

TWENTYFIRST CENTURY MANAGEMENT SERVICES LTD

**23rd
Annual Report
2008-2009**



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BOARD OF DIRECTORS

Mr. SUNDAR IYER
Executive Chairman

Mr. CHANDRAMOULI
Managing Director

Mr. IYER VISHWANATH
Independent Director

Mr. S. HARIHARAN
Independent Director

COMPANY SECRETARY

Mr. A. V. M. SUNDARAM

AUDITORS'

M/s. SHANKAR & KISHOR
Chartered Accountants
Mumbai

BANKERS

ICICI BANK LIMITED
STATE BANK OF TRAVANCORE
HDFC BANK LTD

REGISTERED OFFICE

No. 158, 1st Floor, Eldams Road,
Alwarpet, Chennai - 600 018.

CORPORATE OFFICE

No. 603 & 604 Dalamal Chambers,
29, New Marine Lines,
Mumbai - 400 020.

SHARE TRANSFER AGENTS

LINK INTIME INDIA PVT. LTD.,
C13, Pannalal Silk Mills Compound,
LBS Marg; Bhandup (W)
Mumbai - 400 078.
Phone: (022) 25963838
Fax: (022) 25946969



NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of the Company will be held on Monday, 14th September, 2009 at 4.00 p. m. at Narada Gana Sabha Mini Hall, 314, T.T.K. Road, Chennai - 600 018 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet for the year ended 31st March, 2009, the Profit & Loss account as on that date and the Report of the Directors and Auditors thereon.
2. To appoint Mr. Chandramouli, who retires at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

4. **To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.**

"RESOLVED THAT Mr. S. Hariharan, who was appointed by the Board of Directors of the Company as an Independent Director on 21st January 2009 to hold office as such, upto the conclusion of the ensuing annual general meeting and in respect of whom the company has received a notice in writing from a member signifying his intention to propose the candidature of Mr. S. Hariharan, for the office of director, as required by Section 257 of the Companies Act, 1956, be and is hereby appointed a director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to Sections 198, 309(4) and all other applicable provisions, if any, of the Companies Act, 1956, Mr. S. Hariharan, the Director of the Company be paid commission of an amount not exceeding 1% of the net profits of the company for each financial year or part thereof to be computed in accordance with the provisions of Section 198(1) of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to take all such steps as may be necessary for the purpose of giving effect to this resolution and matters incidental thereto.

5. **To consider and if thought fit, to pass the following resolution with or without modification, as Special Resolution.**

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 310 and 311 and all other applicable provisions, if any, of the Companies Act, 1956 or any re-enactment thereof and subject to the approval of Share holders as required under Part II (A) of Schedule XIII to the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board for the re-appointment and payment of remuneration to Mr. Chandramouli as Managing Director of the Company for a period of five years with effect from 1st April 2009 on rotational basis and on existing remuneration and other terms and conditions as set out in the Explanatory statement annexed hereto as approved by the Remuneration Committee & Board Meeting held on 28.04.2009."

"FURTHER RESOLVED THAT the Company on attaining adequate profits the Board of Directors/Remuneration committee constituted by the Board do accept to vary the terms of remuneration and perquisites with the liberty to revise the remuneration



payable to Mr. Chandramouli if it in its absolute discretion thinks fit in accordance with the provisions of Section 198 read with Section 309 and Schedule XIII i.e. within the overall ceiling of 5% or 10% of the net profits of the Company calculated in the manner specified in the Act without further reference or approval from the share holders of the company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its power herein conferred to any committee of directors or director(s) to give."

"RESOLVED FURTHER THAT the information provided above shall be treated as an Abstract under section 302 of the Companies Act, 1956."

6. To consider and if thought fit, to pass the following resolution with or without modification, as Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 310 and 311 and all other applicable provisions, if any, of the Companies Act, 1956 or any re-enactment thereof and subject to the approval of Share holders as required under Part II (A) of Schedule XIII to the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board for the re-appointment and payment of remuneration to Mr. Sundar Iyer as Executive Chairman, of the Company for a period of five years with effect from 1st April 2009 on non rotational basis and on existing remuneration and other terms and conditions as set out in the Explanatory

statement annexed hereto as approved by the Remuneration Committee & Board Meeting held on 28.04.2009."

"FURTHER RESOLVED THAT the Company on attaining adequate profits the Board of Directors/Remuneration committee constituted by the Board do accept to vary the terms of remuneration and perquisites with the liberty to revise the remuneration payable to Mr. Sundar Iyer, if it in its absolute discretion thinks fit in accordance with the provisions of Section 198 read with Section 309 and Schedule XIII i.e. within the overall ceiling of 5% or 10% of the net profits of the Company calculated in the manner specified in the Act without further reference or approval from the share holders of the company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its power herein conferred to any committee of directors or director(s) to give."

"RESOLVED FURTHER THAT the information provided above shall be treated as an Abstract under section 302 of the Companies Act, 1956."

By Order of the Board

Place: Mumbai
Date: 17-08-2009

A. V. M. SUNDARAM
Company Secretary



NOTES:

a) **A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxies, in order to be valid, must be received at the Registered Office of the company not less than 48 hours before the commencement of the meeting.**

b) The relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the business under item No.5 is enclosed herewith.

c) The Register of Members and Share Transfer books of the Company will remain closed from 11th September, 2009 to 14th September, 2009 (both days inclusive).

d) Members are requested to bring their copy of annual accounts, as no extra copies will be distributed at the meeting.

e) Information pursuant to clause 49 of the Listing agreement for appointment/reappointment of Directors.

i. Re-appointment of Mr. Hariharan as Director:

Item No.4: Mr. Hariharan aged about 58 years was appointed as Independent Director of the Company at the Board Meeting held on 21st January 2009 and he holds office only up to the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received from a Shareholder of the Company signifying his

intention to propose Mr. Hariharan as a candidate for the office of the Director. Particulars of Other Company Directorship is as follows:

Name of the Company	Designation
Nil	Nil

ii. Re-appointment of Mr. Chandramouli, Director retiring by rotation:

Item No.5: Mr. Chandramouli, aged about 50 years, the promoter director who is also a Cost and Chartered Accountant, and has 27 years of experience in capital market operations, shall devote the whole of his time and attention to the business and affairs of the company and shall perform and discharges all such duties and responsibilities as may from time to time be assigned and entrusted to him.

Particulars of Other Company Directorship is as follows:

Name of the Company	Designation
Twentyfirst Century Shares and Securities Limited	Director
Twentyfirst Century Realty Limited	Director
Twentyfirst Century Money Growth Fund Limited	Director



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

Item No. 4

Mr. Hariharan was appointed as an Independent Director of the Company at the Board Meeting held on 21st January 2009 and he holds office only upto the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received from a Shareholder of the Company signifying his intention to propose Mr. Hariharan as a candidate for the office of Director.

Mr. Hariharan, 58 years, is a qualified Company Secretary and Cost Accountant having more than 25 years of experience in the field of finance and company affairs and retired as a Company Secretary from Atlas Copco (I) Limited recently. His rich and varied experience will benefit the company in many ways. Hence the Board recommends the above appointment of Mr. Hariharan.

Except Mr. Hariharan, none of the Directors are concerned or interested in the passing of this resolution.

Item No. 5

The share holders are well aware that Mr. Chandramouli was appointed as the Managing Director of the Company for a period of 3 years with effect from 1st April 2006 and the consent of the members was obtained at the Annual General Meeting held on 29th September 2006. His term of office expired on 31st March 2009.

Mr. Chandramouli, aged about 50 years, who is also a Cost and Chartered Accountant and having 27 years of experience in capital market operations, shall devote the whole of his time

and attention to the business and affairs of the company and shall perform and discharges all such duties and responsibilities as may from time to time be assigned and entrusted to him.

Considering the efforts required, the Remuneration Committee and the Board of Directors at their meeting held on 28.04.2009 had appointed Mr. Chandramouli as the **Managing Director**, of the Company for a period of **five** years commencing from 1.4.2009 to 31.03.2014 on a monthly remuneration (approved by the remuneration committee) as given hereunder:

- * Salary Rs. 1,50,000/- permonth, including all allowances.
- * Commission as percentage of the net profits of the Company as may be decided by the Board, computed in the manner set out in section 309(5) of the Companies Act, 1956, and subject to the overall ceilings laid down under sections 198 and 309 of the Companies Act, 1956 read with Schedule XIII. However, the company has proposed to make the payment of above remuneration w.e.f. 1.4.2009 only after obtaining the approval of the shareholders at the ensuing Annual General Meeting.

The information given above may be taken as a statement given under section 302 of the Companies Act, 1956.

None of the Directors are concerned or interested in the resolution except Mr. Chandramouli.

Item No.6

The share holders are well aware that Mr. Sundar Iyer was appointed as the Executive Chairman of the Company for a period of three years with effect from 1st April 2006 and the consent of the members was obtained at the Annual General Meeting held on 29th September 2006. His term of office expired on 31st March 2009.



Mr. Sundar Iyer, the Executive Chairman of the Company, is the main promoter of the Company. He has more than 30 years of experience in the field of capital market operations. Having regard to the valuable experience and contribution to the company, the Remuneration Committee and the Board of Directors at their meeting held on 28.04.2009 had reappointed, Mr. Sundar Iyer as the Executive Chairman of the Company for a period of five years commencing from 1.4.2009 to 31.3.2014, on a monthly remuneration (approved by the remuneration committee) as given hereunder:

- * Salary Rs. 1,75,000/- permonth, including all allowances.
- * Commission as percentage of the net profits of the Company as may be decided by the Board, computed in the manner set out in section 309(5) of the Companies Act, 1956, and subject to the overall ceilings laid down under sections 198 and 309 of the Companies Act, 1956 read with Schedule XIII. However, the company has proposed to make the payment of above remuneration w.e.f. 1.4.2009 only after obtaining the approval of the shareholders at the ensuing Annual General Meeting.

The information given above may be taken as a statement given under section 302 of the Companies Act, 1956.

None of the Directors are concerned or interested in the resolution except Mr. Sundar Iyer.

By Order of the Board

Place: Mumbai
Date : 17-08-2009

A. V. M. SUNDARAM
Company Secretary

DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 23rd ANNUAL REPORT of your company together with the Auditors Report for the year ended 31st March 2009.

FINANCIAL HIGHLIGHTS

The Financial Results for the year ended 31st March 2009.

	Rupees in Lacs	
	31/03/2009	31/03/2008
Profit from capital market operations	(1859.70)	2379.72
Other Income	40.11	65.31
Profit before Depreciation & Tax	(1894.24)	2342.92
Interest	0.00	0.00
Depreciation	1.20	1.52
Profit before tax	(1895.44)	2341.40
Provision for tax	0.00	265.28
Profit after tax	(1895.44)	2076.12
Interim dividend	0.00	126.00
Proposed dividend (Final)	0.00	94.50
Tax on dividend	0.00	37.48
Transferred to general reserve	0.00	207.61
Balance b/f from previous year	1612.52	1.99
Surplus carried to Balance Sheet	(282.92)	1612.52

BUSINESS & PERFORMANCE

During the year under review, the Company has incurred a loss of Rs.1895.44 Lakhs, as against the profit before tax of Rs.2341.40 in the last financial year. However the directors are confident that the company shall revive back, considering the present market conditions and economic revival of the Country.

FUTURE PROSPECTS

For the year ended 31st March 2009, due to the depressed market conditions, and global financial crisis, the company's performance was adversely affected. Due to the general slowdown in the



Global economy and the Indian Securities Market in particular, the company posted a net loss of Rs. 1895.44 lakhs. However due to the conscious efforts taken by the Governments of various countries and the newly elected stable Indian Government there are signs of recovery across the globe and in the Indian Securities Market. We expect to post better performance this year, barring unforeseen circumstances, and would be back to making profits fuelled by faith in the India story and the opportunity presented for India's GDP growth.

DIVIDEND

In the absence of profit during the year, your directors regret their inability to recommend dividend for the financial year 2008-09.

ALLOTMENT OF PREFERENCE SHARES

During the year, the company has allotted 6,00,000 12% redeemable non convertible preference shares of Rs.100/- each to the promoters and their group associates.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section titled "Corporate Governance" has been annexed to this Annual Report.

DEPOSITS

Your company has not accepted any deposits from the public during the year under review and there are no outstanding deposits as on 31st March 2009.

PARTICULARS OF EMPLOYEES

The Company has no employees, who are in receipt of remuneration, requiring disclosure under Section 217(2A) of the Companies Act, 1956.

AUDITORS

M/s Shankar & Kishor, Chartered Accountants,

auditors of the company retire at the ensuing Annual General Meeting and are eligible for reappointment.

DIRECTORS

Mr. Hariharan was appointed as an Independent Director with effect from 21st January 2009. The Company has received notice under Section 257 of the Companies Act, 1956 along with requisite deposit from a member, proposing his appointment as a Director of the company.

Mr. Chandramouli, Managing Director who retires by rotation at this meeting and being eligible, offers himself for reappointment.

Mr. Vivek Bhargava, and Mr. S. P. Tulsian, Independent Directors of the company expressed their desire to discontinue as directors and resigned from the directorship of the company during the year 2008-2009.

Mr. Chandramouli & Mr. Sundar Iyer are reappointed for a further period of three years as Managing Director & Executive Chairman respectively on the existing remuneration, as approved by the Board of Directors and as per the recommendations of Remuneration Committee. Necessary resolutions are proposed for the approval of the shareholders.

PARTICULARS AS REQUIRED 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.

Conservation of Energy

The Company had taken steps to conserve



energy in its office use, consequent to which energy consumption has been minimized. No additional Proposals/ Investments were made to conserve energy. Since the company has not carried on industrial activities, disclosures regarding impact of measures on cost of production of goods, total energy consumption, etc., are not applicable.

Technology Absorption:

The company has neither adopted nor intend to adopt to any technology for its business and hence no reporting is required to be furnished under this heading.

Foreign Exchange Inflow & Outgo:-

Foreign Exchange inflow during the year :-
Nil

Foreign Exchange outgo during the year :-
Nil

SUBSIDIARY COMPANY

The particulars required to be disclosed u/s. 212(1)(e), read with sub section (3) of the Companies Act, 1956 for the year ended 31st March 2009 in respect of the Company's subsidiary Twentyfirst Century Shares & Securities Ltd. is enclosed.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

- * In the preparation of the annual accounts, the applicable accounting

standards have been followed along with proper explanation relating to material departures;

- * Appropriate accounting principles have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit or loss of the Company for the year ended on that date.
- * Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- * The annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENTS

The Board of Directors would like to thank all employees of the Company as also Company's shareholders, auditors, customers and bankers for their continued support.

For and on behalf of the Board

Place : Mumbai
Date : 29-06-2009

SUNDAR IYER
CHAIRMAN



MANAGEMENT DISCUSSION AND ANALYSIS

1. Macro-Economic Scenario:

The Year 2008-09 has been an unprecedented year with extremely difficult economic conditions across the globe. Growth momentum dipped significantly for the economies across the world over the past few quarters. Most developed countries are experiencing the deepest recession since World War II. According to the estimates released by IMF in March '09 the world's advanced economies will contract by as much as 3.5% on average this year, with a 2.8% decline in the US and 6.2% in Japan. Governments and regulators across the globe have responded swiftly and are trying to arrest the slowdown and to steer their economies back on the growth path. These measures have started bearing the desired results by restoring stability and confidence in the markets. Growth prospects for India appear relatively positive compared with most peers. We believe that the growth rate may stick to midsingle digit despite the turmoil across the globe.

The Indian economy, which witnessed robust growth up to the second quarter of FY09, recorded sharp decleration thereafter in the wake of persistent global economic slowdown.

India's real GDP grew 6.7% during Financial Year (FY) 09 as compared with 9% during the corresponding period of FY08. Though India's growth trajectory has been impacted both by the financial crisis and the global economic downturn, the structural drivers of the Indian economy continue to be intact, sustaining overall growth at a level much higher than most other economies in the world.

2. Capital Markets

Index Movement

The BSE Sensex saw an unprecedented swing in Calendar Year (CY) 08 - from 20, 873 in January 2008 to 8,451 in November 2008. The key negatives that drove down Indian markets were weakness in global financial markets, slowdown in the domestic economy, tight monetary policy in 1 HFY09, and heavy selling by Foreign Institutional Investors (FII). All these factors contributed to a series of large downgardes in corporate sector earnings. Another highlight of FY09 has been a 27% depreciation in the Indian rupee v/s the US dollar, which has also had a negative impact on earnings

FII & MF Activity in Equity Markets

FY09 was the first fiscal in India's history when FIIs were net sellers in



Indian equities; secondary market FII outflows for the year were Rs.479 billion. Interestingly, FY08 was the year of record net FII inflows of Rs.517 billion. However, mutual funds continued to be net buyers for the sixth consecutive year. In FY09, mutual funds were net buyers to the tune of Rs. 66 billion, which is a 52% drop from Rs.137 billion of net buying in FY08.

3. Broking Industry

Equity Market Volumes

The average daily Equity Market volumes for FY09 were Rs.612 billion, down 16% from Rs. 726 billion in FY08. However, during the six years beginning FY03, the year when cash and derivatives were fully active on both the exchanges, total market volumes have grown by 50% compounded annually. During this period, volumes in the derivatives and cash segments have grown at a compounded annual growth rate (CAGR) of 72% and 27% respectively.

The notable trends in customer segmental volume mix that influence market volumes are as follows:

- The contribution of retail volumes has declined from 61% in FY08 to 55% FY09; the retail contribution ratio has been more volatile than the other two market segments.
- The contribution of institutional

volumes, i.e. volumes from FII and domestic institutional investors (DIIs) such as mutual funds, banks and insurance companies has remained stable at 15% for FY08 and FY09.

- The contribution of proprietary volumes, which include arbitrage and other proprietary volumes of stockbrokers, has increased from 24% in FY08 to 30% in FY09.
- Another notable trend which developed in the current fiscal (beginning from June '08) is the rising proportion of index options in derivatives volume.

Debt Markets

Growth in the corporate debt markets was stunted during the second half of FY09 by a severe liquidity crunch, higher interest and counter party fears. The corporates as yet do not seem to view the debt markets as a credible alternative to equity capital markets in raising capital. But as the government and regulators seem inclined to taking steps to develop bond markets in India with an objective of reducing the cost of raising debt capital. We believe the segment will grow faster than other segments in the future and gradually will become a major source of capital required by corporates supplementing traditional bank credit.



Opportunities and Threats:

Opportunities

- Economy is still growing at healthy rate leading to investment/capital requirement
- Growing Financial Services industry's share of wallet for disposable income.
- Huge market opportunity for wealth management service providers as Indian wealth management business is transforming from mere wealth safeguarding to growing wealth.
- Regulatory reforms would aid greater participation by all class of investors.
- Leveraging technology to enable best practices and processes.
- Corporates looking at consolidation/ acquisitions/ restructuring opens out opportunities for the corporate advisory business.

Threats

- Execution risk
- Slowdown in global liquidity flows
- Increased intensity of competition from local and global players
- Unfavorable economic conditions both domestic and global.

Our Business Streams and Outlook:

Your company is an Investment Company and the standalone operations have two critical elements:

- (i) Build on a sound portfolio with deeper analysis and a constant churning of the same to adapt to the changing dynamics of the prevalent Indian Capital Market.
- (ii) Your company continues to rely heavily on capital market operations, which accounts for bulk of the consolidated revenues. However, the management is aggressively pursuing all steps to expand the broking business which is currently being conducted by Twentyfirst Century Shares & Securities Limited, which is a 100% subsidiary of your company. As such, the performance and results of your company have a direct correlation to the conditions prevailing in the Indian capital market.

Human resources:

We understand that quality research is the most crucial element for the development of our business and accordingly, the management continues to take steps to build a robust research team and devise strategies and policies to attract and retain best industry talent for the same. The total manpower strength of the company including employees of the subsidiary is 55 .



REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The Company defines Corporate Governance as a Systematic Process by which companies are directed and controlled to enhance their wealth generating capacity. Since large corporations employ vast quantum of social resources, we believe that the governance process should ensure that these companies are managed in a manner that meets stakeholders' aspirations and social expectations.

The basic objective of corporate governance policies adopted by the company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to meet with statutory requirements but also goes beyond them by putting into place procedures and systems, which are in accordance with best practice of governance. Your company believes that good corporate governance enhance the trust and confidence of all the stakeholders. Good practice in corporate behaviour helps to enhance and maintain Public trust in companies and stock market.

2. Board of Directors

Composition and category of Board of Directors

The Board of Directors of the company comprises of two Executive Directors and two Independent (non executive) Directors. None of the Directors are related to each other.

Attendance at the Board Meetings and Annual General Meeting were as under:

Dates of Board Meeting

During the financial year 2008-2009 Six (6) meetings were held on the following dates: 27th June 2008, 30th July 2008, 25th August 2008, 31st October 2008, 21st January 2009 and 30th March 2009. The last Annual General Meeting was held on 27th September 2008.

The Board comprises of two independent directors out of present strength of four directors. Composition, attendance of each director at the Board Meetings and at the last AGM and the number of other directorship, committee memberships are set out below:

Name	Category	No. of Board Meeting attended	Attendance at the Last AGM	Directorship in Other Companies	Other Companies Committee Chairmanships	Other Companies Committee Memberships
Mr. Sundar Iyer	Chairman-Executive Director	6	No	3	Nil	Nil
Mr. Chandromauli	Managing Director-Executive Director	6	Yes	3	Nil	Nil
Mr. Iyer Vishwanath	Director Independent Non-Executive Director	6	Yes	1	Nil	Nil
Mr. A.V.M. Sundaram Resigned on 31.10.08	Whole-time Director Executive	4	Yes	Nil	Nil	Nil
Mr. S. P. Tulsian Resigned on 31.10.08	Director Independent Non-Executive	4	No	8	Nil	Nil
Mr. Vivek Bhargava Resigned on 21.10.09	Director Independent Non-Executive	4	No	2	Nil	Nil
Mr. S. Hariharan Appointed with effect from 21.01.09	Director Independent Non-Executive Director	2	No	Nil	Nil	Nil



3. Board Committees:

A. Audit Committee

Charter:

The primary object of Audit Committee of the company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

Composition:

The company derived immense benefit from the deliberation of audit committee comprising of the following directors of the company:

Name of the Director	Category of Membership	
Mr. Iyer Vishwanath	Chairman	
Mr. Vivek Bhargava	Member	Till 21.1.2009
Mr. S. Hariharan	Member	From 21.1.2009
Mr. Chandramouli	Member	

Mr. S. Hariharan was appointed as an Independent Director with effect from 21st January 2009.

The major terms of reference of this committee are as under:

- * Reviewing with management, the financial statements before submission of the same to the Board.
- * Overseeing of company's financial reporting process and disclosures of its financial information.
- * Reviewing the adequacy of the internal audit function.
- * Recommendation for appointment and fixing remuneration of statutory auditors.
- * Reviewing the Reports furnished by the internal auditors and statutory auditors and ensuring suitable follow up thereon.

Meeting and Attendance of the Committee:

During the financial year four Audit Committee meetings were held on the following dates 27.06.2008, 30.07.2008, 31.10.2008 and 21.01.2009. The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreements with the Stock Exchanges.

The attendances of directors at the Audit Committee meetings held during the year 2007-2008 is given below:

Name of the Director	Category of Membership	Meetings Held	Meetings Attended
Mr. Iyer Vishwanath	Chairman	4	4
Mr. Chandramouli	Member	4	4
Mr. Vivek Bhargava	Member	4	3
Mr. S. Hariharan	Member	4	1

Mr. S. Hariharan was appointed as an Independent Director with effect from 21st January 2009.

B. Remuneration Committee

Composition:

The Remuneration Committee comprising of Mr. Iyer Vishwanath, Mr. Vivek Bhargava and Mr. Chandramouli was reconstituted on 21st January 2009 with the following directors - Mr. Iyer Vishwanath, Mr. Hariharan, and Mr. Chandramouli since Mr. Vivek Bhargava resigned on 21st January 2009. Mr. S. Hariharan was appointed as an Independent Director with effect from 21st January 2009.

Mr. Iyer Vishwanath is the Chairman of the Remuneration Committee.



Meeting and Attendance of the Committee:

One meeting of the Remuneration Committee was held on July 30, 2008, which was attended by all the then Committee Members.

Terms of Reference:

The terms of reference of the Remuneration Committee are as per the guidelines set out in the Listing Agreement with the stock exchanges that include determination of the Company's policy on specific remuneration packages for Directors.

Remuneration Policy:

The remuneration of the Executive Directors is recommended by the Remuneration committee, based on criteria such as industry benchmarks, the Company's performance vis-a-vis the industry and responsibilities shouldered. The Company pays remuneration by way of salary and perquisites to its Executive Directors.

Remuneration of Directors:

The remuneration paid as per the terms recommended by the Remuneration Committee approved by the Board and confirmed by the shareholders of the Company.

Name of the Director	Salary (Rs.)	No. of shares held
Mr. Sundar Iyer	1,75,000	27,44,716
Mr. Chandramouli	1,50,000	5,09,800
Mr. A.V.M. Sundaram	1,25,000	Nil
Mr. Vivek Bhargava	Nil	Nil
Mr. S. P. Tulsian	Nil	Nil
Mr. Iyer Vishwanath	Nil	Nil
Mr. Hariharan	Nil	Nil

Mr. S. Hariharan was appointed as an Independent Director with effect from 21st January 2009.

No fee/remuneration is paid to the Non-executive Directors. Further the company has not entered into any pecuniary relationship or transactions with the Non-executive directors.

No sitting fee has been paid to the directors.

C. Shareholders/Investors Grievance and Share Transfer Committee

Composition:

The Shareholders/Investors Grievance and Share Transfer Committee comprises of:

1. Mr. Iyer Vishwanath, Chairman of the Committee.
2. Mr. Sundar Iyer, Member.
3. Mr. S. Hariharan, Member.

(Mr. S. Hariharan, was appointed as an Independent Director with effect from 21st January 2009.)

Chairman of the Committee is a Non-Executive director.

Terms of reference:

The shareholders/investor grievances committee specifically looks into redressing of shareholder's and investor's complaints such as transfer of shares, non-receipt of shares, non-receipt of declared dividend, conversion of shares and to ensure expeditious share transfers.

Meeting and Attendance of the Committee

The Committee oversees the performance of share transfer and recommends measures to improve the shareholders/investors service. The said committee met three (3) times during the year 2008-2009. The company secretary is the compliance officer.

Shareholders queries received and replied in 2008-2009

During the financial year 2008-09, 31 complaints were received from shareholders



and were replied/redressed to the satisfaction of the investors. There are no complaints pending as on date of this report. There were no share transfers pending registration as at 31st March 2009.

D. Compliance Certificate

Compliance certificate for Corporate Governance from the auditors of the company is enclosed.

4. General Body Meetings

The particulars of Annual General Meeting held during the last three years is as under:

Year	Location	Date	Time
2005-2006	Narada Gana Sabha/Miri Hall, 314, T.T.K Road, Chennai-600 018	29/09/ 2006	10.00 A.M.
2006-2007	Narada Gana Sabha/Miri Hall, 314, T.T.K Road, Chennai-600 018	29/09/ 2007	10.30 A.M.
2007-2008	Bharatiya Vidya Bhawan Mini Hall, New No. 18,20,22 (Old No. 37-39) East Mada Street, Chennai-600 004.	29/09/ 2008	11.00 A.M.

Special Resolution Passed in the Past three EGM's:

EGM held on 6th February 2008:

- Preferential issue of Equity shares/warrants to Promoters/Group Associates, Bodies Corporate/Individuals. Proposal was rescinded and deferred as one of the proposed allottees becoming ineligible to participate in the issue as per SEBI (Disclosure & Investor Protection) Guidelines, 2000, having traded in the securities within 6 months before relevant date.
- Alteration of clause 121 (3) in the Articles of Association regarding the fee payable to a Director (including Chairman/managing or whole time director, if any)

for attending a meeting of the Board or Committee thereof, shall be fixed by the Board of Directors, subject to the overall limit as may be prescribed by the Central Government, from time to time.

EGM held on 10th March 2008

Preferential issue of Equity shares/warrants to Promoters/Group Associates, Bodies Corporate/Individuals.

EGM held on 23rd March 2009:

Issue of 10,00,000 - 12% Redeemable Non-Convertible Preference Shares of Rs.100 each aggregating Rs.10 Crore for cash at par on a private placement and / or preferential basis, to Promoters and their group associates.

Special Resolution Passed in the Past three AGM's:

AGM held on 29th September 2006

- Appointment of Mr. Sunder Iyer as Executive chairman and approving payment of remuneration.
- Appointment of Mr. Chandramouli as Managing Director and approving payment of remuneration.
- Appointment of Mr. A.V.M. Sundaram as Whole time Director and Company Secretary and approving payment of remuneration.
- Appointment of Mr. Iyer Vishwanath as an Independent Director and approving payment of commission.

AGM held on 29th September 2007

- Appointment of Mr. Vivek Bhargava as an Independent Director and approving payment of commission.
- Recommending sitting fees for the directors attending each meeting of the Board of directors or Committee thereof attended by



him or her shall be such sum as may be fixed by the Board in accordance with the provisions of section 310 of the Companies Act, 1956 read with Companies (Central Government) General Rules and Forms, 1956 as amended from time to time. (This resolution was dropped, as it needed alteration in the A/A.)

AGM held on 27th September 2008

Appointment of Mr. S. P. Tulsian as an Independent Director.

Postal Ballot:

No Special resolution were passed last year through Postal Ballot.

5. Disclosures

No transaction of material nature has been entered into by the Company with its promoters, Directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the Company.

There were no instances of non-compliance or Penalty imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital market.

The annual, half-yearly and quarterly results are regularly submitted to the stock exchanges in accordance with the listing agreement.

The Company has no Whistle Blower Policy and further no personnel has been denied access to the audit committee.

No money has been raised through Public/Right/Preferential issue during the year.

6. Means of Communication

The annual, half-yearly and quarterly results are regularly submitted to the

stock exchanges in accordance with the listing agreement and are published in Trinity Mirror (English) and Makkal Kural (Tamil) newspapers.

7. Management Discussion and Analysis Report

Management Discussion and Analysis Report forms a part of the Director Report. (Given in Annexure)

8. General Shareholders Information

Annual General Meeting

The 23rd Annual General Meeting of the Company will be held on Monday, 14th September 2009 at 4.00 p.m. at Narada Gana Sabha Mini Hall, 314, T.T.K. Road, Chennai - 600 018.

Financial Calendar for the year 2009-2010 (Provisional)

Results for the first quarter ending 30th June, 2009	Last week of July, 2009
Results for the second quarter ending 30th September, 2009	Last week of October, 2009
Results for the third quarter ending 31st December, 2009	Last week of January, 2010
Results for the fourth quarter ending 31st March, 2010	Last week of April, 2010
Annual General Meeting for the year ending 31st March, 2010	By the end of August, 2010

Listing on the Stock Exchanges

The Equity shares of the Company are listed on the Bombay Stock Exchange and National Stock Exchanges. The Company has paid annual listing fees to the respective stock exchanges. Trading in shares of the company in National Stock Exchange was suspended since the company did not have full time Company Secretary in the year 2003-2004. This requirement has been since met and the Company has taken up the issue with NSE for revoking the suspension order.

BSE Stock Code: 526921



Market price data:

High/Low during each month in last financial year at the Bombay stock exchange

Month	Share Prices (Rs.)	
	High	Low
April 2008	45.85	40.00
May 2008	45.95	36.00
June 2008	38.75	26.05
July 2008	35.00	26.90
August 2008	30.00	22.50
September 2008	29.00	15.55
October 2008	19.80	8.40
November 2008	9.30	6.98
December 2008	9.94	6.27
January 2009	9.85	6.41
February 2009	7.61	6.00
March 2009	8.97	4.65

Distribution of shareholding as on 31st March, 2009

Slab of Shareholders (Rs.)	Shareholders	%	Amount in Rs.	%
1-5000	5382	82.57	8207820	7.82
5001-10000	474	7.27	4076020	3.88
10001-20000	278	4.27	4477320	4.26
20001-30000	97	1.49	2514960	2.40
30001-40000	49	0.75	1762360	1.68
40001-50000	48	0.74	2315800	2.20
50001-100000	91	1.39	7160020	6.82
Above 100000	99	1.52	74485700	70.94
Total	6518	100.00	105000000	100.00

Registrar and transfer agents

Link Intime India Pvt. Limited
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (W)
Mumbai - 400 078.

Tel: 25963838, Fax: 25946969

Address for communication

No. 158, 1st Floor, Eldams Road,
Alwarpet,
Chennai - 600 018.

Tel: 24328452, Fax: 24328252

Share Transfer System

Presently the share transfer documents, which are received by the Company, are processed, approved and kept ready for dispatch within 15 days from the date of the receipt.

Shareholding pattern as on 31st March, 2009

Categories	Number of shares	%
Promoters, Directors, relatives and associates	4622340	44.02
Mutual Funds	16200	0.15
FII's	195600	1.86
Private Corporate Bodies	1001526	9.54
Indian Public	4045736	38.53
NRI's/OCB's	259385	2.47
HUF	324002	3.09
Trusts	3999	0.04
Clearing Members	31212	0.30
Total	10500000	100.00



Dematerialisation of shares

The equity shares of the company has been admitted for dematerialization with NSDL and CDSL 68.30% of the company's paid up Equity share capital has been dematerialised up to March 31, 2009.

E-mail ID of Investor Grievance Redressal Cell

E-mail ID: investors@tcms.bz

9. Non-Mandatory Requirements

- a. **Chairman of the Board:** The company maintains the office of the Chairman at its Corporate Office/Registered Office and also reimburses the expenses incurred in performance of duties.
- b. **The Board has duly constituted a Remuneration Committee** under the Chairmanship of Mr. Iyer Vishwanath, which determines the remuneration package for Executive Directors.
- c. **Shareholder Rights:** The quarterly financial results are regularly submitted to the stock exchanges and are published in Trinity Mirror (English) and Makkal Kural (Tamil) newspapers.
- d. **Audit qualifications:** The company has unqualified financial statements.
- e. **Whistle Blower Policy:** As mentioned earlier, the Company does not have a Whistle blower policy.

DECLARATION

As provided under Clause 49 of the Listing agreement with the Stock Exchanges, this is to confirm that all the members of the board and the senior Management have affirmed compliance with the Code of conduct for the year ended 31st March, 2009.

For Twentyfirst Century Management Services Ltd.

Sundar Iyer
Chairman

Place: Mumbai
Date: 29.06.2009

Auditors' Certificate on Corporate Governance

We have examined the compliance of Corporate Governance by Twentyfirst Century Management Services Limited for the year ended on 31st March 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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

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

On the basis of information and explanation given to us and as per the records maintained by the Company, we state that no investor grievances is pending for a period exceeding one month against the Company.

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

For Shankar & Kishor
Chartered Accountants

S. B. Shetty
Partner

Place: Mumbai
Date : 29-06-2009



CEO/CFO CERTIFICATION

To
The Board of Directors
TWENTYFIRST CENTURY MANAGEMENT
SERVICES LIMITED
Chennai

We, Sundar Iyer, Chairman and Chandramouli, Managing director of Twentyfirst Century Management Services Limited on the basis of the review of the financial statements and cash flow statement for the year ended 31st March, 2009 and to the best of our knowledge and belief, hereby certify that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March 2009 are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies in the design or operation

of such internal controls of which we are aware and the steps we have taken or purpose to take to rectify these deficiencies.

5. We have indicated to the Auditors and the Audit Committee:

- * there have been no significant changes in internal controls over financial reporting during the year covered by this report;
- * there have been no significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statements.
- * There have been no instances of significant fraud of which we have become aware, and the involvement therein, of management or an employee having significant role in the company's internal controls system over financial reporting.

SUNDAR IYER
Chairman

CHANDRAMOULI
Managing Director

Place: Chennai
Date : 29-06-2009



AUDITOR'S REPORT

TO THE MEMBERS OF TWENTYFIRST CENTURY MANAGEMENT SERVICES LTD

We have audited the attached Balance Sheet of TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED for the year ended 31st March 2009 and also the Profit & Loss Account for the year ended on that date, annexed thereto. These financial statements are 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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Subsection (4A) of Sec. 227 of the Companies Act 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 & 5 of the said Order to the extent applicable.

Further to our comments in the Annexure referred to above, we report that:

- (i) 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.
- (ii) In our opinion, the Company has kept proper books of account as required by law so far as appears from our examination of the books.

(iii) In our opinion the Balance Sheet and Profit & Loss Account comply with the accounting standards referred to in Sub section (3C) of Section 211 of the Companies Act, 1956.

(iv) The Balance Sheet and Profit & Loss A/c dealt with by this report are in agreement with the books of account.

(v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

(vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2009.
- b) In the case of Profit & Loss Account, of the Loss of the company for the year ended on that date.
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Shankar & Kishor
Chartered Accountants

S. B. Shetty
Partner

Place: Mumbai
Date : 29-06-2009



ANNEXURE TO THE AUDITOR'S REPORT

1. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.

The fixed assets of the company have been physically verified by the Management during the year and no material discrepancies were noticed on such verification. In our opinion the verification is reasonable having regard to the size of the Company and the nature of its assets.

No substantial part of the fixed assets has been disposed off by the company during the year.

2. The stock of shares of the company held in physical form has been physically verified during the year by the Management. In our opinion, having regard to the nature and location of stock, the frequency of verification is reasonable. Most of the shares are held in dematerialised form.

In our opinion and according to the information and explanation 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 nature of its business.

In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.

3. The Company has not taken any loan from Companies or firms listed in the register maintained under section 301 of the Company's Act 1956 and from the Company

under the same management. The company has not given any loan to Companies or firms listed in the register maintained under section 301 of the Companies' Act 1956 and from company under the same management.

4. The Company has adequate internal control procedures commensurate with its size and nature of business with regard to purchase of shares, fixed assets and for the sale of shares, assets or equipments. We have not observed any continuing failure to correct such internal control systems.
5. The transaction that are required to be entered into the registrar in pursuance of Section 301 of the act have been so entered.

In our opinion and according the information and explanation given to us the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the companies act 1956 and exceeding the value of Rs.5 Lacs 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. During the year under review, the company has not accepted any deposits from the public to which the provisions of Section 58A of the Companies Act, 1956.
7. The Company is not a manufacturing company and does not have any scrap or by product.
8. In our opinion, the Company has an adequate internal audit system commensurate with the size of the company and nature of its business.
9. We have been informed that Central Government has not prescribed the maintenance of Cost Records under Section 209(1)(d) of the Companies Act, 1956, for any product of the Company.



10. According to the information and explanations given to us, the company been regular in depositing Employees Provident Fund dues and has been also been regular in depositing undisputed income tax and other applicable statutory dues with appropriate authorities.

No undisputed amount payable in respect of income tax, cess and other material statutory dues, wherein arrears as at 31st March, 2009 for period exceeding six months.

In respect of assessment year 1996-97, the Company has a disputed income tax liability (Amount not determined) which is pending disposal before Income Tax Tribunal.

11. The company has no accumulated losses till the immediately proceeding financial year, incurred a loss of Rs.1895.44 Lacs during the current financial year under this report.

12. On the basis of records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

13. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore the provisions of clause 4 (xii) of the companies (Auditor's Report) Ordered, 2003 are not applicable to the company.

14. In our opinion the company is not a Chit Fund or a Nidhi/Mutual Fund/Society. Therefore the provisions of clause 4 (xiii) of the companies (Auditor's Report) Ordered, 2003 are not applicable to the company.

15. The Company is dealing in shares and proper records have been maintained of the transactions and contracts & timely entries have been made therein & the shares have been held by the Company in its own name.

16. According to the information and explanations given to us the company has not given any guarantee for loans taken by others from banks or financial institutions.

17. According to the information and explanations given to us, the Company has not obtained any term loans during the year under review.

18. According to the information and explanations given to us no preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956 has been made during the period covered by our audit report.

19. According to the information and explanations given to us the company has not issued any debentures during the year hence creation of security is not applicable.

20. During the period covered by our audit report, the company has not raised any money by public issue.

21. To the best of our knowledge and belief and according to the information and explanations given to us no material fraud on or by the company has been noticed or reported during the course of our audit.

For Shankar & Kishor
Chartered Accountants

S. B. Shetty
Partner

Place: Mumbai
Date : 29-06-2009

**BALANCE SHEET AS ON 31st MARCH 2009**

(Rupees in Thousands)

	SCHEDULE	31.03.2009 Rs.	31.03.2008 Rs.
I SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	164786	104786
Reserves & Surplus	B	343402	532946
Loan Funds			
Secured Loan		0	0
Unsecured Loans		0	0
TOTAL		508188	637732
II APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	C	32084	32084
Less Depreciation		31572	31452
Net Block		512	632
INVESTMENTS	D	121895	61895
CURRENT ASSETS, LOANS & ADVANCES	E	409476	671757
Less : CURRENT LIABILITIES & PROVISIONS	F	23695	96552
NET CURRENT ASSETS		385781	575205
TOTAL		508188	637732
NOTES FORMING PART OF ACCOUNTS	G		

PER OUR REPORT ATTACHED
for SHANKAR & KISHOR
CHARTERED ACCOUNTANTS

SUNDAR IYER
CHAIRMAN

S. B. SHETTY
PARTNER

A.V.M. SUNDARAM
COMPANY SECRETARY

CHANDRAMOULI
MANAGING DIRECTOR

Place : Mumbai
Date : 29.06.2009

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

(Rupees in Thousands)

	SCHEDULE	31.03.2009 Rs.	31.03.2008 Rs.
INCOME			
Income from Capital Market operations	G	(185970)	237972
Other Income		4011	6531
TOTAL		(181959)	244503
EXPENDITURE			
Employment cost		6665	6168
Administrative & Operative Expenses		800	4043
Depreciation		120	152
TOTAL		7585	10363
PROFIT BEFORE TAX		(189544)	234140
Provision for Tax		0	26528
PROFIT AFTER TAXATION		(189544)	207612
Surplus brought forward		161252	199
PROFIT AVAILABLE FOR APPROPRIATION		(28292)	207811
APPROPRIATIONS			
Transferred to general reserve		0	20761
Interim Dividend		0	12600
Proposed dividend (Final)		0	9450
Tax on dividend		0	3748
Surplus Transferred to Balance Sheet		(28292)	161252
Earning per share of Rs.10/- each(in Rs.) Basic and Diluted		(18.09)	19.81
Notes to Accounts	G		

PER OUR REPORT ATTACHED
for SHANKAR & KISHOR
CHARTERED ACCOUNTANTS

S. B. SHETTY
PARTNER

Place : Mumbai
Date : 29.06.2009

A.V.M. SUNDARAM
COMPANY SECRETARY

SUNDAR IYER
CHAIRMAN

CHANDRAMOULI
MANAGING DIRECTOR



(Rupees inThousands)

SCHEDULE - A

SHARE CAPITAL

AUTHORISED CAPITAL

2,00,00,000 Equity Shares of Rs.10/- each

10,00,000 Redeemable Preference
Shares of Rs. 100/- each

ISSUED , SUBSCRIBED AND PAID UP

1,05,00,000 Equity shares of Rs.10/-each

6,00,000 9% redeemable preference
Shares of Rs. 100/- each

TOTAL

**As on
31.03.2009**

**As on
31.03.2008**

200000

200000

100000

100000

300000

300000

104786

104786

60000

0

164786

104786

SCHEDULE - B

RESERVES & SURPLUS

Share Premium Account

General Reserve

Profit and Loss Account

TOTAL

335933

335933

35761

35761

(28292)

161252

343402

532946

SCHEDULE -C

FIXED ASSETS & DEPRECIATION

(Rupees inThousands)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	ASON31.03.2008	ADDITIONS	DELETIONS	ASON31.03.2009	ASON31.03.2008	ADDITIONS	DELETIONS	ASON31.03.2009	ASON31.03.2009	ASON31.03.2008
I. FURNITURE	6385	0	0	6385	5780	109	0	5889	496	605
II. OFFICE EQUIPMENTS	4884	0	0	4884	4884	0	0	4884	0	0
III. COMPUTERS	14098	0	0	14098	14071	11	0	14082	16	27
IV. MOTOR CAR	5298	0	0	5298	5298	0	0	5298	0	0
V. AIRCONDITIONER	1419	0	0	1419	1419	0	0	1419	0	0
TOTAL	32084	0	0	32084	31452	120	0	31572	512	632
PREVIOUS YEAR	32084	0	0	32084	31300	152	0	31452	632	



(Rupees in Thousands)

SCHEDULE - D

INVESTMENTS (At Cost)

Unquoted

Investments in Subsidiary Company
(55,89,500 equity shares Rs.10/- each fully paid up)

Share application money pending allotment

TOTAL

**As on
31.03.2009**

**As on
31.03.2008**

61895

61895

60000

0

121895

61895

SCHEDULE - E

CURRENT ASSETS, LOANS AND ADVANCES

A) CURRENT ASSETS

Stock - in - Trade (at cost)

160630

438905

Sundry Debtors
(Unsecured considered good Outstanding
less than six months)

208252

155394

Cash on hand

200

386

Balances in current accounts with scheduled banks

1289

551

Balances in fixed deposit accounts with banks

522

5777

TOTAL

370893

601013

B) LOANS & ADVANCES

Loans & Advances

15547

9763

Advance payment of taxes

21973

59918

Deposits

1063

1063

TOTAL

38583

70744

A + B

409476

671757



(Rupees inThousands)

SCHEDULE - F

CURRENT LIABILITIES & PROVISIONS

CURRENT LIABILITIES

Other Liabilities

1118

299

Unpaid dividend

511

0

PROVISIONS

Provision for Income Tax

22066

85196

Provision for Proposed Dividend

0

9450

Tax on Proposed Dividend

0

1607

TOTAL

23695

96552



SCHEDULE - G

NOTES TO ACCOUNTS

1. Significant Accounting Policies

a) *Basis of Accounting*

The Company's accounts are maintained under the historical cost convention on an accrual basis. These financial statements comply with relevant provisions of the Companies Act, 1956, and the mandatory accounting standards issued by the Institute of Chartered Accountants of India.

b) *Revenue Recognition*

i) Profit/Loss from trading activity is recognised on trade dates on first in first out basis. In respect of completed transactions pending settlement process, necessary treatment is given in the accounts for the Profits/Losses arising from these transactions.

ii) Dividend income is accounted for on receipt basis.

c) *Fixed Assets*

Assets are capitalised at cost inclusive of cost of installation and incidental charges if any.

d) *Depreciation*

Assets are depreciated under the written down value method at the rates prescribed in Schedule XIV to the companies Act.

e) *Investments*

Investments of the Company are valued at cost.

f) *Income Tax*

During the year The Company has incurred a loss of Rs. 1895.44 lacs and hence no tax provision has been made

for the Year ended 31st March, 2009. The Company has not provided for the Income Tax liability pertaining the Assessment Year 1996-97 in respect of disallowances in assessments disputed by the company, as the matter is under appeal before the Appellate Tribunal and pending disposal.

Deferred tax asset has not been created against carried forward losses and unabsorbed depreciation, since there is no virtual certainty supported by convincing evidence with the organisation, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

g) *Gratuity and Employment Benefits*

No provision for Gratuity has been made in accounts, however in the event of any employee leaving the services by reason of death or incapability, gratuity for the period of the services shall be paid and accounted for on cash basis.

The company does not have a policy of leave encashment in respect of its employees and no provision for encashment of unavailed leave on their retirement or separation.

h) *Valuation of Stock-in-Trade*

Stock in trade is valued at cost.

2. Contingent Liabilities

Contingent liabilities not provided for - Nil

3. Auditors Remuneration

Particulars	31/03/2009	31/03/2008
	Rs.	Rs.
Audit Fees	50,000	50,000
Certification & Company Law matters	10,000	10,000
Tax Audit Fees	15,000	15,000
Total	75,000	75,000



4. During the year company has made allotment of 6,00,000 9% preference shares of Rs.100/- each to the promoters. Due from SI Investment and Broking Pvt. Ltd - 8.73 Lakhs
Remuneration paid to directors - 54.00 Lakhs
5. Related party disclosures as required under AS-18 (Related Party Disclosures)
6. Previous year figures have been rearranged and regrouped wherever necessary to facilitate the comparison.

Wholly owned subsidiary

Twentyfirst Century Shares & Securities Limited

As per our Report of even Date

For and on behalf of Board

Companies in which Directors are interested

For Shankar & Kishor
Chartered Accountants

Twentyfirst Century Money Growth Fund Limited

S.B. Shetty
Partner

Sundar Iyer
Chairman

Twentyfirst Century Realty Limited

Chandramouli
Director

Palani Andavar Holdings Limited

A.V.M. Sundaram
Company Secretary

SI Investment & Broking Private Limited

Place : Mumbai
Date : 29-06-2009

Lubricants and Allied Products Co. Pvt. Limited

Key Management personnel

Mr. Sundar Iyer

Mr. Chandramouli

Mr. A.V.M. Sundaram

Transactions with subsidiary & Related Parties

Due from Subsidiary for trading activity - 511.54 Lakhs.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009**

(Rupees in Thousands)

	31.03.2009		31.03.2008	
	Rs.	Rs.	Rs.	Rs.
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		(189544)		234140
Add: Depreciation	120		152	
Interest received	(65)		(68)	
Dividend received	(3934)	(3879)	(6463)	(6379)
Operating Profit before working capital changes		(193423)		227761
Inventories	278275		(81537)	
Trade and other receivables	(83827)		(102797)	
Trade payables and other liabilities	1330	195778	8	(184326)
Cash generated from operations		2355		43435
Less: Direct Taxes paid		0		(24859)
Net cash flow from operating activities (A)		2355		18576
CASH FLOW FROM INVESTING ACTIVITIES				
Investment in subsidiary		(60000)		0
Interest received		65		68
Dividend received		3934		6463
Bank deposits		5255		(68)
Net cash flow from investing activities (B)		(50746)		6463
CASH FLOW FROM FINANCING ACTIVITIES				
Issue preference shares		60000		0
Interim dividend including dividend tax		0		(14741)
Dividend including dividend tax		(11057)		(11057)
Net cash flow from financing activities (C)		(48943)		(25798)
Net increase/(decrease) in cash & cash equivalents (A+B+C)		552		(759)
Cash & cash equivalents - Opening Balance		937		1696
Cash & cash equivalents - Closing Balance		1489		937

PER OUR REPORT ATTACHED
for SHANKAR & KISHOR
CHARTERED ACCOUNTANTS

SUNDAR IYER
CHAIRMAN

S. B. SHETTY
PARTNER

A.V.M. SUNDARAM
COMPANY SECRETARY

CHANDRAMOULI
MANAGING DIRECTOR

Place : Mumbai
Date : 29.06.2009



**ADDITIONAL INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND BUSINESS PROFILE**

1. REGISTRATION DETAILS

Registration No.

State Code

Balance Sheet Date

Date Month Year

2. Capital raised during the year (Amount Rs. in Thousands)

Public Issue

Rights Issue

Bonus Issue

Private Placement

3. Position of Mobilisation and Deployment of Funds (Amount Rs. in Thousands)

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

Miscellaneous Expenditure

Accumulated Loss

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

Total Revenue

Total Expenditure

+ -

Profit/(Loss) Before Tax

+ -

Profit/(Loss) After Tax

Earnings Per Share (Rs)

Dividend Rate %

5. Generic Names of Three Principal Products/Service of the Company (as per monetary terms)

Item Code No. :

Product Description :



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

- | | | |
|--|---|---|
| 1. Name of the Company | : | Twentyfirst Century Shares & Securities Ltd. |
| 2. Financial year ending | : | 31st March, 2009 |
| 3. Shares of the Subsidiary held on above date | | |
| Number and face value | : | 55.89,500 equity shares of Rs.10/- each fully paid up |
| Extent of holding Company | : | 100% |
| 4. Net aggregate amount of the Subsidiary profit and losses not dealt within the Holding Company's Account | | |
| a. Current Year | : | Rs. (59588) Thousands |
| b. Previous years since it became Subsidiary | : | Rs. 127431 Thousands |
| 5. Net aggregate amount of the Subsidiary profit and losses dealt within the Holding Company's Account | | |
| a. Current Year | : | Nil |
| b. Previous years since it became Subsidiary | : | Nil |

For and on behalf of the Board

SUNDAR IYER
Chairman

A.V.M. SUNDARAM
Company Secretary

CHANDRAMOULI
Managing Director

Place: Mumbai
Date : 29/06/2009



TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED

BOARD OF DIRECTORS

Mr. SUNDAR IYER

Chairman

Mr. CHANDRAMOULI

Mr. A. V. M. SUNDARAM

AUDITORS

M/s. SHANKAR & KISHOR

Chartered Accountants

Mumbai

BANKERS

CITI BANK

HDFC BANK LTD

ICICI BANK LIMITED

STATE BANK OF TRAVANCORE

INDIAN OVERSEAS BANK

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AUDITOR'S REPORT	36	SCHEDULES	41
BALANCE SHEET	39	BALANCE SHEET ABSTRACT	48



DIRECTORS' REPORT

To

The Members of TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED

Your Directors have pleasure in presenting the 67th ANNUAL REPORT of your company together with the Auditor's Report for the year ended 31st March 2009.

FINANCIAL HIGHLIGHTS

The financial results for the year ended 31st March 2009.

	Rupees in Lakhs	
	Year ended 31-03-2009	Year ended 31-03-2008
Profit/(Loss) before Depreciation & Tax	(560.17)	487.82
Less: Depreciation	33.91	30.93
Profit/(Loss) before Tax	(594.08)	456.89
Less: Provision for Tax/ short provision	5.06	80.73
Add: Deferred Tax	3.26	0.27
Profit/(Loss) after tax	(595.88)	375.89
Add: Balance b/ f from previous year	1274.31	898.42
Surplus/(deficit) carried to balance sheet	678.43	1274.31

BUSINESS & PERFORMANCE

Capital Market Segment & Debt Market Segment

The Company is a Trading Member of National Stock Exchange of India Limited and is engaged in broking activities for Retail and Institutional Clients.

FUTURE PROSPECTS

The Company's performance was adversely affected during the year ended 31st March 2009, due to the depressed market conditions and global financial crisis. Due to the general slowdown in the Global economy the Indian Securities Market was severely affected and the trading volumes

in the Securities Market have come down considerably. In view of the above the Directors of the Company have taken conscious efforts to reduce the administrative expenditure of the company and have pruned down the operations of the Branch Network. We expect to post a better performance this year, barring unforeseen circumstances and would be back to making profits fuelled by faith in the India story and opportunity for India's GDP growth.

FIXED DEPOSITS

The Company has not accepted any deposits from the public.

AUDITORS

M/s. Shankar & Kishor, Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting, and are eligible for reappointment.

PARTICULARS AS REQUIRED 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.

Conservation of Energy

The Company had taken steps to conserve energy in its office use, consequent to which energy consumption has been minimized. No additional Proposals/Investments were made to conserve energy. Since the company has not carried on industrial activities, disclosures regarding impact of measures on cost of production of goods, total energy consumption, etc., are not applicable.

Technology Absorption

The Company had neither adopted nor intends to adopt any technology for its business and hence no reporting is required to be furnished under this heading.

Foreign Exchange Inflow & Outgo:-

Foreign Exchange inflow during the year:- Nil

Foreign Exchange outgo during the year:- Nil



SUBSIDIARY COMPANY

The Company does not have any subsidiary company.

PARTICULARS OF EMPLOYEES

The Company has no employees, who are in receipt of remuneration, requiring disclosure under Section 217(2A) of the Companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the directors confirm that:

In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

Appropriate accounting principles have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit or loss of the Company for the year ended on that date.

Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

* The annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENTS

The Board of Directors would like to thank all employees of the Company as also Company's shareholders, auditors, Customers and bankers for their continued support.

For and on behalf of the Board

Sundar Iyer
CHAIRMAN

Place : Mumbai
Date : 29.06.2009

AUDITORS' REPORT

To

The Members of

TWENTYFIRST CENTURY SHARES AND SECURITIES LTD.

We have audited the attached Balance Sheet of Twentyfirst Century Shares and Securities Ltd. as at 31st March 2009 and also the Profit & Loss A/c for the year ended on that date, annexed thereto. These financial statements are 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.

As required by the Companies (Auditor's report) order, 2003 issued by the Central Government of India in terms of Subsection (4A) of Sec.227 of the Companies Act 1956, we enclosed in the annexure a statement on the matters specified in paragraph 4 & 5 of the said Order to the extent applicable.

Further to our comments in the Annexure referred to above, we report that:

- i) 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:
- ii) In our opinion, proper books of accounts as required by law have been kept by the



Company so far as appears from our examination of the books;

- iii) In our opinion the Balance Sheet and Profit & Loss Account comply with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
- iv) The Balance Sheet and Profit & Loss A/c dealt with by this report are in agreement with the books of account;
- v) Based on the representations made by the directors as at 31st March 2009 and taken on record by the Board of Directors of the Company, none of the Directors is, as at 31st March 2009, prima - facie disqualified from being appointed as a director in terms of clause (g) of sub- section (1) of section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said balance sheet and Profit & Loss account, read together with notes thereon, and attached thereto, given 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 Balance Sheet, of the state of affairs of the Company as at 31st March 2009.
 - b) in the case of Profit & Loss A/c, of the Loss of the Company for the year ended on that date.
 - c) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

For SHANKAR & KISHOR
Chartered Accountants

Place : Mumbai
Date:29.06.2009

S. B. SHETTY
PARTNER

ANNEXURE TO THE AUDITORS' REPORT

1. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.

The fixed assets of the company have been physically verified by the Management during the year and no material discrepancies were noticed on such verification. In our opinion the verification is reasonable having regard to the size of the Company and the nature of its assets.

2. The stock of shares of the company that are held in physical form have been physically verified at regular intervals during the year by the Management. In our opinion the frequency of verification is reasonable. Most of the shares are held in dematerialised Form.

In our opinion and according to the information and explanation 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 nature of its business.

In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.

3. The company has not taken any loan from Companies or firms listed in the register maintained under section 301 of the company's act 1956 and from company under the same management. The company has not given any loan to Companies or firms listed in the register maintained under section 301 of the companies' act 1956 and from company under the same management.
4. The company has adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of shares, fixed assets and for the sale of shares, assets or equipments. We have not come across any major weaknesses in internal control.



5. The transactions that are required to be entered into the register in pursuance of Section 301 of the act have been so entered.

In our opinion and according to the information and explanation given to us the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the companies act 1956 and exceeding the value of Rs.5 Lacs 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. The company has not accepted any deposits from the public to which the provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) rules are applicable.
7. The Company is not being a manufacturing company does not have any scrap or by product.
8. In our opinion, the Company has an adequate internal audit system commensurate with the size of the company and nature of its business.
9. We have been informed that Central Government has not prescribed the maintenance of Cost Records under Section 209(1)(d) of the Companies Act, 1956, for any product of the Company.
10. The company is generally regular in depositing undisputed statutory dues including Provident fund, Income Tax, Service Tax and other statutory dues with the appropriate authorities. Employees State Insurance Act does not apply to the company.
11. The company has no accumulated losses till the immediately preceding financial year, incurred loss of Rs.595.88 Lacs during the current financial year under this report.
12. The company has not defaulted in the repayment of dues to the financial institutions or Bank or debenture holders.
13. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore the provisions of clause 4 (xii) of the companies (Auditor's Report) Ordered, 2003 are not applicable to the company.
14. In our opinion the company is not a Chit Fund or a Nidhi Mutual Fund / Society. Therefore the provisions of clause 4 (xiii) of the companies (Auditor's Report) Ordered, 2003 are not applicable to the company.
15. The company is dealing in the Capital Markets and proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares have been held by the company in its own name.
16. The company has not given any guarantees for loans taken by others from banks or financial institutions.
17. This Company has not obtained any Term Loans. We further report that no funds raised on short term basis have been used for long term assets.
18. According to the information and explanations given to us no preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act 1956 has been made during the period covered by our audit report.
19. According to the information and explanations given to us the company has not issued any debentures during the year hence creation of security is not applicable.
20. During the period cover by our audit report, the company has not raised any money by public issue.
21. To the best of knowledge and belief and according to the information and explanation given to us no fraud on or by the company has been noticed or reported during the course of our audit.

For SHANKAR & KISHOR
Chartered Accountants

Place : Mumbai
Date:29.06.2009

S. B. SHETTY
PARTNER

**BALANCE SHEET AS ON 31st MARCH 2009**

(Rupees in Thousands)

	SCHEDULE NOS.	31.03.2009 Rs.	31.03.2008 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	115895	55895
Reserves & Surplus	B	68363	127951
Loan Funds			
Secured Loans	C	163530	358338
TOTAL		347788	542184
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	D	33352	32702
Less Depreciation		12697	9306
Net Block		20655	23396
Capital Work in progress		10967	5072
		31622	28468
Investments		15942	137490
CURRENT ASSETS, LOANS & ADVANCES	E	315320	393356
Less :			
Current Liabilities & Provisions	F	15096	17130
NET CURRENT ASSETS		300224	376226
TOTAL		347788	542184
NOTES FORMING PART OF ACCOUNTS	L		

PER OUR REPORT ATTACHED
for SHANKAR & KISHOR
CHARTERED ACCOUNTANTS

S. B. SHETTY
PARTNER

Place : Mumbai
Date : 29.06.2009

ON BEHALF OF BOARD
SUNDAR IYER
CHAIRMAN

CHANDRAMOULI
DIRECTOR

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

(Rupees in Thousands)

	SCHEDULE NOS.	31.03.2009 Rs.	31.03.2008 Rs.
INCOME			
Brokerage	G	41153	98132
Profit on sale of shares		(12630)	30166
Other Income	H	9700	4124
TOTAL		38223	132422
EXPENDITURE			
Employment Cost	I	24335	23410
Administrative & Operative Exp	J	26710	28296
Financial Cost	K	43195	31934
Depreciation		3391	3093
TOTAL		97631	86733
Profit for the period		(59408)	45689
Current Tax		0	(7467)
Fringe Benefit Tax		(506)	(606)
Deferred Tax		326	(27)
Profit after Tax		(59588)	37589
Surplus brought forward		127431	89842
Surplus Transferred to Balance Sheet		67843	127431
Notes to Accounts	L		

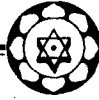
PER OUR REPORT ATTACHED
for SHANKAR & KISHOR
CHARTERED ACCOUNTANTS

S. B. SHETTY
PARTNER

Place : Mumbai
Date : 29.06.2009

ON BEHALF OF BOARD
SUNDAR IYER
CHAIRMAN

CHANDRAMOULI
DIRECTOR



(Rupees in Thousands)

SCHEDULES

SCHEDULE - A

AUTHORISED CAPITAL

60,00,000 Equity Shares of Rs.10/- each

60000

60000

60000

60000

ISSUED , SUBSCRIBED AND PAID UP

55,89,500 Equity shares of Rs.10/-each fully paid up

55895

55895

Share application money pending allotment

60000

0

TOTAL

115895

55895

SCHEDULE - B

RESERVES & SURPLUS

Capital Reserves

224

224

Revaluation Reserves

196

196

General Reserve

100

100

Profit & Loss Account

67843

127431

TOTAL

68363

127951

SCHEDULE - C

SECURED LOANS

CITI BANK (Secured against equity shares)

72954

149895

ICICI BANK LTD (Secured against equity shares)

84825

208443

IOB (Secured against property)

5751

0

163530

358338



SCHEDULE - D

FIXED ASSETS & DEPRECIATION

(Rupees in Thousands)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	ASON31.03.2008	ADDITIONS	DELETIONS	ASON31.03.2009	UP TO 31.03.2008	ADDITIONS	DELETIONS	UP TO 31.03.2009	ASON31.03.2009	ASON31.03.2008
I. FURNITURE	2664	0	0	2664	887	321	0	1208	1456	1777
II. OFFICE EQUIPMENTS	4402	125	0	4527	1283	449	0	1732	2795	3119
III. COMPUTER	10232	525	0	10757	5653	2005	0	7658	3099	4579
IV. MOTOR CAR	3862	0	0	3862	1483	616	0	2099	1763	2379
V. BUILDING	11542	0	0	11542	0	0	0	0	11542	11542
TOTAL	32702	650	0	33352	9306	3391	0	12697	20655	23396
PREVIOUS YEAR	26070	7299	667	32702	6760	3092	546	9306	23396	

(Rupees in Thousands)

**SCHEDULE - E
CURRENT ASSETS, LOANS & ADVANCES**

A) CURRENT ASSETS

Sundry Debtors
Cash on Hand
Balances in Current Accounts
Balance in fixed deposits
(Given to Bank against Bank Guarantee and TOD)

As on 31.03.2009	As on 31.03.2008
239391	219957
1460	1000
3900	19424
20830	80531

265581	320912
---------------	---------------

LOANS & ADVANCES

(Recoverable in cash or kind or for value to be received,
Unsecured, considered good)

Loans & Advances
Advance payment of tax
Deposits
Other receivables

11881	15733
19139	17103
17550	17960
1169	21648

49739	72444
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TOTAL (A) + (B)

315320	393356
---------------	---------------



(Rupees in Thousands)

	As on 31.03.2009	As on 31.03.2008
SCHEDULE - F		
CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Other Liabilities	5376	6577
Provisions		
Provision for taxation	9720	10553
TOTAL	15096	17130
SCHEDULE - G		
BROKERAGE RECEIVED		
From wholesale debt market	5521	9353
From capital market	35449	88056
Mutual Fund Brokerage	183	723
	41153	98132
SCHEDULE - H		
OTHER INCOME		
Dividend received	4943	30
Miscellaneous Income	743	4
Interest on fixed deposits	4014	4090
	9700	4124
SCHEDULE - I		
EMPLOYMENT COST		
Salaries & Bonus	22520	22010
Employer's cont. to Provident Fund	1466	1036
Staff Welfare Expenses	349	364
	24335	23410



(Rupees in Thousands)

SCHEDULE - J

ADMINISTRATIVE AND OPERATIVE EXPENSES

	As on 31.03.2009	As on 31.03.2008
Communication Expenses	6127	4924
Travel & Conveyance	995	1575
Rent	5031	2222
Business Promotion expenses	146	637
Printing & Stationery	282	648
Professional Fees	1003	1211
Electricity Charges	1246	867
Repairs & Maintenance	2755	3459
Other Expenses	2854	4678
Broker Notes	597	501
N.S.E. Annual Subscription	100	100
Service Charges	2122	4403
Insurance	1151	1165
Software Development Expenses	560	588
Service Tax Paid	1741	1318
TOTAL	26710	28296

SCHEDULE - K

FINANCIAL COST

Interest charges	40961	27951
Depository charges	564	1309
Other financial expenses	1670	2674
TOTAL	43195	31934



SCHEDULE - L

NOTES FORMING PART OF THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES :

1. BASIS OF ACCOUNTING :

The Company's accounts are maintained under the historical cost convention on an accrual basis unless otherwise stated. These statements comply with the requirements of the Companies' Act 1956 and the mandatory accounting standard issued by the Institute of Chartered Accountants of India to the extent applicable to the company.

2. FIXED ASSETS :

Fixed assets are stated at cost of acquisition including expenses of installation if any. Capital Work in Progress is stated at cost.

3. DEPRECIATION :

The company follows written down value method of depreciation at the rates prescribed in schedule XIV of the Companies Act 1956.

4. INVESTMENTS :

All investments are stated at Cost.

5. REVENUE RECOGNITION :

Income from operations is recognised on completion of transactions. Dividend is accounted for on receipt.

6. CONTINGENT LIABILITY :

Contingent liability in respect of Bank Guarantee not provided for in accounts is Rs.750 Lacs.

7. SUNDRY DEBTORS & ADVANCES :

Current Assets Loans and Advances are stated at values recoverable in the ordinary course of business and provision made in the accounts cover all known liabilities and are not in excess of the amounts reasonably necessary. The balances of Sundry Debtors and Sundry Creditors are subject to reconciliation and confirmation with the parties.

Sundry Debtors (Unsecured considered good)

Outstanding beyond six months Rs.254.41 Lacs.

Other Debtors Rs. 2139.50 Lacs.

8. AUDITOR'S REMUNERATION

Particulars	31/03/2009 Rs.	31/03/2008 Rs.
Audit Fees	40000	40000
Certification & Company Law matters	8000	8000
Tax Audit Fees	8000	8000
Total	<u>56000</u>	<u>56000</u>

9. FOREIGN EXCHANGE TRANSACTION :

There is no inflow or outflow of foreign currency during the period.

10. EMPLOYEE BENEFIT :

No provision for gratuity has been made in accounts, however in the event of any employee leaving the services by reason of death or incapability, gratuity for the period of the services shall be paid and accounted for on cash basis.



11. Related party disclosures as required under AS - 18, "Related Party Disclosures".

Related party and their relationship

Twentyfirst Century Management Services Limited (Holding Company)

Mr. Sundar Iyer	(Director)
Mr. Chandramouli	(Director)
Mr. A. V. M. Sundaram	(Director)
Vasudhara Trading Pvt Ltd.	(Company owned by relative of Director)
SI Investments & Broking Pvt Ltd.	(Company owned by relative of Director)
Vanaja Sundar	(Relative of a Director)
Shridhar Iyer	(Relative of a Director)
Siddharth Iyer	(Relative of a Director)
Shobana Chandramouli	(Relative of a Director)
Twentyfirst Century Money Growth Fund Ltd.	Company in which directors are interested
Twentyfirst Century Realty Ltd.	Company in which directors are interested
Palani Andavar and Holdings Pvt. Ltd.	Company in which directors are interested
Lubricants and Allied Products Mfg Co. P Ltd.	Company in which directors are interested

Transaction with the related parties

Sundry Debtors/Creditors for Trading Activity	DR/CR	Rs. In Lacs
Twentyfirst century Management Services Ltd.	CR	511.54
Vimala Sundaram	DR	26.69
Vasudhara Trading Pvt. Ltd.	CR	25.14
Shobana Chandramouli	DR	3.48
Sundar Iyer	DR	203.98
SI Investments & Broking Pvt. Ltd.	DR	54.18
A.V.M. Sundaram	DR	1.11
Shridhar Iyer	CR	2.15

12. Previous year figures have been regrouped wherever necessary to facilitate comparison.

As per our Report of even date attached

On behalf of Board

For Shankar & Kishor
Chartered Accountants

S.B. Shetty
Partner

Sundar Iyer
Chairman

Chandramouli
Director

Place: Mumbai
Date: 29.06.2009



TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	(Rupees in Thousands)			
	31.03.2009		31.03.2008	
	Rs.	Rs.	Rs.	Rs.
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		(59408)		45689
Add: Depreciation	3391		3093	
Interest paid	43195		31934	
Asset	0		(4)	
Dividend received	(4973)		(30)	
Interest Received	(4014)	37599	(4090)	30903
Operating Profit before working capital changes		(21809)		76592
Trade and other receivables	1455		(117894)	
Trade payables and other liabilities	(1201)		2786	
Loans & Advances	3852	4106	(12936)	(128044)
Cash generated from operations		(17703)		(51452)
Less: Taxes paid		(3049)		(13851)
Net cash flow from operating activities (A)		(20752)		(65303)
CASH FLOW FROM INVESTING ACTIVITIES				
Bank deposits		59701		(40748)
Issue of Shares		60000		0
Redemption of Investments		121548		(50235)
Sale of asset		0		125
Purchase of fixed assets		(650)		(7299)
Interest received		4014		4090
Dividend received		4973		30
Capital work in progress		(5895)		0
Net cash flow from investing activities (B)		243691		(94037)
CASH FLOW FROM FINANCING ACTIVITIES				
Loan against shares		(194808)		208058
Interest paid		(43195)		(31934)
Net cash flow from financing activities (C)		(238003)		176124
Net increase/(decrease) in cash & cash equivalents (A+B+C)		(15064)		16784
Cash & cash equivalents - Opening Balance		20424		3640
Cash & cash equivalents - Closing Balance		5360		20424

PER OUR REPORT ATTACHED
for SHANKAR & KISHOR
CHARTERED ACCOUNTANTS
S. B. SHETTY
PARTNER

Place : Mumbai
Date : 29.06.2009

ON BEHALF OF BOARD
SUNDARIYER
CHAIRMAN
CHANDRAMOULI
DIRECTOR



**ADDITIONAL INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND BUSINESS PROFILE**

1. REGISTRATION DETAILS

Registration No.

State Code

Balance Sheet Date

Date Month Year

2. Capital raised during the year (Amount Rs. in Thousands)

Public Issue

Rights Issue

Bonus Issue

Private Placement

3. Position of Mobilisation and Deployment of Funds (Amount Rs. in Thousands)

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

Miscellaneous Expenditure

Accumulated Loss

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

Total Revenue

Total Expenditure

+ - Profit/(Loss) Before Tax

+ - Profit /(Loss) After Tax

Earnings Per Share (Rs)

Dividend Rate %

5. Generic Names of Three Principal Products/Service of the Company (as per monetary terms)

Item Code No. :

Product Description :



AUDITOR'S REPORT

AUDITORS REPORT TO THE BOARD OF DIRECTORS OF TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED AND ITS SUBSIDIARY

We have examined the attached consolidated Balance Sheet of TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED and its subsidiary, TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED as at 31st March 2009 and the consolidated Profit & Loss Account for the Year then ended.

These financial statements are the responsibility of the management of the Twentyfirst Century Management Services Limited. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. 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 statements, we believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements

of Accounting Standard (AS) 21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Twentyfirst Century Management Services Limited and its subsidiary included in the consolidated financial statements.

On the basis of the information and explanation given to us and on the consideration of the separate audit reports on individual audited financial statements of Twentyfirst Century Management Services Limited and its aforesaid subsidiary, we are of the opinion that:

- (a) the Consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of Twentyfirst Century Management Services Limited and its subsidiary as at 31st March 2009.
- (b) the Consolidated Profit & Loss Account gives a true and fair view of the consolidated results of operations of Twentyfirst Century Management Services Limited and its subsidiary for the year then ended.
- (c) In case of the Consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Shankar & Kishor
Chartered Accountants

S. B. Shetty
Partner

Place: Mumbai
Date : 29-06-2009

**CONSOLIDATED BALANCE SHEET AS ON 31st MARCH 2009**

(Rupees in Thousands)

	SCHEDULE	31.03.2009	31.03.2008
I SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	164786	104786
Reserves & Surplus	B	408704	657836
Loan Funds			
Secured Loans	C	163530	358338
TOTAL		737020	1120960
II APPLICATION OF FUNDS			
Goodwill on Consolidation		2939	2939
FIXED ASSETS			
Gross Block	D	65436	64786
Less Depreciation		44269	40758
Net Block		21167	24028
Capital work in progress		10967	5072
		32134	29100
Investments		15942	137490
CURRENT ASSETS, LOANS & ADVANCES	E	724796	1087163
Less : Current Liabilities & Provisions	F	38791	135732
NET CURRENT ASSETS		686005	951431
TOTAL		737020	1120960
NOTES FORMING PART OF ACCOUNTS	L		

PER OUR REPORT ATTACHED
for SHANKAR & KISHOR
CHARTERED ACCOUNTANTS

S. B. SHETTY
PARTNER

Place : Mumbai
Date : 29.06.2009

A.V.M. SUNDARAM
COMPANY SECRETARY

SUNDAR IYER
CHAIRMAN

CHANDRAMOULI
MANAGING DIRECTOR

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

(Rupees in Thousands)

	SCHEDULE	31.03.2009	31.03.2008
INCOME			
Brokerage & Service Charges	G	41153	98132
Trading Profit in Capital Market		(198600)	268138
Other Income	H	13711	10655
TOTAL		(143736)	376925
EXPENDITURE			
Employment cost	I	31000	29578
Administrative & Operative Expenses	J	27416	31844
Financial Cost	K	43289	32429
Depreciation		3511	3245
TOTAL		105216	97096
Profit for the year		(248952)	279829
Current Tax		0	(33995)
Fringe Benefit Tax		(506)	(606)
Deferred Tax		326	(27)
Profit after Tax		(249132)	245201
Surplus brought forward		285622	86980
PROFIT AVAILABLE FOR APPROPRIATION		36490	332181
Transferred to general reserve		0	(20761)
Proposed dividend (Final)		0	(9450)
Interim dividend		0	(12600)
Tax on dividend		0	(3748)
Surplus Transferred to Balance Sheet		36490	285622
Earning per share of Rs. 10/- each (in Rs.) Basic and Diluted		(23.73)	23.35
Notes to Accounts	L		

PER OUR REPORT ATTACHED

for SHANKAR & KISHOR
CHARTERED ACCOUNTANTSSUNDAR IYER
CHAIRMANS. B. SHETTY
PARTNERA.V.M. SUNDARAM
COMPANY SECRETARYCHANDRAMOULI
MANAGING DIRECTORPlace : Mumbai
Date : 29.06.2009



(Rupees in Thousands)

SCHEDULE - A

SHARE CAPITAL

AUTHORISED CAPITAL

2,00,00,000-Equity Shares of Rs.10/- each

200000

200000

10,00,000 Redeemable Preference
Shares of Rs. 100/- each

100000

100000

TOTAL

300000

300000

ISSUED , SUBSCRIBED AND PAID UP

1,05,00,000 Equity shares of Rs.10/-each

104786

104786

6,00,000 9% Redeemable Preference
Shares of Rs. 100/- each

60000

0

TOTAL

164786

104786

SCHEDULE - B

RESERVES & SURPLUS

Share Premium Account

335933

335933

General Reserve

35861

35861

Capital Reserve

224

224

Revaluation Reserve

196

196

Profit and Loss Account

36490

285622

TOTAL

408704

657836

SCHEDULE - C

SECURED LOANS

Cash Credit and Overdraft from Banks

163530

358338

TOTAL

163530

358338



SCHEDULE - D

FIXED ASSETS & DEPRECIATION

(Rupees in Thousands)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	ASON 31.03.2008	ADDITONS	DELETIONS	ASON 31.03.2009	ASON 31.03.2008	ADDITONS	DELETIONS	ASON 31.03.2009	ASON 31.03.2008	
I. BUILDING	11542	0	0	11542	0	0	0	0	11542	11542
II. FURNITURE	9048	0	0	9048	6667	430	0	7097	1951	2381
III. OFFICE EQUIPMENTS	9285	125	0	9410	6167	449	0	6616	2794	3118
IV. COMPUTER	24330	525	0	24855	19724	2016	0	21740	3115	4606
V. MOTOR CAR	9162	0	0	9162	6781	616	0	7397	1765	2381
VI. AIR CONDITONER	1419	0	0	1419	1419	0	0	1419	0	0
TOTAL	64786	650	0	65436	40758	3511	0	44269	21167	24028
PREVIOUS YEAR	58154	7299	667	64786	38060	3244	546	40758	24028	

(Rupees in Thousands)

SCHEDULE - E

CURRENT ASSETS, LOANS & ADVANCES

A) CURRENT ASSETS

Stock - in - Trade

160630

438905

Sundry Debtors

447643

375351

Cash on hand

1660

1386

Balances in Current Accounts

5189

42025

Balances in Fixed Deposits

21352

86308

Other Receivables

1169

21648

637643

965623



(Rupees in Thousands)

B) LOANS & ADVANCES

(Recoverable in cash or kind or for value to be received, unsecured, considered good)

Loans & Advances

Advance Payment of Tax

Deposits

TOTAL

A+B

**As on
31.03.2009**

**As on
31.03.2008**

27428

25496

41112

77021

18613

19023

87153

121540

724796

1087163

SCHEDULE - F

CURRENT LIABILITIES AND PROVISIONS

CURRENT LIABILITIES

Unpaid dividend

511

0

Other Liabilities

6494

28926

PROVISIONS

Provision for Taxation

31786

95749

Provision for proposed dividend

0

9450

Tax on proposed dividend

0

1607

TOTAL

38791

135732

SCHEDULE - G

BROKERAGE & SERVICE CHARGES RECEIVED

From wholesale debt market

5521

9353

From capital market

35449

88056

Mutual fund brokerage

183

723

TOTAL

41153

98132



(Rupees in Thousands)

SCHEDULE - H

OTHER INCOME

Miscellaneous Income
Interest on fixed deposits

**As on
31.03.2009**

**As on
31.03.2008**

9697

6565

4014

4090

TOTAL

13711

10655

SCHEDULE - I

EMPLOYMENT COST

Salaries & Bonus
Employer's contribution to Provident fund
Staff Welfare expenses

29185

28178

1466

1036

349

364

TOTAL

31000

29578

SCHEDULE - J

ADMINISTRATIVE & OPERATIVE EXPENSES

Communication Expenses
Travel & Conveyance
Rent
Business Promotion expenses
Printing & Stationery
Professional Fees
Electricity charges
Repairs & Maintenance
Other Expenses
Broker notes
N. S. E. annual subscription
Service charges
Software development expenses
Insurance
Service tax paid

6146

4992

995

1600

5031

2222

146

637

293

678

1334

2093

1246

867

2755

3459

3199

7221

597

501

100

100

2122

4403

560

588

1151

1165

1741

1318

TOTAL

27416

31844

SCHEDULE - K

FINANCIAL COST

Interest charges
Depository charges
Other financial expenses

40961

27951

658

1804

1670

2674

TOTAL

43289

32429



SCHEDULE - L

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

Basics of Consolidation and Significant Accounting Policies

1. Principles of Consolidation:

The consolidated financial statements relate to Twentyfirst Century Management Services Limited and its 100% subsidiary, Twentyfirst Century Shares and Securities Limited.

The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expense. The intra-group balances and intra-group transactions and unrealised profits or losses are fully eliminated as per AS-21 (Consolidated Financial Statement) issued by Institute of Chartered Accountants of India.

The excess of cost to the Company of its investment in the subsidiary over the Company's portion of equity of the subsidiary as at the date of investment is recognized in the consolidated financial statement as goodwill.

2. Significant Accounting Policies

Basis of Accounting

The financial statements of the Subsidiary Company used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended 31st March 2009.

The financial statement of the Company and its subsidiary company are maintained under the historical cost convention on an accrual basis unless otherwise stated and have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and generally accepted accounting principles.

Revenue Recognition

All operating Revenues are recognized as income on completion of transactions and as per the terms of the agreement with parties and in accordance with RBI guidelines on income recognition for Non Banking Financial Services, subject to this:

- i) Profit/Loss from trading activity is recognised on trade dates on first in first out basis. In respect of completed transactions pending settlement process, necessary treatment is given in the accounts for the Profits/Losses arising from these transactions.
- ii) Dividend income is accounted for on receipt basis.

Fixed Assets

All assets are capitalised at cost including installation expenses if any.

Depreciation

Assets are depreciated under the written down value method at the rates prescribed in Schedule XIV to the companies Act.

Investments

Investments of the Company are valued at cost.



Gratuity and Employment Benefits

No provision for gratuity has been made in accounts, however in the event of any employee leaving the services by reason of death or incapability, gratuity for the period of the services shall be paid and accounted for on cash basis.

However subsidiary company has a policy of leave encashment in respect of its employees but no provision has been made for encashment of unavailed leave by employees.

Valuation of Stock-in-Trade

Stock of shares in trade is valued at cost.

3. Confirmations of balances were not obtained, as at 31st March 2009 from the parties.
4. Previous year figures have been regrouped and rearranged wherever necessary to facilitate comparison.
5. Related party disclosures as required under AS - 18, "Related Party Disclosures".

Related party and their relationship

Companies in which Directors are interested and their relatives

Twentyfirst Century Money Growth Fund Limited

Twentyfirst Century Realty Limited

Palani Andavar Holdings Limited

SI Investment Broking Private Limited

Lubricants and Allied Products Mfg Co. Pvt. Limited

Directors and their relatives

Name	Relationship
Mr. Sundar Iyer	Director
Mr. Chandramouli	Director
Mr. A. V. M. Sundaram	Director
Vasudhara Trading Pvt. Ltd.	Company owned by relatives of directors
SI Investment & Broking Pvt. Ltd.	Company owned by relatives of directors
Mrs. Vanaja Sundar	Relative of a director
Mr. Sridhar Iyer	Relative of a director
Mrs. Shobana Chandramouli	Relative of a director

Remuneration paid to Directors: Rs. 54 Lakhs

Transactions with the related parties

Sundry Debtors/Creditors for Trading Activity

Name of the relative	Dr/Cr	Rs. in Lacs
Mrs. Vimala Sundaram	Dr	26.69
Vasudhara Trading Pvt. Ltd.	Cr	25.14
Mrs. Shobana Chandramouli	Dr	3.48
Mr. Sundar Iyer	Dr	203.98
SI Investment & Broking Pvt. Ltd.	Dr	54.18
Mr. Shridhar Iyer	Cr	2.15
A.V.M. Sundaram	Dr	1.11

6. Contingent liability towards Bank Guarantee of Rs. 7.50 crores not provided in accounts.

As per our Report of even Date

For and on behalf of Board

For Shankar & Kishor
Chartered Accountants

S.B. Shetty
Partner

Sundar Iyer
Chairman

Place: Mumbai
Date: 29.06.2009

Chandramouli
Managing Director



TWENTYFIRST CENTURY MANAGEMENT SERVICES LTD
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	(Rupees in Thousands)			
	31.03.2009		31.03.2008	
	Rs.	Rs.	Rs.	Rs.
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		(248952)		279829
Add: Depreciation	3511		3245	
Interest paid	43195		31934	
Profit on sale of asset	0		(4)	
Interest Received	(4079)		(4158)	
Dividend received	(8907)	33720	(6493)	24524
Operating Profit before working capital changes		215232		304353
Inventories	278275		(81537)	
Trade and other receivables	(82372)		(220691)	
Loans & advances	3852		(12936)	
Trade payables and other liabilities	129	199884	2794	(312370)
Cash generated from operations		(15348)		(8017)
Less: Taxes Paid		(3049)		(38710)
Net cash flow from operating activities (A)		(18397)		(46727)
CASH FLOW FROM INVESTING ACTIVITIES				
Bank deposits		64956		(40816)
Issue of preference shares		60000		
Sale of asset		0		125
Redemption of Investments		121548		(50235)
Purchase of fixed assets		(650)		(7299)
Interest received		4079		6493
Dividend received		8907		4158
Capital work in progress		(5895)		0
Net cash flow from investing activities (B)		252945		(87574)
CASH FLOW FROM FINANCING ACTIVITIES				
Temporary overdraft & loan against shares		(194808)		208058
Interim dividend including dividend tax		0		(14741)
Dividend including dividend tax for last year		(11057)		(11057)
Interest paid		(43195)		(31934)
Net cash flow from financing activities (C)		(249060)		150326
Net increase/(decrease) in cash & cash equivalents (A+B+C)		(14512)		16025
Cash & cash equivalents - Opening Balance		21361		5336
Cash & cash equivalents - Closing Balance		6849		21361

PER OUR REPORT ATTACHED
for SHANKAR & KISHOR
CHARTERED ACCOUNTANTS

S. B. SHETTY
PARTNER

A.V.M. SUNDARAM
COMPANY SECRETARY

SUNDAR IYER
CHAIRMAN
CHANDRAMOULI
MANAGING DIRECTOR

Place : Mumbai
Date : 29.06.2009



TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED

Regd. & Admn. Office : No. 158, 1st Floor, Eldams Road, Alwarpet, Chennai - 600 018.

ATTENDANCE SLIP

Name of the Attending Member
* Folio No.
DP ID No.
Client ID No.
No. of Shares held
Name of Proxy

I, hereby record my presence at the Annual General Meeting of the Company at Narada Gana Sabha Mini Hall, 314, T.T.K. Road Chennai - 600 018 on 14th September, 2009 at 4.00 p.m.

*Applicable in case of shares held in physical Form

Signature of the Member/Proxy

TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED

Regd. & Admn. Office : No. 158, 1st Floor, Eldams Road, Alwarpet, Chennai - 600 018.

FORM OF PROXY

Dp ID :
Client ID :
No. of Shares

Regd. Folio No. :
(in case of shares held in Physical Form)

I/We
of in the district of being member /
member of Twentyfirst Century Management Serices Limited, hereby appoint
..... of in the district
of of failing him
..... of in the district
of as my own/our proxy in my/our absence to attend and vote for me/us
on my/our behalf, at the Annual General Meeting of the Company to be held on 14th
September 2009 and at any adjournment thereof.

Signed this day of 2009

Signature



- Note: 1. The Proxy form must be deposited at the Registered Office at No. 158, 1st Floor, Eldams Road, Alwarpet, Chennai - 600 018 not less than 48 Hours before the time fixed for holding the meeting.
2. Proxy need not be a member of the Company.

Tear Here

1) ...