAW MATERIALS CONSUMED.

	Unit	2008/2009		2007/2008	
		Qty	Rs.	Qty	Rs.
EDM Wire	Nos.	Nil	Nil	09	0.14
Castings Component		Nil	Nil	—	—
Metal Parts		Nil	Nil	11	0.11
Others		—	—	—	—
			Nil		0.25

DETAILS OF IMPORTED AND INDIGENOUS MATERIALS CONSUMED

	2008/2009		2007/2008	
	Rs.	%	Rs.	%

a) RAW MATERIALS

Imported	NIL	NIL	NIL	NIL
Indigenous	NIL	NIL	0.25	100.00
TOTAL RS.	NIL	NIL	0.25	100.00

b) STORES AND SPARES

Imported	NIL	NIL	NIL	NIL
Indigenous	0.19	100.00	1.36	100.00
TOTAL RS.	0.19	100.00	1.36	100.00

E) CIF Value of Imports	Rs. 42,36,547	Rs.45,40,028
F) Expenditure in Foreign Currency	NIL	NIL
G) Earning in Foreign Currency	NIL	NIL

As Per Our Report of Even Date
FOR CHANDRAKANT & SEVANTILAL & J.K. SHAH & CO.
 Chartered Accountants

For & on behalf of the Board

(H. B. SHAH) PARTNER

J. B. PARIKH **VIKRAM PARIKH**
 Chairman Director

PLACE: VADODARA
 DATE:30/06/2009

CASH FLOW STATEMENT

	2008-2009	2007-2008
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extra-ordinary items	20,021,666	(8,991,856)
Depreciation	941,582	878,460
Bad debts	-	39,218
Dividend received	(200)	(220)
Interest Paid	155,621	245,445
Interest Received	(1,635,051)	(3,539,359)
Operating profit before working capital changes	19,483,618	(11,368,312)
Inventories	(9,783,286)	(2,189,652)
Trade & Other Receivables	(1,071,790)	(11,262,519)
Trade Payable	7,348,773	(26,967)
	(3,506,303)	(24,847,450)
Cash Generated from Operations	15,977,315	(24,847,450)
Less : Income Tax Paid	352,664	748,319
Less : Fringe Benefit Tax Paid	46,461	34,241
<u>Extra Ordinary Items</u>		
Preliminary Expenses	84,000	84,000
Net Cash From Operating Activities	15,662,190	(25,546,010)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets	(292,331)	(2,393,549)
Investment in Partnership Firm	(26,003,393)	14,575,555
Interest Received	1,635,051	3,539,359
Dividend Recd.	200	220
Net Cash From Investing Activities	(24,660,473)	15,721,585
C) CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings	(4,984,188)	4,846,938
Interest paid	(155,621)	(245,445)
Dividend Paid	0	(7,411,667)
Net Cash From Financing Activities	(5,139,809)	(2,810,174)
Net Increase in Cash and Cash Equivalents	(14,138,092)	(12,634,599)
Cash and Cash Equivalents at the beginning of the year	34,649,314	47,283,913
Cash and Cash Equivalent at the end of the year	20,511,222	34,649,314

As Per Our Report of Even Date
FOR CHANDRAKANT & SEVANTILAL & J.K. SHAH & CO.

Chartered Accountants

(H. B. SHAH) PARTNER

PLACE: VADODARA

DATE: 30/06/2009

For & on behalf of the Board

J. B. PARIKH **VIKRAM PARIKH**
 Chairman Director

BALANCE SHEET ABSTRACTS & COMPANY'S GENERAL BUSINESS PROFILE

(Pursuant to Part IV of Schedule VI of The Companies Act, 1956)

I	Registration Details	Registration No.	10259
		State Code	04
		Balance Sheet Date	31.03.2009
II	Capital raised during the year (Amount in Rs. Thousand)	Public Issue	NIL
		Right Issue	NIL
		Bonus Issue	NIL
		Private Placements	NIL
		Others	NIL
III	Position of Mobilization & Deployment of funds	Total Liabilities	122467223
		Total Assets	122467223
	Sources	Paid up Capital	63700800
		Reserves & Surplus	41809455
		Share Application Money	—
		Secured Loans	100857
		Unsecured Loans	—
		Deferred Tax Liability	907759
	Applications	Net Fixed Assets	16505160
		Investments	40820907
		Net Current Assets	56661804
		Misc. Expenditure	84000
		Accumulated Losses	—
IV	Performance of the Company	Turnover	38891292
		Total Expenditure	18869626
		Profit/Loss before Tax	20021666
		Profit/Loss after Tax	19578291
		Earning per Share (Rs.)	3.07
		Dividend Rate (%)	0
V	Generic Names of the Principle Products of the company	Item Code	8469200120
		Product Description	BRAILLE TYPEWRITER

FORM OF PROXY

Minal Engineering Limited

214/A, Paradise Complex, Sayajigunj, Baroda- 390 005

I/We of in the district of being a member/
members of the above-named company hereby appoint..... of..... in the district
of or failing him of in the district of
as my/our proxy to vote for me/us on my/our behalf at Tweny First annual general meeting of the company to be held on the
30th day of September, 2009 and at any adjournment thereof.

Signed this day of 20

**FORM FOR AFFORDING MEMBERS AN OPPORTUNITY OF VOTING
FOR OR AGAINST A RESOLUTION [*]**

Minal Engineering Limited

214/A, Paradise Complex, Sayajigunj, Baroda- 390 005

I/We of in the district of, being a member/
members of the above-named Company, hereby appoint, in the
district of, or failing him, of
in the district of, as my/our proxy to vote for me/us on my/our behalf at the Tweny First annual general
meeting of the company to be held on the 30th day of September, 2009 and at any adjournment thereof.

Signed this day of 20"

[This form is to be used tin favour of/tagainst the resolution. Unless otherwise instructed the proxy will act as he
thinks fit.]

†Strike out whichever is not desired.

FROM



MINAL ENGINEERING LIMITED

214/A, Paradise Complex, Sayajgunj, Baroda - 390 005