

**27<sup>th</sup> Annual Report 2008-2009**

# **NIDHI GRANITES LIMITED**

**Registered Office :**

**505, Sharda Chambers**

**15, New Marine Lines**

**Mumbai 400 020**

**BOARD OF DIRECTORS**

**Mr. Rajkumar Thard, Chairman & Mg. Director**  
**Mr. Anil Saraf**  
**Mrs. Pushpa R. Thard**  
**Mr. Dattaprasad Kulkarni**  
**Mr. Virendra Pandya**  
**Mrs. Ophelia Rodrigues**

**REGISTERED OFFICE**

**505, Sharda Chambers,  
15, New Marine Lines,  
Mumbai - 400 020.**

**CORPORATE OFFICE**

**9, Shopping Center,  
Station Road,  
Santacruz (West),  
Mumbai - 400 054.**

**BANKERS**

**Citi Bank**

**AUDITORS**

**M/s. K. N. Gandhi & Co.  
Chartered Accountants.  
11-A, Gulmohar, 1st Floor,  
S.V.Road, Khar (West),  
Mumbai - 400 052.**

**REGISTRAR & TRANSFER AGENTS**

**M/s. Mondkar Computers Pvt.Ltd.  
Registrar & Transfer Agents,  
21, Shakil Niwas, Opp. Satya Saibaba Temple,  
Mahakali Caves Road, Andheri (East),  
Mumbai - 400 093.**

**NOTICE**

Notice is hereby given that the 27th Annual General Meeting of the Members of Nidhi Granites Limited will be held at the Corporate Office of the Company at 9, Shopping Center, Station Road, Santacruz (West), Mumbai 400 054 on Tuesday, the 29<sup>th</sup> September, 2009 at 11.00 a.m. to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2009, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs Ophelia Rodrigues who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint a Director in place of Mr. Virendra Pandya who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. **THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- 3.. The Register of Members and Share Transfer Books will remain closed from Tuesday, the 22<sup>nd</sup> September, 2009 to Tuesday, the 29<sup>th</sup> September, 2009 (both days inclusive)
4. Members are requested to bring their copies of the Annual Report at the Annual General Meeting.
5. Members are requested to notify immediately any change in their address to the Registrar & Transfer Agents of the Company.

By Order of the Board of Directors

Sd/-

(RAJKUMAR THARD)  
Chairman & Managing Director

Place: Mumbai

Date: 31<sup>st</sup> July 2009

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their 27th Annual Report together with the Audited Accounts for the year ended on 31<sup>st</sup> March 2009

**FINANCIAL HIGHLIGHTS**

The Financial results for the year ended 31st March, 2009 are as summarised below :

	Current Year (Rs.in '000)	Previous Year (Rs.in '000)
Sales (Share Trading)	541	23332
Gross Profit/(Loss)	(6345)	706
Depreciation	215	216
Deferred Tax	89	101
Profit/(Loss) after tax	(6512)	342
Add : Balance in Profit & Loss A/c.	4702	4359
Balance carried to Balance Sheet	(1809)	4702

**DIVIDEND**

In view of heavy Loss during the year, your Directors do not recommend any dividend.

**BUSINESS**

Due to bad conditions of share market, your Company has not performed well during the year. The mining division in Andhra Pradesh has yet not resumed its operation as the Forest Department is yet to withdraw its notice.

**FIXED DEPOSITS:**

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

**DIRECTORS**

Mrs.Ophelia Rodrigues and Mr. Virendra Pandya, Directors, retire by rotation and being eligible offer themselves for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the requirements of Section 217(2AA) of the Companies Act, 1956, the Board of Directors confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. That the directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the loss of the company for that period.
3. 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 and detecting fraud and other irregularities.
4. That the directors had prepared the annual accounts on a going concern basis.

**COMPLIANCE CERTIFICATE**

A Compliance Certificate from a Secretary in Whole-time Practice under Section 383A of the Companies Act 1956, in respect of the financial year ended 31<sup>st</sup> March, 2009 is attached hereto.

**LISTING FEE PAYMENT**

The Company's securities are listed at the Bombay Stock Exchange Limited and the Company has paid Annual Listing fees for the financial year 2009-10.

**PARTICULARS OF EMPLOYEES**

There were no employees drawing remuneration in excess of the limit prescribed under Section 217 (2A) of the Companies Act, 1956.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC.**

During the year the operation of the mining division is completely closed and hence no particulars are given under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988. There is no foreign exchange earned or outgo during the year.

**AUDITORS:**

M/s. K.N. Gandhi & Co., Chartered Accountants, retire as statutory Auditors of the Company at the conclusion of the Annual General Meeting and being eligible offer themselves for re-appointment.

**ACKNOWLEDGEMENT:**

Your Directors acknowledge the contribution made by the Company's personnel at all levels.

By Order of the Board of Directors

Sd/-  
(RAJKUMAR THARD)  
Chairman & Managing Director

Place: Mumbai  
Date: 31<sup>st</sup> July 2009

**Compliance Certificate**

To,  
The Members,  
**NIDHI GRANITES LIMITED.**  
(Corporate Identity No. – L51900MH1981PTC025677)  
505, Sharda Chambers,  
15, New Marine Lines,  
Mumbai – 400 020.

We have examined the registers, records, books and papers of Nidhi Granites 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 31<sup>st</sup> March 2009. In our opinion and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, and to the best of our knowledge and belief, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made there under and entries therein have been recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate with the Registrar of Companies, Maharashtra, Mumbai, Regional Director, Central Government, Company Law Board or other authorities under the Act and the rules made there under.
3. The Company being a public limited company, comments under this paragraph are not applicable.
4. The Board of Directors met Four (4) times respectively on 30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 31<sup>st</sup> October, 2008 and 31<sup>st</sup> January, 2009 and the proceedings were recorded and signed in the Minutes Book maintained in loose leaf form for the purpose. The Company has not passed any resolution by circulation.
5. The Company closed its Register of Members from 22<sup>nd</sup> September, 2008 to 29<sup>th</sup> September, 2008 and necessary compliance of section 154 of the Act has not been made as regards to advertisement in newspapers.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2008 was held on 29<sup>th</sup> September, 2008 and the resolutions passed thereat were recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
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 during the financial year.
9. The Company has not entered into any contract 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 during the financial year.
12. The Company has not issued any duplicate share certificates during the financial year.

13. *The Company -*

- (i) *has delivered all the certificates on lodgment thereof for transfer/transmission in accordance with the provisions of the Act. There was no allotment of securities during the financial year.*
  - (ii) *was not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year.*
  - (iii) *was not required to post warrants to any members of the Company as no dividend was declared during the financial year.*
  - (iv) *was not required to transfer any amount to Investor Education and Protection Fund, since there was no amount, on account of unpaid dividend, application money due for refund, matured deposits; matured debentures and the interest accrued thereon, lying with the Company, and which was required to be transferred to the said fund.*
  - (v) *has complied with the requirements of Section 217 of the Act.*
14. *The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year*
  15. *The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year.*
  16. *The Company has not appointed any sole-selling agents during the financial year.*
  17. *As per the information provided by the officer of the Company, the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the financial year.*
  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, wherever necessary.*
  19. *The Company has not issued any shares, debentures or other securities during the financial year.*
  20. *The Company has not bought back any shares during the financial year.*
  21. *The Company has not issued any redeemable preference shares/debentures and hence the question of redemption does not arise.*
  22. *There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights 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 of the Companies Act, 1956, during the financial year.*
  24. *The Company has not made any borrowings during the financial year ended 31<sup>st</sup> March, 2009.*
  25. *The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the financial year 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.*
31. *There was no prosecution initiated against or show cause notices received by 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.*
33. *The Company has not constituted its own Provident fund for its employees and therefore the provisions of Section 418 of the Act are not applicable to the Company.*

**For SHAH DHOLAKIA & ASSOCIATES**  
(Company Secretaries)

Date: 29<sup>th</sup> July, 2009  
Place: Mumbai

sd/-  
(CS B. V. Dholakia)  
Partner  
C.P.No.507

**Annexure A****Registers as maintained by the Company**

1. Register of Members u/s.150 of the Act.
2. Register of Directors Shareholdings u/s.307 of the Act.
3. Register of Directors, Managing Director, Manager and Secretary u/s.303 of the Act.
4. Minutes Books of Board of Directors u/s.193 (1) of the Act.
5. Minutes Books of the proceedings of General Meeting u/s 193(1), 196(1) of the Act.

**Annexure-B**

Forms and Returns as filed by the Company, during the financial year ended 31<sup>st</sup> March, 2008.

i) With Registrar of Companies.

Sr. No.	Forms	Purpose
1.	Annual Accounts (Form 23AC and 23 ACA)	U/s.220 of the Companies Act, 1956 as on 31 <sup>st</sup> March, 2008 was filed on 12th February, 2009.
2.	Annual Return (Form 20B)	U/s.159 of the Companies Act, 1956 as on 29 <sup>th</sup> September, 2008 was filed on 28th January, 2009.
3.	Compliance Certificate Form 66	U/s 383A of the Companies Act, 1956 as on 31 <sup>st</sup> March, 2008 was filed on 20th January, 2009.

ii) With Regional Director.

Not Applicable
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iii) With Central Government or other authorities.

Not Applicable
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For **SHAH DHOLAKIA & ASSOCIATES**  
(Company Secretaries)

Place: Mumbai  
Date: 29<sup>th</sup> July, 2009

Sd/-  
(C.S. B. V Dholakia)  
Partner  
C.P.No.507

**AUDITOR'S REPORT**

We have audited the attached Balance Sheet of NIDHI GRANITES LIMITED as at 31st March, 2009 and also the Profit & Loss Account for the year ended on that date annexed there to and cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state 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 such books.
  - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
  - d. The Balance sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 subject to note No.1(f)(ii).

- e. On the basis of written representation received from the Directors as at 31<sup>st</sup> March, 2008 and taken on record by the Board of Directors, we report that none of the Directors is disqualified from being appointed as a Director in terms of \* Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i. In so far as it relates to the Balance Sheet of the State of affairs of the Company as at 31st March 2009.
  - ii. In so far as it relates to the Profit & Loss Account of the Loss for the year ended on that date.

And

- iii. In so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

For K. N. GANDHI & CO.  
CHARTERED ACCOUNTANTS

Sd/-

(K.N. GANDHI)  
PROPRIETOR

Place : Mumbai  
Date: 31/07/2009

**ANNEXURE****RE : NIDHI GRANITES LIMITED**

Referred to in paragraph 3 of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular program of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification
- (c) The Company has not disposed off substantial part of fixed assets during the year.
- (ii) (a) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) 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) The Company is maintaining proper records of inventory and no material discrepancy was noticed on physical verification of inventory.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted / taken loans secured or unsecured to/from company, firms or other parties covered in the register, maintained under section 301 of companies Act.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. There is no major weakness in internal control.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956, have been so entered.

- (b) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered in the register maintained u/s.301 of the Company's Act,1956 and exceeding the value of Rs.5,00,000/- in respect of any party during the year.
- (vi) The Company has not accepted deposit from public during the year.
- (vii) In our opinion the internal audit system of the Company is commensurate with its size and nature of its business.
- (viii) We are informed that no cost records are prescribed by the Central Government under section 209(i)(d) of the Companies Act, 1956 for the Company's business.
- (ix) The Company has no undisputed or disputed statutory dues including Income-tax, Sales-tax, Wealth-tax, Custom Duty, Excise Duty, Cess Tax, etc. The Company does not have a Provident Fund and ESIC Scheme for its employees.
- (x) In The Company has incurred cash losses during the financial year and in the financial year immediately preceding year the company has not incurred cash losses.
- (xi) In our opinion and according to the information and explanations given to us the Company has no dues against financial institution, banks or debenture holders.
- (xii) In our opinion and according to the information and explanations, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
- (xiii) In our opinion the Company is not a chit fund or a Nidhi mutual benefit fund/society. Therefore the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- (xiv) The Company is dealing or trading in shares, securities and other investments. Proper records have been maintained of the transactions and contracts. The shares, securities have been held by the Company in its own name.
- (xv) In our opinion and according to the explanations given to us, the Company has not given any guarantees for loans taken by others from bank or financial institutions.

- (xvi) The Company has not raised term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis has been used for long term investment.
- (xviii) In our opinion and according to the information and explanations given to us the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The Company has not issued any debentures during the period covered by the audit.
- (xx) The Company has not raised any money by way of public issue during the period covered by the audit.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For K. N. GANDHI & Co.  
CHARTERED ACCOUNTANTS

Sd/-

(K.N. GANDHI)  
PPROPRIATOR

Place : Mumbai  
Date : 31/07/2009



**BALANCE SHEET AS AT 31st MARCH, 2009**

<b>SOURCES OF FUNDS</b>	Schedules	Rupees	March, 2008 Rupees
<b>Shareholders' Funds</b>			
Share Capital	A	7497700	7497700
Reserves and Surplus	B	8190858	14702377
Secured Loans	C	579013	1066920
Deferred Tax	D	--	89450
<b>Total</b>		<b>16267571</b>	<b>23356447</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>	E		
Gross Block		2999208	2999208
Less : Depreciation		898046	683171
		2101162	2316037
Investments	F	6418833	6391349
Current Assets, Loans & Advances	G	7852429	14683475
Less : Current Liabilities & Provisions	H	104853	34414
Net Current Assets		7747576	14649061
<b>Total</b>		<b>16267571</b>	<b>23356447</b>

Notes on Accounts

Schedules 'A' to 'L' forming part of the Accounts

As per our report of even date.

For K. N. GANDHI &amp; CO.

Chartered Accountants

sd/-  
K.N.GANDHI  
(Proprietor)Place : Mumbai  
Date : 31/07/2009

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Rajkumar Thard sd/-  
(Chairman &  
Managing Director)Directors  
Anil Saraf sd/-

Pushpa Thard sd/-

D.N. Kulkarni sd/-

Virendra Pandya sd/-

Ophelia Rodrigues sd/-

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

	Schedules	Rupees	March 2008 Rupees
<b>INCOME</b>			
Sales (Share Trading)		541223	23331512
Other Income	I	257416	1078992
		<u>798639</u>	<u>24410504</u>
<b>EXPENDITURE</b>			
Purchases (Share Trading)		192431	16861631
Decrease/(Increase) in Stock	J	6079278	1445211
Auditors Remuneration		20224	20224
Administration & Other Exp.	K	852098	5377430
		<u>7144031</u>	<u>23704496</u>
<b>PROFIT/(LOSS) BEFORE DEPRECIATION</b>		(6345392)	706008
Less : Depreciation		214875	216046
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		(6560267)	489962
Less : Fringe Benefit Tax		35794	34954
		<u>(6596061)</u>	<u>455008</u>
Less : Short provisions for Fringe Benefit Tax earlier Year W/off		4908	11254
		<u>(6600969)</u>	<u>443754</u>
Add : Deferred Tax		89450	100932
		<u>(6511519)</u>	<u>342822</u>
Add : Profit brought forward from previous year		4702377	4359555
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		<u>(1809142)</u>	<u>4702377</u>
Balance carried forward to Balance Sheet		<u>(1809142)</u>	<u>4702377</u>

Earnings per share

(8.68)

0.46

Notes on Accounts

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Schedules 'A' to 'L' forming part of the Accounts

As per our report of even date.

For K. N. GANDHI &amp; CO.

Chartered Accountants

Rajkumar Thard

sd/-

**(Chairman &  
Managing Director)****Directors**

Anil Saraf

sd/-

sd/-

K.N.GANDHI

**(Proprietor)**

Pushpa Thard

sd/-

Place : Mumbai

Date : 31/07/2009

D.N. Kulkarni

sd/-

Virendra Pandya

sd/-

Ophelia Rodrigues

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**Schedules forming part of the Balance Sheet as at 31st March 2009**


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Schedule 'A'		March, 2008
SHARE CAPITAL	Rupees	Rupees
<b>Authorised Capital</b>		
1000000 Equity Shares of Rs.10/- each.	<u>10000000</u>	<u>10000000</u>
<b>Issued, Subscribed and Paid-up</b>		
750000 Equity Shares of Rs.10/- each fully paid up.	7500000	7500000
Less : Calls in Arrears (Other than Directors)	2300	2300
	<u>7497700</u>	<u>7497700</u>
<b>Schedule 'B'</b>		
<b>RESERVES AND SURPLUS</b>		
General Reserve	10000000	10000000
Surplus in Profit & Loss A/c.	(1809142)	4702377
	<u>8190858</u>	<u>14702377</u>
<b>Schedule 'C'</b>		
<b>SECURED LOANS</b>		
ICICI Bank against Hypothication of Car	579013	1066920
	<u>579013</u>	<u>1066920</u>
<b>Schedule 'D'</b>		
<b>DEFERRED TAX</b>		
(a) Deferred Tax Liability on account of depreciation	16350	100932
(b) Deferred Tax Liability brought forward	89450	11482
Diferred Tax Liability	<u>105800</u>	<u>89450</u>
(a) Carried forward business Losses and unabsorbed dereciation restricted to Deferred Tax Liability	105800 105800	- -
Net Deferred Tax	<u>NIL</u>	<u>NIL</u>

**Schedule 'E'**

**FIXED ASSETS**

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 01.04.08	Additions during the Year	Sales during the Year	As at 31.03.09	Upto 31.03.08	For the Year	Dedu- ction	Upto 31.03.09	As at 31.03.09	As at 31.03.08
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	422000	-	-	422000	-	-	-	0	422000	422000
Building	23100	-	-	23100	8396	377	-	8773	14327	14704
Electric Installations	37248	-	-	37248	29475	2232	-	31707	5541	7773
Data Processing Machin	97450	-	-	97450	35990	14186	-	50176	47274	61460
Air Conditioners	0	-	-	-	-	-	-	-	-	0
Furniture and Fixtures	205358	-	-	205358	190724	4172	-	194896	10462	14634
Office Equipment	358180	-	-	358180	237180	16726	-	253906	104274	121000
Vehicles	1842846	-	-	1842846	175070	175070	-	350140	1492706	1667776
Water Purifier	6890.00	-	-	6890	3351	1117	-	4468	2422	3539
EPABX System	6136.00	-	-	6136	2985	995	-	3980	2156	3151
<b>Total</b>	<b>2999208.00</b>	<b>-</b>	<b>-</b>	<b>2999208</b>	<b>683171</b>	<b>214875</b>	<b>-</b>	<b>898046</b>	<b>2101162</b>	<b>2316037</b>
Previous Year	1156362.00	1842846	-	2999208	467125	216046	-	683171	2316037	

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**Schedules forming part of the Balance Sheet as at 31st March 2009**


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		Rupees	March, 2008 Rupees
<b>Schedule 'F'</b>			
<b>INVESTMENT (AT COST)</b>			
<b>(A) In Government Securities (Unquoted)</b>			
	6 Years National Savings Certificate (Deposited with Government Department)	36000	36000
	Deposited with Post office Saving A/c.	500	500
<b>(B) In Equity Shares of Rs.10/- each fully paid-up (Quoted)</b>			
250	(250) Crescent Finstock Ltd.	-	-
200	(200) Garware Plastic & Polyester Ltd.	99875	99875
0	(750) INDAL Ltd	-	-
<b>(C) In Equity Shares of Rs.10/- each fully paid-up (Unquoted)</b>			
5000	(5000) LWS Knitwear Ltd.	143950	143950
1000	(1000) Karnataka Ball Bearing Ltd.	14000	14000
2600	(2600) U.B. Petro Ltd.	40215	40215
2600	(2600) Sachs India Ltd.	268605	268605
49000	(49000) Tripura Industries (Nepal) Pvt.Ltd.	3062500	3062500
<b>(D) In Preference Shares of Rs.10/- each fully paid-up (Unquoted)</b>			
100	(100) Mukund India Ltd.	31592	31592
750	0 Hindlco Industries Ltd	-	-
<b>(E) Mutual Fund</b>			
52469.774	(52469.774) HSBC Equity Dividend Reinvestment	1215083	1215083
12838.555	(10993.555) HDFC Prudence Fund - Dividend	281013	253529
8071.000	(8071.000) HDFC Equity Fund - Dividend	200000	200000
14286.000	(14286.000) Prudence ICICI Disc. - Dividend	200000	200000
48899.756	(48899.756) Prudential ICICI Service India Fund - Dividend	500000	500000
5000.000	(5000.000) Kotak Lifestyle Mutual Fund	50000	50000
<b>(F) Others</b>			
18	( 18 ) Membership rights in Dalmia Resorts International Pvt.ltd.	275500	275500
	Aggregate value of Investments	<u>6418833</u>	<u>6391349</u>
	Market value of quoted Investments	1839416	2977087
	Aggregate Value of unquoted Investments & Others	3832647	3832647

## Schedules forming part of the Balance Sheet as at 31st March 2009

Schedule 'G'	Rupees	March, 2008 Rupees
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>Current Assets :</b>		
<b>Inventory (As taken, valued and certified by the Management)</b>	4043572	10122850
Total (a)	<u>4043572</u>	<u>10122850</u>
<b>Sundry Debtors (Unsecured) :</b>		
<u>For a period exceeding six months:</u>		
Considered Doubtful	-	-
Total (b)	<u>-</u>	<u>-</u>
<b>Cash and Bank Balances :</b>		
Cash on hand	156841	272981
<u>Balance with Scheduled Banks :</u>		
Fixed Deposit	5000	5000
In Current Accounts	67646	625574
Total (c)	<u>229487</u>	<u>903555</u>
<b>Loans and Advances : (Unsecured, considered good)</b>		
Loans	600000	600000
Tax Deducted at Source	-	-
Advances recoverable in cash or in kind or for value to be received - considered good	2979370	3057070
Total (d)	<u>3579370</u>	<u>3657070</u>
Total (a+b+c+d)	<u>7852429</u>	<u>14683475</u>
<b>Schedule 'H'</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>Current Liabilities :</b>		
Other Liabilities	104853	34414
Total (a)	<u>104853</u>	<u>34414</u>
<b>Provisions :</b>		
Provision for Taxation	-	-
Total (b)	<u>-</u>	<u>-</u>
Total (a+b)	<u>104853</u>	<u>34414</u>

## Schedules forming part of the Profit &amp; Loss Account for year ended 31st March 2009

## Schedule 'I'

	Rupees	March, 2008 Rupees
<b>OTHER INCOME</b>		
Interest	-	134242
Dividend	257389	802405
Profit on sale of Investment	-	135490
Speculation profit on share Trading	27	6855
Total	<u>257416</u>	<u>1078992</u>

## Schedule 'J'

**INCREASE (DECREASE) IN STOCK**

	Rupees	March, 2008 Rupees
Closing Stock	4043572	10122850
Less : Opening Stock	10122850	11568061
Total	<u>6079278</u>	<u>1445211</u>

## Schedule 'K'

**ADMINISTRATION AND OTHER EXPENSES**

	Rupees	March, 2008 Rupees
Payments to and provisions for Employees	213242	215446
Interest Paid	74329	93298
Motor Car Expenses	50959	28453
Repairs and Maintenance	110655	85329
Custodian Charges	8990	8984
Rates and Taxes	10363	30894
Security Transaction Tax	819	80052
Telephone expenses	109794	119080
Professional charges	63338	75283
Conveyance	18715	19053
Printing and Stationery	27978	10706
Electricity Expenses	83990	80970
Computer Expenses	27741	19639
Advertisement	8640	8298
Listing fees	10000	10000
Loss on sale of Investment	0	2707548
Share Transfer Chages	26926	28047
Bad & doubtful debts	0	1741380
Miscellaneous expenditure	5619	14970
Total	<u>852098</u>	<u>5377430</u>

**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31ST MARCH, 2009**

**Schedule 'L'****I. Accounting Policies :**

- (a) The Company follows the mercantile system of accounting both as to Income and Expenditure except those with significant uncertainties.
- (b) Investments are accounted on actual cost basis.
- (c) Inventories are valued at cost or market price whichever is lower.
- (d) Fixed Assets are stated at cost less depreciation.
- (e) Depreciation on all Assets is provided on Straight Line Method in accordance with provisions of section 205(2) of Companies Act, 1956.
- (f) Retirement Benefits :
- (i) The Company follows the policy of "pay as you go" method for gratuity and hence no provisions are made in the books of accounts.
- (ii) No provision is made for leave encashment payments and same is accounted when paid.
- (g) Taxation :
- Tax expenses comprise both current tax and deferred tax at the applicable enacted or substantially enacted rates. Current tax represents the amount of income tax payable/recoverable in respect of the taxable income/loss for the reporting period.

Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originates in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets are recognised only if there is a reasonable certainty that sufficient future taxable income will be available, against which they can be realised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

**II. Notes to Accounts :****1. Auditors' remuneration comprises of the following :-**

	Current Year	Last Year
Audit Fee	11236	11236
For other services	8988	8988

2. All borrowing costs are charged to Profit & Loss a/c., since they are not directly attributable to acquisition, construction or production of qualifying assets.
3. The Company has not provided for deferred tax liability on account of current year. Deferred tax assets are recognised only if there is a reasonable certainty that sufficient future taxable income will be available against which they can be realised.

**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31ST MARCH, 2009**

## Schedule 'L' (Contd.)

## II. Notes to Accounts : (Contd.)

4 As at 31st March 2009 the company had no outstanding dues to small scale industrial undertakings (As at 31st March, 2008 Rs. Nil).

## 5 Earning per share :

	31-03-09	31-03-08
Profit/(Loss) after taxation as per P&L A/C	(6511519)	342822
Weight average number of equity shares o/s	750000	750000
Basic and deducted earning per share in Rs.	(8.68)	0.45

6 Information pursuant to clause (3) of Part II Schedule XI to the companies Act, 1956  
Quality and value in respect of opening stock, production/purchase, sales and closing stock.

## Equity Shares

Scrip	Opening Stock		Purchase		Sales		Stock as per Cost Rs.	Stock as per Mkt. Value Rs.	Cl. Stock (Cost OR Mkt. value whichever is less)	
	No.	Amount Rs.	No.	Amount Rs.	No.	Amount Rs.			No.	Amount
21st Century	12,000	299,824	-	-	-	-	299,824	84,000	12,000	84,000
Adani Enterprises	600	360,300	-	-	-	-	448,657	160,230	600	160,230
Alka India Ltd.	5,000	3,000	-	-	-	-	3,200	1,750	5,000	1,750
Asian Hotel	100	56,290	-	-	-	-	65,497	22,465	100	22,465
Atlas Capsco	140	133,882	-	-	-	-	206,913	64,106	140	64,106
Tutis (Amex Info) Tech Ltd.	2,000	22,200	-	-	-	-	26,600	32,280	2,000	26,600
Bombay Dyeing	300	184,290	-	-	-	-	220,941	50,385	300	50,385
Century Textile Ltd	4,450	3,245,385	-	-	-	-	3,356,582	978,555	4,450	978,555
Diana Tea	5,000	72,250	-	-	3,000	-	155,140	49,700	2,000	49,700
Garware Polyester	3,000	118,740	-	-	-	-	118,740	52,050	3,000	52,050
GHCL	4,800	489,840	-	-	-	-	633,450	133,680	4,800	133,680
ICICI Bank	200	154,020	-	-	-	-	172,886	66,520	200	66,520
IFCI	3,000	132,150	-	-	-	-	142,020	57,900	3,000	57,900
KLG Systel	200	101,702	-	-	-	-	101,702	15,580	200	15,580
Larsen & Tubro	550	1,355,880	550	-	-	-	1,355,880	739,915	1,100	739,915
Mangalore Chemicals	2,000	39,300	-	-	-	-	87,321	23,620	2,000	23,620
Mid-day Multy Ltd	1,000	27,300	-	-	-	-	103,234	11,810	1,000	11,810
Micro Tech	1,000	206,050	-	-	-	-	385,650	69,100	1,000	69,100
Nagarjuna Fertilizers	1,000	37,050	-	-	-	-	57,970	17,800	1,000	17,800
ONGC	300	190,002	-	-	300	300,897	-	-	-	-
Pennar Allunium	5,000	15,500	-	-	-	-	41,000	6100	5,000	6,100
Pletico Pharma Industries	1,000	384,700	-	-	-	-	450,883	105,600	1,000	105,600
Reliance Commercial Venture	960	305,626	-	-	-	-	305,626	167,616	960	167,616
Reliance Infracore	300	375,345	-	-	-	-	492,354	154,605	300	154,605
Reliance Power Ltd	127	40,329	76	-	-	-	57,150	20,808	203	20,808
State Bank of India	200	198,580	150	192,431	175	240,326	217,254	186,646	175	186,646
Tata Steel Ltd	2,249	937,728	-	-	-	-	937,728	463,294	2,249	463,294
Tata Steel Ltd Pref.	1,890	189,000	-	-	-	-	189,000	67,757	1,890	67,757
Trent Ltd.	600	264,437	-	-	-	-	264,437	198,000	600	198,000
T-Spiritual	5,000	4,200	-	-	4,000	-	4,200	1,230	1,000	1,230
Voltas Ltd	1,000	177,950	-	-	-	-	251,300	46,150	1,000	46,150
	64,966	10,122,850	776	192,431	7,475	541,223	11,153,139	4,049,252	58,267	4,043,572
Previous year	61,515	9,951,534	90210	16,861,631	86,759	23,331,512	11,260,633	11,748,408	64,966	10,122,850

7 Previous year figures have been regrouped and/or rearranged wherever necessary to make them comparable with current year figures.

Figures in brackets indicate figures of previous year.

Signature to Schedule 'A' to 'L'

As per our report of even date.

For K. N. Gandhi & CO.

Chartered Accountants

For and on behalf of the Board

sd/-

K.N.GANDHI  
(Proprietor)

Rajkumar Thard

(Chairman &  
Managing Director)

sd/-

sd/-

Anil Saraf  
(Director)

sd/-

Pushpa Thard  
(Director)

Place : Mumbai

Date : 31/07/2009

sd/-

D.N. Kulkarni  
(Director)

sd/-

Virendra Pandya  
(Director)

sd/-

Ophelia Rodrigues  
(Director)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009***(Pursuant to the Listing Agreement with Stock Exchange)*

	Rupees	March, 2008 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT/(LOSS) BEFORE TAX AND EXTRA ORDINARY ITEMS	(6560267)	489962
Adjustments for :		
Depreciation	214875	216046
Loss/(Profit) on sale of Investment	-	(135490)
Loss/(Profit) on speculation of shares	(27)	(6855)
Interest (Received)/ Paid	74329	(134242)
Loss/(Profit) on Derivative Trading	-	2797548
Misc. Income	-	0
Dividend and Other Income	(257416)	(802405)
	31761	1844602
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(6528506)	2334564
Adjustments for :		
Trade & other Receivable	(442249)	2247529
Inventories	6079278	1445211
Trade & other payable	(73328)	964284
	5563701	4657024
CASH GENERATED FROM OPERATION	(964805)	6991588
Direct Taxes	32762	-
CASH FLOW BEFORE EXTRA ORDINARY ITEMS	(932043)	6991588
NET CASH FROM OPERATING ACTIVITIES	(932043)	6991588
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Sale/(Purchase) of Fixed Assets	-	(1842846)
Profit (Loss) on Sale of Investments	-	135490
Speculation Profit on share trading	(27)	6855
Profit (Loss) on Derivative trading	-	(2707548)
Misc. Income	-	-
Interest received	-	134242
Dividend/Others received	(257389)	802405
Sale of Investment	27484	(2952647)
NET CASH USED IN INVESTING ACTIVITIES	(229932)	(6424049)
	(1161975)	567539
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Loan paid(Borrowing Repayments) net	487,907.00	-
NET CASH USED IN FINANCING ACTIVITIES	(674,068)	-
NET INCREASE/(DECREASE)IN CASH & CASH EQUIVALENTS	(674068)	567539
CASH AND CASH EQUIVALENTS AS AT 01.4.2008	903555	336016
CASH AND CASH EQUIVALENTS AS AT 31.3.2009	229487	903,555

Note : All figures in brackets are outflows.

For NIDHI GRANITES LIMITED

Place : Mumbai  
Date : 31-07-2009sd/-  
RAJKUMAR THARD  
Chairman & Managing Director**AUDITORS' CERTIFICATE**

We have verified the above Cash Flow Statement with the books and records maintained by Nidhi Granites Limited and certify that in our opinion and according to the information and explanations given to us, the above statement is in accordance herewith.

For K. N. GANDHI & CO.  
Chartered AccountantsPlace : Mumbai  
Date : 31/07/2009sd/-  
K.N.GANDHI  
(Proprietor)

**Additional information as required under Part-VI to the Companies Act, 1956.  
Balance Sheet Abstract and Company's general business profile.**

**I. Registration Details**

Registration No.   State Code   
 Balance Sheet Date

**II. Capital raised during the year (Amount in Rs.)**

Public Issue  Right Issue   
 Bonus Issue  Private Placement

**III. Position of Mobilisation and Development of Funds (Amount in Rs.)**

Total Liabilities  Total Assets   
Sources of Funds  
 Paid-up Capital  Reserves & Surplus   
 Secured Loans  Unsecured Loans   
Application of Funds  
 Net Fixed Assets  Investments   
 Net Current Assets  Deferred Tax

**IV. Performance of Company (Amount in Rs.)**

Turnover  Total Expenditure   
 Loss before tax  Loss after tax   
 Earning per share in Rs.  Dividend rate %

**V. Generic Names of Two Principal Product/Services of Company (as per monetary terms)**

Item Code No. (ITC Code)   
 Product Description

**BOOK POST / UPC**

**TO :**

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If undelivered return to :

**NIDHI GRANITES LIMITD**

9, Shopping Centre, Station Road,

Santacruz ( West)

**Mumbai 400 054**