



# **TAK** *Machinery and Leasing Ltd*

## **48th Annual Report 2009-2010**

<b>DIRECTORS</b>	DR. D.S. MAHADEVIA SHRI A.D. MAHADEVIA SHRI T.D. MAHADEVIA SHRI G.S. NANAVALY SHRI J.C. SHAH SHRI CHETAN J. PARIKH SHRI KISHORE J. TANNA SHRI JANAK NANAVALY	<i>Chairman</i> <i>Vice Chairman &amp; Managing Director</i> <i>Managing Director</i> (upto 14.10.2009) (upto 18.11.2009)  (w.e.f. 27.01.2010)
<b>BANKERS</b>	UCO BANK STATE BANK OF INDIA HSBC	
<b>SOLICITORS</b>	MESSRS MANILAL KHERAMBALAL & CO. MESSRS DESAI & DIWANJI	
<b>AUDITORS</b>	MESSRS PATKAR & PENDSE Chartered Accountants	
<b>COMPANY SECRETARIES</b>	SHIRISH SHETYE & ASSOCIATES	
<b>REGISTERED OFFICE</b>	JANMABHOOMI BHAVAN, JANMABHOOMI MARG, FORT, MUMBAI 400 001 (INDIA)	
<b>REGISTRARS AND SHARE TRANSFER AGENTS</b>	LINK INTIME INDIAPVT. LTD. C/13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), MUMBAI - 400 078.	

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## NOTICE

NOTICE is hereby given that the Forty-eighth Annual General Meeting of the Members of TAK Machinery and Leasing Limited will be held at Kilachand Conference Room, Indian Merchants Chamber, Indian Merchants Chamber Marg, Churchgate, Mumbai - 400 020 on Friday, the 24th September, 2010 at 11.30 a.m. to transact the following business :-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31.03.2010 and the Profit & Loss Account for the year ended 31.03.2010 together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. T.D. Mahadevia who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Chetan J. Parikh who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint the Auditors and fix their remuneration.

### SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Janak Nanavaty, who was appointed as an additional Director and holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under the provision of Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as a Director".

### REGISTERED OFFICE:

Janmabhoomi Bhavan,  
Janmabhoomi Marg,  
Fort, Mumbai 400 001

By Order of the Board

**D. S. MAHADEVIA**  
Chairman

Dated: 28th July, 2010

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Register of Members and Share Transfer Books of the Company will be closed from 17th September, 2010 to 24th September, 2010 ( both days inclusive ).
3. Members are requested to intimate immediately any change in their address to Company's Registrars and Share Transfer Agents, Link Intime India Pvt Ltd., C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai - 400 078.
4. If the dividend on shares is passed at the Meeting, payment of such dividend will be made on or before 23rd October, 2010 to those members whose names appear on the Company's Register as on 24th September, 2010.

5. Unclaimed dividends for the years 1994-95 to 2001-02 (22nd to 29th Equity Dividends) have been transferred to the Investor Education & Protection Fund and for earlier years to the 'General Revenue Account' of the Central Government in terms of Section 205C and 205A of the Companies Act, 1956. The members who have not encashed the dividend warrants for the earlier years i.e. upto 1993-94 are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.
6. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is attached.

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

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all the material facts relating to the business mentioned under item No. 6 of the accompanying Notice dated 28th July, 2010.

**ITEM NO : 6**

The Board of Directors of the Company at its meeting held on 27<sup>th</sup> January, 2010 appointed Shri. Janak Nanavaty as an additional Director. The Company has received a notice in writing, alongwith a deposit of Rs.500/- from a member proposing the candidature of Mr. Janak Nanavaty for the office of a Director under the provision of Section 257 of the Companies Act, 1956.

Mr. Janak Nanavaty has a Master degree in Business Management (MBA) with vast experience in Management of Industry. It will be in the interest of the company that Mr. Janak Nanavaty be appointed as a Director of the company and accordingly recommends him as a Director.

Mr. Janak Nanavaty is interested in the resolution.

**REGISTERED OFFICE:**

Janmabhoomi Bhavan,  
Janmabhoomi Marg,  
Fort, Mumbai 400 001

Dated: 28th July, 2010

By Order of the Board

**D. S. MAHADEVIA**  
Chairman

**DIRECTORS' REPORT**

To,  
The Members,  
Your Directors have pleasure in presenting the Forty-eighth Annual Report on the working of the Company along with the audited Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2010.

	Year ended 31.03.2010	Year ended 31.03.2009
	Rupees	Rupees
Gross Profit for the year	7,109,302	39,685,399
Less : Depreciation	<u>1,124,866</u>	<u>982,681</u>
Profit after depreciation	5,984,436	38,702,718
Less : Provision for taxation	893,795	4,195,000
Add / Less : Deferred tax Assets / ( Liability )	<u>(102,570)</u>	<u>(867,848)</u>
Profit after depreciation and taxation	4,988,071	33,639,870
Add : Balance of Profit and Loss Account brought forward from previous year	<u>35,971,457</u>	<u>12,356,401</u>
Surplus available for appropriation	<u>40,959,528</u>	<u>45,996,271</u>

**Appropriations**

1. Proposed Dividend (including tax on distributed profits)	1,646,407	3,294,814
2. Statutory Reserve Fund	1,000,000	6,730,000
BALANCE CARRIED TO BALANCE SHEET	<u>38,313,121</u>	<u>35,971,457</u>

As can be seen from the annual accounts, the manufacturing and marketing as well as Finance division have performed satisfactorily. During the current year so far, the overall performance has been maintained at a satisfactory level.

**DIVIDEND**

Your Directors are pleased to recommend a dividend of Rs. 2/- per Equity Share for the year ended 31st March, 2010. There will be no deduction of tax at source.

**FIXED DEPOSIT**

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

**DIRECTORS**

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

During the year under review, Mr.G.S.Nanavaty resigned and Mr.J.C. Shah passed away. Mr. Nanavaty and Mr. Shah were associated with the company for long time. The Board places on record its appreciation for the contribution of Mr. Nanavaty and Mr. Shah in the working of the company.

Mr. Janak Nanavaty was appointed as additional Director who holds the office till the conclusion of this Annual General Meeting.

The company has received a notice in writing from a member of the company, alongwith a deposit of Rs.500/- proposing to appoint Mr. Janak Nanavaty as a Director of the company. The Board recommends his appointment.

**REMUNERATION COMMITTEE :**

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

**AUDITORS**

M/s Patkar & Pendse, Chartered Accountants, Mumbai, the Auditors of the Company are holding office till the conclusion of the 48th Annual General Meeting of the Company, and being eligible, confirm their availability for re-appointment. If re-appointed, they will hold office until the conclusion of the next Annual General Meeting.

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

**PARTICULARS OF EMPLOYEES**

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

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

**(1) A. CONSERVATION OF ENERGY**

The relevant data on energy conservation is as follows :

(i) No. of Electric & Pneumatic Hoists manufactured	33 Nos. (70 Nos.)
(ii) No. of Cranes manufactured	NIL (NIL)
(iii) Total units of Electricity consumed.	7220 units (8557.units)
(iv) Average units of Electricity consumed per Hoist.	167 units (100 units)
(v) Average units of Electricity consumed per Crane.	Not Applicable
(vi) Cost per unit of Electricity consumed per Hoist.	Rs.1574 (Rs.793)
(vii) Cost per unit of Electricity consumed per Crane.	Not Applicable

**Note :** Figures for previous year are given in brackets.

**B. TECHNOLOGY ABSORPTION.**

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

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

**LISTING OF SHARES**

Equity shares of the Company are listed on Stock Exchanges at Mumbai and Ahmedabad. The Company has paid the listing fees for both the Stock Exchanges for the year 2010-11.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) appropriate accounting policies have been selected and applied consistently, and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2010 and of the profit of the Company for the year ended March 31st, 2010.
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;

**COMPLIANCE CERTIFICATE**

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

On behalf of the Board

Place : Mumbai  
Dated : 28th July, 2010.

**D.S. MAHADEVIA.**  
Chairman.



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

### COMPLIANCE CERTIFICATE

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

We have examined the registers, records, books and papers of **TAK MACHINERY & LEASING LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31<sup>st</sup> March, 2010**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers, as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns, as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited company, comments pertaining to 'private company' are not required.
4. The Board of Directors duly met 4 (four) times on 28<sup>th</sup> April, 2009, 27<sup>th</sup> July, 2009, 29<sup>th</sup> October, 2009 and 27<sup>th</sup> January, 2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. During the year under review, the Company has not passed any circular resolution.
5. The Company has closed its Register of Members from 23<sup>rd</sup> September, 2009 to 30<sup>th</sup> September, 2009 and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31<sup>st</sup> March, 2009 was held on 30<sup>th</sup> September, 2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year under review.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The duly constituted Committee of Directors has approved the issue of duplicate share certificates.
13. (i) The Company has delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year under review.  
(ii) The Company has deposited the amount of dividend declared in a separate bank account on 3<sup>rd</sup> October, 2009, which is within five days from the date of declaration of such dividend.  
(iii) The Company has paid/posted warrants for dividends to all the members within a period of 30 (thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to the Unpaid Dividend Account of the Company with Corporation Bank, Nariman Point Branch, Mumbai within the stipulated time limit.  
(iv) The Company has transferred the amount in unpaid dividend account, which has remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund. During the year under review there is no application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.  
(v) The Company has duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted and the appointments of directors and additional director have been duly made. There was no appointment of alternate directors and directors to fill casual vacancy during the financial year under review.
15. The appointment of Managing Director/Whole-time Director/Manager has been made in compliance with the provisions of section 269 read with schedule XIII to the Act and approval of the Central Government was not required to be obtained in respect of any such appointment.
16. The Company has not appointed any sole selling agent during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year under review.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transaction necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended 31st March, 2010.
25. The Company has made investments in other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year under review.
33. The Company has deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

**M/s. SHIRISH SHETYE & ASSOCIATES**  
Company Secretaries

Place: Mumbai.  
Date: 28<sup>th</sup> July, 2010

**SHIRISH SHETYE**  
PROPRIETOR  
C.P. No. 825





### **ANNEXURE - A**

Registers as maintained by the Company

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

### **ANNEXURE - B**

Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31<sup>st</sup> March, 2010.

1. Form No. 20B alongwith Annual Return made as on 30<sup>th</sup> September, 2009 filed u/s 161.
2. Form No. 23AC and 23ACA alongwith Balance Sheet etc. for the year ended 31<sup>st</sup> March, 2009, filed u/s 220.
3. Form No. 66 alongwith Compliance Certificate for the year ended 31<sup>st</sup> March, 2009, filed u/s 383A.
4. Form No. 1 dated 11<sup>th</sup> December, 2009 being statement of amounts credited to Investor Education and Protection Fund.
5. Form No. 62 alongwith quarterly Certificates of Amounts Due and Credited to Investor Education and Protection Fund.
6. Quarterly unaudited results with half yearly review submitted to Stock Exchanges.
7. Half yearly certificates under clause 47 of the Listing Agreement submitted to Stock Exchanges.
8. Quarterly information regarding Distribution of Shareholding Pattern, under clause 35 of the Listing Agreement submitted to Stock Exchanges.
9. Statement of Holding, pursuant to Rule 8 of SEBI (SAST) Regulations, 1997 submitted to Stock Exchanges.
10. Quarterly Certificates issued under SEBI circular No. D&CC/FITTC/CIR – 16/2002 dated 31<sup>st</sup> December, 2002, submitted to Stock Exchanges.
11. Statutory Auditors' Certificate for the year ended 31<sup>st</sup> March, 2009 confirming that the Company continues to undertake the business of NBFC, Board Resolution confirming that the Company was not accepting fixed deposits from public and Statements of Foreign Direct Investment for half year ended 31<sup>st</sup> March, 2009 and 30<sup>th</sup> September, 2009 filed with Reserve Bank of India.
12. Form No.32 dated 27<sup>th</sup> January, 2010 for appointment of Mr. Janak Nanavaty as Additional Director filed u/s 303(2).

**AUDITORS' REPORT**

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

We have audited the attached Balance Sheet of **TAK MACHINERY AND LEASING LIMITED** as at 31st March, 2010 and also the Profit & Loss Account and Cash Flow Statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 & 5 of the said Order to the extent applicable.
3. Further to our comments in the Annexure referred to in paragraph 2 above we report that :
  - (a) We have obtained all the information & explanations which to the best of our knowledge & belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of these books.
  - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the Balance sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - (e) On the basis of written representations received from the Directors and taken on record by the Board of Directors we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, subject to :
    - (a) No provision having been made for doubtful debts Rs.61,322 and doubtful advance of Rs. 15,516 (Note 7).
    - (b) Non receipt of balance confirmations (Note 10).

and read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view, in conformity with the accounting principles generally accepted in India :

- i in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2010;
  - ii in the case of the Profit & Loss Account of the profit of the Company for the year ended on that date.
- and
- iii in the case of the Cash Flow Statement of the cash flows of the Company for the year ended on that date.

**For Patkar & Pendse  
Chartered Accountants**

Place: Mumbai  
Date : 28th July, 2010.

**B.M. Pendse  
Partner.  
F.Reg.No. 107824W**



**ANNEXURE TO AUDITORS' REPORT  
REFERRED TO IN OUR REPORT OF EVEN DATE  
FOR THE YEAR ENDED ON 31ST MARCH, 2010**

1. (a) The Company had maintained proper records showing full particulars including quantitative details and situation of the fixed assets except for furniture and fixtures.
- (b) As explained to us the fixed assets had been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, the Company had not disposed off a substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of inventory :
  - (a) as explained to us, inventories have been physically verified by the management at the end of the year.
  - (b) in our opinion and according to the information and explanations given to us the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) the Company had maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to book records.
3. (a) The company had not granted any loans to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (b) The Company had not taken any loans from companies, firms or other parties covered in the register maintained under section 301 of the Act.
4. In our opinion and on the basis of information and explanations given to us, the Company had adequate internal control system commensurate with its size and the nature of its business for the purchase of finished goods, spares, plant and machinery, equipment and other assets and for the sale of goods and services. During the course of the audit we have not observed any major weakness in internal controls.
5. In our opinion and according to the information and explanations given to us, there were no transactions in pursuance of contracts or arrangements that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956.
6. The Company had not accepted any deposits from the public, hence the question of compliance to the necessary guidelines issued by the Reserve Bank Of India and the provisions of section 58A and 58AA of the Companies Act, 1956 and Rules framed thereunder does not arise.
7. In our opinion the Company had an internal audit system commensurate with its size and nature of its business.
8. The maintenance of Cost Records for the Company, had not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 for the year under review.
9. In respect of statutory dues :
  - (a) according to the records of the Company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Cess, Excise duty, Custom duty and any other statutory dues have been generally, regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months, from the date they became payable.
  - (b) the disputed statutory dues aggregating to Rs. 12,85,940 that have not been deposited on account of matters pending before appropriate authorities are as under :

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

10. The Company did not have accumulated losses. The company had not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us the Company had not defaulted in repayment of dues to a financial institution, bank or debenture holder.
12. In our opinion and according to the information and explanations given to us the Company had maintained adequate records where the Company had granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. As the Company is dealing / trading in shares, securities, debentures and other investments; in our opinion proper records had been maintained of the transactions and contracts and timely entries have been made therein. All shares, securities, debentures and other investments are held by the Company in its own name.
15. According to the information and explanations given to us and the records examined by us the Company had not given any guarantees for loans taken by others from banks or financial institutions.
16. The Company had not raised any term loans.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment and vice versa.
18. According to the information and explanations given to us, the Company had not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company had not issued debentures.
20. The Company had not raised any money through public issues during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For Patkar & Pendse  
Chartered Accountants**

**B.M. Pendse  
Partner.**

F.Reg No. 107824W

Place : Mumbai  
Date : 28th July, 2010.



## BALANCE SHEET AS AT 31ST MARCH, 2010

	<u>Schedule</u>	<u>As at 31.03.2010 Rupees</u>	<u>As at 31.03.2009 Rupees</u>
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUNDS</b>			
(a) Capital	1	7,050,925	7,050,925
(b) Reserves and Surplus	2	85,022,786	81,681,122
<b>TOTAL</b>		<b>92,073,711</b>	<b>88,732,047</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
(a) Gross Block	3	12,766,412	31,539,167
(b) Less : Depreciation		5,286,683	24,722,939
		<b>7,479,729</b>	<b>6,816,228</b>
<b>INVESTMENTS</b>	4	<b>26,908,263</b>	<b>29,239,458</b>
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>	5		
(a) Inventories		2,361,118	5,864,023
(b) Value of outside jobs on hand		-	99,000
(c) Sundry Debtors		745,235	4,551,111
(d) Cash and Bank Balances		28,513,656	52,274,790
(e) Loans and Advances		31,862,992	2,957,623
		<b>63,483,001</b>	<b>65,746,547</b>
<b>LESS : CURRENT LIABILITIES AND PROVISIONS</b>	6		
(a) Liabilities		5,292,513	11,329,434
(b) Provisions		1,601,071	2,939,624
		<b>6,893,584</b>	<b>14,269,058</b>
<b>NET CURRENT ASSETS</b>		<b>56,589,417</b>	<b>51,477,489</b>
<b>DEFERRED TAX ASSETS (See note no.11)</b>		<b>1,096,302</b>	<b>1,198,872</b>
<b>TOTAL</b>		<b>92,073,711</b>	<b>88,732,047</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	10		
<b>NOTES FORMING PART OF THE ACCOUNTS</b>	11		

As per our separate report  
annexed herewith

**FOR PATKAR AND PENDSE**  
Chartered Accountants.

**B.M. Pendse**  
Partner  
F.Reg.No. 107824W  
Place : Mumbai  
Dated : 28th July, 2010

For and on behalf of the board

**A.D. Mahadevia**  
Vice Chairman & Managing Director

**T.D. Mahadevia**  
Managing Director

Place : Mumbai  
Dated : 28th July, 2010

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	Schedule	2009-10 Rupees	2008-09 Rupees
<b>INCOME</b>			
Sales (after adjusting Rs. NIL for returns of earlier years) (Previous year NIL)		17,399,306	36,989,821
Other Income	7	7,199,880	47,534,030
		<u>24,599,186</u>	<u>84,523,851</u>
<b>EXPENDITURE</b>			
Cost of Goods sold	8	10,437,950	29,678,039
Other Expenses	9	7,015,628	15,149,724
Interest		36,306	10,689
Depreciation		1,124,866	982,681
		<u>18,614,750</u>	<u>45,821,133</u>
<b>PROFIT BEFORE TAXATION</b>		5,984,436	38,702,718
Provision for Taxation (after adjusting excess provn of Rs. 16,205/- of previous year)		1,538,795	4,100,000
MAT Credit		(645,000)	-
Fringe Benefit Tax		-	95,000
Deferred Tax Assets / (Liabilities)		(102,570)	(867,848)
<b>PROFIT FOR THE YEAR</b>		4,988,071	33,639,870
Balance brought forward from previous year		35,971,457	12,356,401
<b>AMOUNT AVAILABLE FOR APPROPRIATIONS</b>		<u>40,959,528</u>	<u>45,996,271</u>
<b>APPROPRIATIONS</b>			
Proposed Dividend		1,408,100	2,816,200
Tax on Distributed Profits		238,307	478,614
Transferred to Statutory Reserve Fund		1,000,000	6,730,000
Balance carried to Balance Sheet		38,313,121	35,971,457
		<u>40,959,528</u>	<u>45,996,271</u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	10		
<b>NOTES FORMING PART OF ACCOUNTS</b>	11		

As per our separate report annexed herewith

**FOR PATKAR AND PENDSE**  
Chartered Accountants.

**B.M. Pendse**  
Partner  
F.Reg.No. 107824W  
Place : Mumbai  
Dated : 28th July, 2010

For and on behalf of the board

**A.D. Mahadevia**  
Vice Chairman & Managing Director

**T.D. Mahadevia**  
Managing Director

Place : Mumbai  
Dated : 28th July, 2010

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised :</b>		
20,00,000 Equity Shares of Rs. 10/- each	<u>20,000,000</u>	<u>20,000,000</u>
<b>Issued :</b>		
7,09,100 Equity Shares of Rs. 10/- each	<u>7,091,000</u>	<u>7,091,000</u>
<b>Subscribed :</b>		
7,04,050 Equity Shares of Rs. 10/- each fully paid up	7,040,500	7,040,500
Add : Forfeited Shares	<u>10,425</u>	<u>10,425</u>
(Amount originally paid up)	<u>7,050,925</u>	<u>7,050,925</u>
 <b>SCHEDULE 2</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Share Premium</b>		
As per last Balance Sheet	1,031,050	1,031,050
<b>General Reserve</b>		
As per last Balance Sheet	29,998,615	29,998,615
<b>Contingency Reserve</b>		
As per last Balance Sheet	2,500,000	2,500,000
<b>Investment Reserve</b>		
As per last Balance Sheet	700,000	700,000
<b>Statutory Reserve Fund</b>		
As per last Balance Sheet	11,480,000	4,750,000
Transferred from Profit & Loss A/c.	<u>1,000,000</u>	<u>6,730,000</u>
	<u>12,480,000</u>	<u>11,480,000</u>
 <b>Surplus in Profit and Loss Account</b>		
	38,313,121	35,971,457
	<u>85,022,786</u>	<u>81,681,122</u>

**SCHEDULE 3  
FIXED ASSETS**

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31.3.2009	Additions during the year	Deductions during the year	Total As at 31.3.2010	Upto 31.3.2009	Deductions during the year	For the Year	Upto 31.3.2010	As at 31.3.2010	As at 31.3.2009
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Lease Hold Land	1,284,980	-	-	1,284,980	-	-	-	-	1,284,980	1,284,980
Building	2,906,434	-	-	2,906,434	671,135	-	111,765	782,900	2,123,534	2,235,298
Electric Installation	251,444	-	-	251,444	130,284	-	16,853	147,137	104,307	121,160
Plant and Machinery	877,814	-	-	877,814	433,664	-	61,781	495,445	382,369	444,150
Furniture and Fixtures	2,094,465	198,881	24,130	2,269,216	1,746,257	20,321	129,212	1,855,148	414,068	348,208
Vehicles	4,404,204	2,209,873	1,687,553	4,926,524	2,098,604	1,073,451	794,528	1,819,681	3,106,843	2,305,601
Technical Documents	250,000	-	-	250,000	176,091	-	10,281	186,372	63,628	73,909
<b>LEASED ASSETS :</b>										
Plant and Machinery	17,824,556	-	17,824,556	-	17,821,635	17,822,080	445	-	-	2,922
Furniture and Fixtures	1,645,269	-	1,645,269	-	1,645,269	1,645,269	-	-	-	-
<b>TOTAL</b>	<b>31,539,166</b>	<b>2,408,754</b>	<b>21,181,508</b>	<b>12,766,412</b>	<b>24,722,939</b>	<b>20,561,121</b>	<b>1,124,865</b>	<b>5,286,683</b>	<b>7,479,729</b>	<b>6,816,228</b>
Previous Year	31,651,438	776,679	888,950	31,539,167	24,368,353	628,095	982,681	24,722,939	6,816,228	





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

Name of Company	Face Value Rupees	As at 31.03.2010		As at 31.03.2009	
		Qty. Nos.	Value Rupees	Qty. Nos.	Value Rupees
<b>Non -Convertible Debentures</b>					
Shriram Transport Finance Co Ltd	1000	1044	1,044,000	-	-
Tata Capital Ltd	1000	2000	2,257,434	-	-
			<u>3,301,434</u>		
<b>EQUITY SHARES (FULLY PAID)</b>					
3 I Infotech Ltd	10	3,500	159,456	4,000	125,802
Aarti Drugs	10	2,000	215,671	-	-
Arvind Ltd	10	4,000	134,065	-	-
Aurionpro Solution	10	1,000	94,305	-	-
Allahabad Bank	10	2,000	76,965	4,000	153,931
Amtek India Ltd.	2	6,000	276,629	-	-
Ankur Drugs & Pharma Ltd.	10	2,000	166,123	-	-
Andhra Bank	10	2,500	213,162	-	-
Bartronics India	10	2,000	341,596	-	-
Blue Star Ltd	2	1,000	171,168	-	-
Bharat Bijlee Ltd	10	500	217,513	600	261,016
Binani Insustries Ltd.	10	3,000	135,748	-	-
Bombay Dyeing Ltd	10	700	123,610	-	-
CESC Ltd	10	600	212,483	-	-
Deepak Fert & Petro Cor Ltd	10	2,000	114,887	3,000	172,330
Dishman Pharma	2	1,500	208,397	-	-
D.S.Kulkarni	10	2,000	103,349	-	-
Elecon Eng Cor Ltd	2	7,000	220,586	7,000	220,586
Ess Dee Aluminium	10	12	2,780	-	-
Four Soft Ltd	10	10,000	201,112	-	-
G.E.Shipping Company Ltd.	5	1,000	260,714	-	-
Geecee Ventures (Gwalior Chemical)	10	1,500	126,415	-	-
Geodesic Ltd	2	1,000	108,456	-	-
Gujarat Narmada	10	3,000	181,644	3,000	181,644
Godrej Industries Ltd	1	2,000	127,527	-	-
Graphite India	2	5,000	140,479	-	-
HBL Power Systems Ltd	1	5,800	202,503	-	-
HCL Techno	2	1,000	101,033	2,000	202,067
HDILLTD	10	1,000	106,353	-	-
HEG Ltd.	10	2,000	193,132	2,000	193,132

Name of Company	Face Value Rupees	As at 31.03.2010		As at 31.03.2009	
		Qty. Nos.	Value Rupees	Qty Nos.	Value Rupees
Hinduja Ventures	10	500	112,535	-	-
ICSA India Ltd	2	1,000	83,775	-	-
I.D.B.I. Bank	10	3,000	203,848	-	-
Indian Bank	10	2,000	240,747	-	-
Indian Overseas Bank	10	4,500	331,426	-	-
Inox Leisure	10	3,000	191,722	-	-
J.Kumar Infra	10	900	186,726	-	-
JBF Industries Ltd	10	1,800	195,207	-	-
Jindal Saw Ltd	2	2,500	103,844	-	-
Jubilant Organosys	1	1,000	222,900	-	-
Karur Vysya Bank Ltd	10	1,400	456,817	-	-
KNR Constructions Ltd	10	2,500	227,760	-	-
LIC Housing Finance Ltd.	10	450	200,342	-	-
Lakshmi Energy Ltd	2	2,000	173,582	-	-
Lanco Industries Ltd	10	3,000	136,954	-	-
Managlam Cement Ltd	10	3,000	177,603	3,000	177,603
Mic Electronics Ltd	2	3,000	131,514	-	-
Nagarjuna Construction Ltd	2	2,000	242,778	-	-
N.I.I.T. Ltd.	2	10,000	208,743	10,000	208,743
N.I.I.T. Technology Ltd.	10	3,000	159,829	3,000	159,829
Navin Fluorine Ltd	10	1,000	91,828	-	-
NHPC Ltd	10	3,836	138,096	-	-
Nilkamal Ltd	10	1,000	164,480	-	-
Nirma Ltd	10	1,000	183,434	-	-
Numeric Power Systems Ltd	10	400	74,739	-	-
Opto Circuit Ltd	10	2,000	232,044	-	-
Oriental Bank of commerce	10	2,300	392,262	-	-
Pratibha Industries Ltd	10	2,500	443,281	-	-
Phoenix Mills Ltd	2	3,000	223,954	3,000	223,954
Plethico Pharma Ltd	10	600	179,637	-	-
PSL Ltd.	10	2,000	165,541	-	-
Rain Commodities Ltd	10	1,500	132,440	-	-
Rolta India Ltd	10	1,000	71,227	3,000	167,605
Sanghvi Movers Ltd	2	1,000	174,583	-	-
Sasken Communication Ltd	10	1,500	224,900	-	-
Simmonds Marshall Ltd	2	7,500	121,509	-	-
Sintex Industries Ltd	2	1,500	174,734	-	-
Sunil Hitech Engineers	10	1,500	174,523	-	-
Surya Pharma Ltd	10	2,000	230,761	-	-
South Indian Bank Ltd	10	3,000	155,773	3,000	155,773



Name of Company	Face Value Rupees	As at 31.03.2010		As at 31.03.2009	
		Qty. Nos.	Value Rupees	Qty Nos.	Value Rupees
Suzlon Ltd	2	3,000	161,031	-	-
TATA Chemicals Ltd.	10	800	226,656	-	-
TATA Elxsi Ltd	10	1,500	126,416	-	-
TATA Tea Ltd.	1	300	267,569	-	-
Thermax Ltd	2	1,000	218,715	-	-
Tinplate India Ltd.	10	10,000	505,559	-	-
Triveni Engineering Ltd	1	2,000	204,658	-	-
TTK Prestige Ltd	10	700	214,185	-	-
TV18 Ltd	5	750	65,805	-	-
Usha ( Beltron) Martin Ltd.	1	4,000	124,000	-	-
Unity Infraprojects Ltd	2	500	117,587	-	-
Valecha Enginers Ltd	10	3,000	119,642	-	-
Voltamp Trans	10	700	242,451	700	242,451
Yes Bank Ltd	10	2,000	113,385	-	-
			<u>15,383,918</u>		<u>2,846,466</u>
Aggregate of quoted investments :-					
Cost			18,685,352		2,846,466
Market Price			28,419,579		2,846,466
<b>UNITS - UNQUOTED :</b>					
Birla Sunlife Short Term Fund	10	520,468	5,207,539	1,564,476	15,653,362
ICICI Prud Flex Income Plan	105.73	28,518	3,015,372	1,015,712	10,739,630
(Repurchase price of above units is Rs. 82,22,911/-)			<u>8,222,911</u>		<u>26,392,992</u>
TOTAL			<u>26,908,263</u>		<u>29,239,458</u>

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

<b>SCHEDULE 5</b>	<b>As at 31.03.2010 Rupees</b>	<b>As at 31.03.2009 Rupees</b>
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
<b>(a) INVENTORIES</b>		
As taken, valued & certified by the Managing Director of the Company : Stocks		
A - Raw material & Components	1,963,688	3,877,245
B - Stock in Process	40,338	87,799
C - Finished Goods	357,092	1,898,979
	<u>2,361,118</u>	<u>5,864,023</u>
<b>(b) VALUE OF OUTSIDE JOB ON HAND</b>	-	99,000
<b>(c) SUNDRY DEBTORS (UNSECURED)</b>		
(a) Debts outstanding for a period exceeding six months	264,822	181,141
(b) other debts	480,413	4,369,970
	<u>745,235</u>	<u>4,551,111</u>
Notes :		
Considered Good	683,913	4,500,398
Considered Doubtful	61,322	50,713
	<u>745,235</u>	<u>4,551,111</u>
<b>(d) CASH AND BANK BALANCES</b>		
Cash on hand	24,131	42,880
Balance with Scheduled Banks :		
In Current Account	1,077,525	4,427,534
In Unpaid Dividend Account	822,000	637,643
In Fixed Deposit Account	26,590,000	47,166,733
	<u>28,489,525</u>	<u>52,231,910</u>
	<u>28,513,656</u>	<u>52,274,790</u>
<b>(e) LOANS AND ADVANCES (UNSECURED)</b>		
Deposit with Joint Stock Co. (including Bill Discounting)	29,857,778	-
Advances recoverable in cash or kind or for value to be received	2,005,214	2,957,623
Advance tax (including tax deducted at source Rs. 6,46,191/-)	-	-
(Previous Year Rs.5,27,070/-) ( Net of Provisions )	-	-
	<u>31,862,992</u>	<u>2,957,623</u>
Notes:		
Considered Good	31,847,476	2,947,623
Considered Doubtful	15,516	10,000
	<u>31,862,992</u>	<u>2,957,623</u>



	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
<b>SCHEDULE 6</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>A. CURRENT LIABILITIES :</b>		
i) Sundry Creditors		
- Dues to Small Scale Industries	297,940	441,125
- Others	3,809,675	9,567,070
ii) Advances from Customers	362,898	683,596
iii) Unclaimed Dividends	822,000	637,643
	<u>5,292,513</u>	<u>11,329,434</u>
<b>B. PROVISIONS :</b>		
Proposed Dividend	1,408,100	2,816,200
Provision for Taxation ( Net of Advance tax )	192,971	123,424
	<u>1,601,071</u>	<u>2,939,624</u>
	<u>6,893,584</u>	<u>14,269,058</u>

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

Charges for outside jobs	157,426	351,313
Design & Drawing Charges	-	1,000,000
Dividend	727,534	2,718,956
Interest (Gross) :		
On Income Tax refund	16,914	17,424
Other interest	5,098,122	2,362,852
(Tax deducted Rs. 6,42,781/-) (Previous Year Rs.4,89,093/-).	<u>5,115,036</u>	<u>2,380,276</u>
Miscellaneous Income	6,900	82,845
Profit on Sale of Fixed Assets	52,565	-
Profit on Sale of Investments	381,576	40,412,324
Sales Tax refunds of previous years	-	542,982
Sundry Credit Balance W/Back	62,371	233
Freight Charges Recd	1,057	30,373
Bill Discounting Charges	695,415	14,728
	<u>7,199,880</u>	<u>47,534,030</u>

	2009-10 Rupees	2008-09 Rupees
<b>SCHEDULE 8</b>		
<b>COST OF GOODS SOLD</b>		
Opening Stock	5,864,023	3,610,337
Purchases	6,935,045	31,931,725
	<u>12,799,068</u>	<u>35,542,062</u>
Less : Closing Stock	2,361,118	5,864,023
	<u>10,437,950</u>	<u>29,678,039</u>
<b>SCHEDULE 9</b>		
<b>OTHER EXPENSES</b>		
1. Payments to and Provisions for Employees :		
Salaries, gratuity, retrenchment compensation, bonus & leave encashment etc.	2,415,772	2,027,623
Contribution to Provident Fund, Super annuation fund etc.	313,958	271,640
Workmen & Staff Welfare Expenses	103,332	48,871
Salary to Chairman and Managing Directors	780,000	765,000
	<u>3,613,062</u>	<u>3,113,134</u>
2. Others :		
Insurance	113,772	72,337
Repairs to machinery	4,000	-
Other Repairs	8,957	100,852
Rent	154,020	154,020
Rates and Taxes	55,321	82,471
Stationery, Printing, Postage, Telegram and Advertisement	218,518	260,042
Telephone Expenses	139,412	155,978
Directors' Fees	5,000	7,000
Travelling Expenses (including fare, stay, halting expenses etc.)	85,697	124,831
Vehicle Expenses	560,836	602,153
General Charges	810,628	788,271
Sundry balances written off	4,579	2,620
Legal and Professional charges	277,261	260,730
Water Charges	8,291	7,383
Assets discarded W/off	2,476	-
Loss on Sale of Investments	3,757	6,941,452
Short Provision of I.T w/off	-	2,950
Auditor's Remuneration	52,500	27,500
Electricity Charges	256,714	395,093
Transportation Charges	110,285	217,161
Loss on Sale of Assets	9	97,579
Packing Charges	274,230	270,261
Sundry Expenses	156,953	559,749
Erection Charges	99,350	206,157
Engineering & Design Charges	-	700,000
	<u>3,402,566</u>	<u>12,036,590</u>
	<u>7,015,628</u>	<u>15,149,724</u>



## SCHEDULE 10

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. (a) SALES

Sales are accounted when goods are despatched.

#### (b) OTHER INCOME

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

#### 2. INVESTMENTS

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

#### 3. INVENTORIES

Inventory valued at cost or market value whichever is lower.

#### 4. FIXED ASSETS

Fixed Assets are valued at cost.

#### 5. DEPRECIATION

- (a) In respect of additions upto 1981-82 on Straight Line Method u/s.205 (2) (b) of the Companies Act, 1956.
- (b) In respect of additions from 1982-83 including Leasing Equipments on Written Down Value Method at the rates prescribed under Schedule XIV of the Companies Act, 1956.
- (c) Depreciation on addition to and sale of other assets has been provided on pro-rata basis with reference to the date of installation or date of such sale as the case may be.

#### 6. SALES TAX

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

#### 7. RETIREMENT BENEFITS

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

#### 8. DEFERRED TAX

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

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
<b>SCHEDULE 11</b>		
<b>NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT</b>		
1. Estimated amount of capital contracts remaining to be executed and not provided for.	NIL	NIL
2. Contingent liability on partly paid debentures and shares.	NIL	NIL
3. Guarantees given by a bank.	385,826	656,246
4. (a) Appeals filed by the Income Tax Department against appellate decisions favourable to the Company involving tax amount to (b) Necessary provision in respect of above liabilities, including interest if any, will be made in the accounts on final outcome of appeals.	1,285,940	1,285,940
5. Payment to Auditors ( Previous year Including Service tax ) Audit fees	52,500	30,333
6. Claim of material amount on account of disputes raised by a customer against the Company which has not been accepted and has been referred to the Arbitrator. The matter is under litigation and the liability, if any, cannot be ascertained and hence not provided in the accounts.		
7. No provision has been made in respect of doubtful debts amounting to Rs. 61,322/-(Previous year Rs.50,713/-). and doubtful advances amounting to Rs.15,516 /- ( Previous year Rs. 10,000/- ).		
8. As of 31st March,2010 the Company had no outstanding dues to small scale industrial undertakings for sum of Rs.1 lac or more for more than 30 days.		
9. Advances recoverable include loan to employees of Rs.8,064/- ( Previous year Rs.25,200/-). Maximum balance outstanding during the year is Rs.25,200/- (Previous year Rs.33,000/-).		
10. Confirmation for debit and credit balances have not been received from several parties.		
<b>11. DEFERRED TAX ASSETS</b>		
	As on 31.03.2010	As on 31.03.2009
<u>Deferred tax assets :</u>		
(i) Depreciation	201,526	252,416
(ii) Expenses / provision allowable for tax purpose when paid	497,268	437,806
(iii) On carried forward losses / unabsorbed depreciation	-	52,188
(iv) On carried forward short term capital losses	397,508	456,462
	<u>1,096,302</u>	<u>1,198,872</u>
Note : Pursuant to Accounting Standard (AS) 22, during the year deferred tax liabilities of Rs.1,02,570/- has been debited to Profit and Loss account and credited to Deferred Tax Assets.		
<b>12. TRANSACTION WITH RELATED PARTY :</b>		
<b>A) Key Management Personnel</b>	<u>Description of transaction</u>	<u>Amount in Rs.</u>
1. Dr. D.S.Mahadevia Chairman	Remuneration	}
2. Shri T.D.Mahadevia Managing Director	Remuneration	} Refer note no. 15
3. Shri A.D.Mahadevia Vice Chairman & Managing Director	Remuneration	}
<b>B) Other related parties</b>		
Directors	Fees and expenses	12,000





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

	2009-10			2008-09		
	Chairman	Vice-Chairman and Managing Director	Managing Director	Chairman	Vice-Chairman and Managing Director	Managing Director
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
1. Salary	240,000	240,000	300,000	240,000	240,000	285,000
2. Commission	-	-	-	-	-	-
3. Contribution to Provident Fund /Superannuation Fund	24,000	44,000	55,000	24,000	44,000	44,000
4. Provision for Gratuity **	121,100	10,000	12,500	-	10,000	12,500
5. Other perquisites in cash or kind	85,829	206,199	266,830	44,537	167,123	213,453
<b>TOTAL</b>	<b>470,929</b>	<b>500,199</b>	<b>634,330</b>	<b>308,537</b>	<b>461,123</b>	<b>554,953</b>

b) \*\* Including additional provision of Rs.1,11,100/- on account of increase in Gratuity provision ceiling from Rs.3.50 lacs to Rs.10.00 lacs

c) The computation of net profit under Section 198 of the Companies Act, 1956 has not been given since, due to the inadequacy of net profit as per section 309(5), no commission is payable for the year ended 31st March, 2010.

14. Information regarding goods manufactured :

Class of Goods	Opening Stock		Purchases/Production		Closing Stock		Sales	
	Qty. Nos.	Value Rs. in Lacs	Qty. Nos.	Value Rs. in Lacs	Qty. Nos.	Value Rs. in Lacs	Qty. Nos.	Value Rs. in Lacs
1. Electric and Pneumatic Hoists	14 (2)	18.99 (4.00)	33 (70)	44.46 (88.09)	5 (14)	3.57 (18.99)	42 (58)	129.51 (105.73)
2. Cranes@	- -	- -	5 (30)	24.89 (215.97)	- -	- -	5 (30)	28.33 (246.96)
3. Raw materials, components & stores etc.#	- -	39.65 (32.10)	- -	- (15.26)	- -	20.04 (39.65)	- -	16.15 (17.21)
	14 (2)	58.64 (36.10)	38 (100)	69.35 (319.32)	5 (14)	23.61 (58.64)	47 (88)	173.99 (369.90)

NOTE:

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

**15. SEGMENT INFORMATION:**

( Rupees in lacs )

**A) Information about Business Segment - Primary**

S. No.	Particulars	Production/ Marketing	Finance	Total
1.	Segment Revenue	176.17	69.82	245.99
2.	<u>Segment Result:</u>			
	Profit / (Loss) Before Taxation	29.60	50.93	80.53
	Less :			
	1) Interest			0.36
	2) Other unallocated corporate expenses (Net of income)			20.33
	Profit/ (Loss) Before Tax			59.84
3.	<u>Other Information:</u>			
	Segment Assets	91.28	854.58	945.86
	Add: Unallocated common assets			91.03
	Total Assets (Excluding deferred tax assets)			1,036.89
	Segment Liabilities	9.46	0.22	9.68
	Add: Unallocated common liabilities			117.44
	Total Liabilities			127.12
4.	Capital Expenditure during the year :	1.99	22.10	24.09
5.	Depreciation and amortisation :	3.95	4.03	7.98
	Add : Unallocated Depreciation			3.27
				11.25
6.	Non - Cash Expenditure :			NIL

**B) Secondary Segment**

The Company has no secondary segment.

	2009-10 Rupees	2008-09 Rupees
16. Earning Per Share (EPS) :		
(i) Net profit available for Equity shareholders( Rupees )	4,988,071	33,639,870
(ii) Weighted average number of shares at the beginning and end of the year.	704,050	704,050
(iii) Basic and Diluted Earnings per share ( Rupees )	7.08	47.78
17. Expenditure in Foreign Currency on account of : Others	-	-
18. Earnings in Foreign Currency	-	-
19. There is no remittance of foreign currency in respect of dividend during the year.		
20. Figures for the previous year have been regrouped and re-classified to conform with those of the current year, wherever necessary.		
Signature to Schedule 1 to 11		

For and on behalf of the board

**A.D. Mahadevia**  
Vice Chairman & Managing Director

**T.D. Mahadevia**  
Managing Director

Place : Mumbai  
Dated : 28th July, 2010 -

**CASH FLOW STATEMENT FOR THE YEAR ENDING MARCH 31, 2010**

A) CASH FLOW FROM OPERATING ACTIVITIES	(Rs. in Lacs)	
	Year ended March 31, 2010	Year ended March 31, 2009
Net Profit after Tax and extraordinary items	49.88	336.40
Adjustments for :		
Depreciation	11.25	9.83
Provision for Tax	9.10	41.95
Interest Paid	0.36	0.11
Interest Received	(51.15)	(23.80)
Dividend Received	(7.28)	(27.19)
Operating profit before working capital changes	12.16	337.30
Adjustments for :		
Trade and other receivables	38.06	(15.99)
Inventories	36.02	(22.54)
Loans and Advances	(288.03)	45.60
Trade payables	(60.37)	34.62
Cash generated from Operations	(262.16)	378.99
Interest Paid	(0.36)	(0.11)
Income Tax (Net)	(10.79)	(45.68)
Cash flow before extraordinary items	(273.31)	333.20
Profit on sale of Investments and Fixed Assets (Net)	(4.28)	(333.73)
<b>Net cash from operating activities</b>	<b>(277.59)</b>	<b>(0.53)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	6.70	1.63
Purchase of Fixed Assets	(24.09)	(7.77)
Sale of Investments	605.17	2725.65
Purchase of Investments	(578.08)	(2,343.93)
Interest Received	51.15	23.80
Dividend Received	7.28	27.19
<b>Net cash generated/(used) in investing activities</b>	<b>68.13</b>	<b>426.57</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Unsecured Loans		
Dividend Paid	(28.16)	(14.08)
<b>Net cash used in financing activities</b>	<b>(28.16)</b>	<b>(14.08)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(237.62)</b>	<b>411.96</b>
<b>Cash and cash equivalents:</b>		
Opening balance	522.75	110.79
Closing balance	285.13	522.75

For and on behalf of the Board  
**A.D. Mahadevia**  
Vice Chairman & Managing Director  
Mumbai, 28th July, 2010

**Auditor's Report**

We have checked the attached cash flow statement of TAK Machinery and Leasing Limited for the year ended March 31, 2010 from the books and records maintained by the Company in the ordinary course of business and have found it in accordance therewith.

Mumbai, 28th July, 2010

**For Patkar & Pendse**  
Chartered Accountants  
**B.M. Pendse**  
Partner  
F.Reg.No. 107824W

**Balance Sheet Abstract and Company's General Business Profile**

For the Year ended March 31, 2010

**I. Registration Details**

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

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

Public issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

**III. Position of Mobilisation and Deployment of Funds**

( Amount in Rs. Thousands )

Total Liabilities	9 2 0 7 4	Total Assets	9 2 0 7 4
Sources of Funds			
Paid-Up Capital	7 0 5 1	Reserves & Surplus	8 5 0 2 3
Secured loans	NIL	Unsecured Loans	NIL
Application of Funds			
Net Fixed Assets	7 4 8 0	Investments	2 6 9 0 8
Net Current Assets	5 6 5 8 9	Misc. Expenditure	NIL
Accumulated Losses	NIL		

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

Turnover	2 4 5 9 9	Total Expenditure	1 8 6 1 5
Profit Before Tax	5 9 8 4	Profit After Tax	4 9 8 8
Earning Per Share in Rs.	7.08	Dividend Rate %	2 0

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

(as per monetary terms)

Item Code No.	Not Applicable
Product Description	I. Financing II. Investments III. Production/Trading of Cranes, Hoists and Spares

**TAK Machinery and Leasing Ltd**

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

**ATTENDANCE SLIP**

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

I hereby record my presence at the 48th Annual General Meeting of the Company at Kilachand Conference Room, Indian Merchants Chamber, Indian Merchants Chamber Marg, Churchgate, Mumbai 400 020 on Friday the 24th Sept, 2010 at 11.30 a.m.

Full Name of the Shareholder  
(in block letters)

Signature

Folio No. \_\_\_\_\_

Full Name of the Proxy  
(in block letters)

Signature

**TAK Machinery and Leasing Ltd**

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

**PROXY**

I / We ..... of .....

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

.....of ..... or failing him

..... of .....

as my / our proxy to attend and vote for me / us, on my / our behalf at the Forty eighth Annual General Meeting of the Company to be held on Friday the 24th Sept, 2010 at 11.30 a.m and at any adjournment thereof.

Signed this ..... day of ..... 2010

Signature .....

Address .....

.....

.....

Affix  
15 Paise  
Revenue  
Stamp

**IMPORTANT :**

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

**NOTES**



**NOTES**

BOOK - POST

To,

*If undelivered, please return to:*  
**TAK Machinery & Leasing Ltd.,**  
Janmabhoomi Bhavan, Janmabhoomi Marg,  
Fort, Mumbai - 400 001.