

**NOTICE FOR 18TH ANNUAL GENERAL MEETING**

Notice is hereby given that the 18th Annual General Meeting of Magnum Limited will be held on Friday, 24th September, 2010 at 10 a.m. at H. T. Parekh Convention Centre, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account as on that date together with the Report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Shailesh Bhandari, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and 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. Ram Singh, who was appointed by the Board of Directors as an Additional Director of the Company pursuant to section 260 of the Companies Act, 1956 at the meeting of the Board of Directors of the Company held on 30th January, 2010 and whose term of office as an Additional Director expire at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member under the provisions 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, liable to retire by rotation."

By Order of the Board of Directors

Date : 31st July, 2010
Place : Ahmedabad

Nagesh Bhandari
Chairman

NOTE :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY AS PER THE FORMAT ATTACHED IN THE ANNUAL REPORT SHOULD BE RETURNED TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FOR HOLDING THE ANNUAL GENERAL MEETING.
2. The Explanatory Statement as required under sub-section (2) of section 173 of the Companies Act, 1956, in respect of Special Business of Item No. 4 is annexed hereto and forms part of this notice.
3. Members / Proxy should bring the Attendance Slip sent herewith duly filled in for attending the Annual General Meeting.
4. Member desiring any information on the Accounts and operations are requested to write to the Company at last 10 days prior to the meeting so as to enable the Management to keep the information ready at the meeting.
5. The register of the members and share transfer books of the Company will remain closed from 20th September, 2010 to 24th September, 2010 (Both days inclusive).

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

As required by section 173(2) of the Companies Act, 1956, the following explanatory statement set out the material facts relating to the business to be transacted under Item No. 4 of the Agenda of the notice and should be taken as forming part of the notice.

ITEM NO : 4

Mr. Ram Singh was appointed as an Additional Director by the Board of Directors at their meeting held on 30th January, 2010. He is an Independent and Non-Executive Director.

As per the provisions of section 260 of the Companies Act, 1956, he holds office upto the date of this Annual General Meeting. Notice under section 257 of the Companies Act, 1956 has been received from the member signifying his intention to propose his Appointment as Director.

Mr. Ram Singh, aged 68 years is B. E. (Metallurgical) Engineer and was awarded a Gold Medal for best technical paper from the Institute of Engineers of India and the Micon Gold Medal award for the best process design Engineering. He is also awarded FICCI award on research and development project.

Therefore, it would be in the interest of the Company to avail of the valuable experience and guidance of Mr. Ram Singh. Your directors recommend appointment of Mr. Ram Singh as a Director of the Company.

Expect Mr. Ram Singh, none of the Directors of the Company is, in any way, concerned or interested in the Resolution.

By Order of the Board of Directors

Date : 31st July, 2010

Place : Ahmedabad

Nagesh Bhandari

Chairman

Particulars of the Director seeking Appointment / Re-Appointment at the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement

Name of Director	Mr. Shailesh Bhandari	Mr. Ram Singh
Age	52 years	68 years
Date of Appointment	10th November, 2005	30th January, 2010
Qualification	B.Sc. (Economics)	B.E. (Metallurgical)
Expertise in functional areas	He is Managing Director of Electrotherm (India) Limited. He has having more than 30 years experience in Marketing and International business. In his role with Electrotherm, he has developed a strong bond with national and international customers and gives highest priority to customers satisfaction. He has immensely contributed in designing and developing metallurgical equipment as an import substitute.	He has 35 years of experience as a Metallurgical Engineer. He has won gold medals for best technical paper and best process design engineering.
Directorship held in other Public Limited Companies	<ol style="list-style-type: none"> 1. Electrotherm (India) Limited 2. Ahmedabad Aviation And Aeronautics Limited 3. Bhaskarpara Coal Company Limited 4. E-Motion Power Limited 5. Western India Speciality Hospital Limited 6. Electro Salt & Water Limited 7. Electrotherm Engineering & Projects Limited 8. Gujarat Mint Alloys Limited 9. GSY Eurofibres Limited 	1. Electrotherm (India) Limited
Membership / Chairmanship of Committees	Electrotherm (India) Limited Management Committee : Chairman Share Allotment Committee : Chairman	Electrotherm (India) Limited Shareholders'/Investors' Grievance Committee : Chairman Audit Committee : Member Share Allotment Committee : Member
No. of shares held in the Company	4,87,200 Equity Shares	NIL

DIRECTORS' REPORT

To
The Members,
MAGNUM LIMITED
Ahmedabad

Your Directors have pleasure in presenting the 18th Annual Report on the business and operations of the Company together with Audited Accounts for year ended on 31st March, 2010.

FINANCIAL PERFORMANCE :

(Amount in Rupees)

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
Sales and other Income	3,050	64,281
Profit / (Loss) before Interest, Deprecation & Tax	(407,730)	(454,072)
Profit / (Loss) before Deprecation & Tax	(407,890)	(455,038)
Profit / (Loss) before Tax	(715,667)	(1,945,926)
Deferred Tax Assets / (Liability)	50,973	405,288
Net Profit / (Loss)	(664,694)	(1,540,638)
Balance Carried Forward	(3,009,638)	(2,344,944)

DIVIDEND :

Due to the loss incurred by the Company, your Directors express their inability to recommend any dividend for the year under review.

OPERATIONS :

The Company has discontinued the business activities since 2009 and as such there was no income from operations during the financial year. The net Loss during the year was Rs. 6,64,694 compared to Net Loss of Rs. 15,40,638 during the previous year.

DIRECTORS :

Pursuant to sub-section (1) of section 256 of the Companies Act, 1956, Mr. Shailesh Bhandari, Director of the Company retires from the Board at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

Pursuant to section 260 of the Companies Act, 1956, Mr. Ram Singh was appointed as an Additional Director by the Board of Directors with effect from 30th January, 2010. Mr. Ram Singh would hold office up to date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing the candidature of Mr. Ram Singh for the office of Director, liable to retire by rotation.

Mr. Hemant Desai, Director of the Company resigned as Director with effect from 30th January, 2010. The Board places on record its appreciation for the services rendered by him during his tenure as director of the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby confirms that:

1. In the preparation of the annual accounts for the financial year ended 31st March, 2010, the applicable accounting standards had been followed alongwith proper explanations relating to material departures, if any;
2. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year of the Company and of the loss of the Company for that period;
3. the directors have taken proper and sufficient care 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;
4. the Board of Directors had prepared the annual accounts for the financial year ended 31st March, 2010 on a going concern basis.

**AUDITORS & AUDITORS REPORT :**

Pursuant to sub-section (1) of the section 224 of the Companies Act, 1956, M/s Asim Mehta & Associates, Chartered Accountant, Ahmedabad, hold office until the conclusion of ensuing Annual General Meeting and are recommended for re-appointment. The Board recommends their re-appointment.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification / explanation. The Notes to Accounts forming Part of the financial statements are self explanatory and need no further explanation.

DEPOSITS :

The Company has not accepted any deposits during the year to which the provisions of section 58A and 58AA of the Companies Act, 1956 are applicable.

CORPORATE GOVERNANCE :

Your Company has complied with the mandatory provisions of Clause 49 relating to Corporate Governance of the Listing Agreement with the Stock Exchange. A separate section on Corporate Governance and the certificate from Company's auditors confirming the compliance of conditions on Corporate Governance is annexed and forms part of this Report.

COMPLIANCE CERTIFICATE :

Compliance Certificate of M/s Jignesh A. Maniar & Associates, Company Secretaries, Ahmedabad as required under the provisions of sub-section (1) of section 383A of the Companies Act, 1956 is annexed herewith.

HUMAN RESOURCES :

Your Directors wish to place on record their deep appreciation to employees for their efforts, dedication, commitment and loyal services to the Company during the year under review.

PARTICULARS OF EMPLOYEES :

The particulars required under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not applicable as there are no employees falling in that category.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The information required under the provisions of the 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 are Nil. There was no foreign exchange earning and outgo by the Company during the financial year.

APPRECIATION AND ACKNOWLEDGEMENT :

The Board of Directors are pleased to place on record their appreciation for the continued guidance and support provided by Banks, Government Authorities, Auditors and Shareholders during the year under review.

By Order of the Board of Directors

Nagesh Bhandari
Chairman

Date : 31st July, 2010

Place : Ahmedabad

**COMPLIANCE CERTIFICATE**

To,
The Members
MAGNUM LIMITED
Ahmedabad

We have examined the registers, records, books and papers of MAGNUM LIMITED (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010 (financial year). 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 of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, within the time prescribed under the Act and the rules made there under. However, the Company was not required to file any forms and returns to Regional Director, Company Law Board, Central Government or such other authorities.
3. The Company being Limited Company, has minimum prescribed paid up capital.
4. The Board of Directors duly met 5 (Five) times on 30th April, 2009, 31st July, 2009, 31st August, 2009, 31st October, 2009 and 30th 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. The Company did not pass any circular resolution during the financial year.
5. The Company closed its Register of Members and Share Transfer Books from 20th September, 2010 to 24th September, 2010 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2009 was held on 30th 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.
8. The Company has not advanced any loans to its directors and / or persons or firms or companies referred in section 295 of the Act.
9. The Company has not entered into any contracts to which the provisions of section 297 of the Act applies.
10. The Company has made necessary entries in the register maintained under section 301 of the Act for disclosure of interest by the Directors under section 299 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 Company has not issued any duplicate share certificate during the financial year.
13. The Company has:
 - (i) delivered all the share certificates on lodgment thereof for transfer/transmission in accordance with the provisions of the Act. There was no allotment of securities during the financial year.
 - (ii) not declared any dividend during the financial year under review.
 - (iii) not required to post warrants for dividends to any members of the Company, as no dividend was declared during the financial year.
 - (iv) not required to transfer to Investor Education and Protection Fund, the amounts in unpaid dividend account,



application money due for refund, matured deposits, matured debentures and the interest accrued thereon, as there was no amount which had remained unclaimed or unpaid for a period of seven years.

(v) duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted and appointment of Director, Additional Director have been duly made.
15. The Company has not appointed any Managing Director/ Whole Time -Director/ Manager during the financial year.
16. The Company has not appointed any sole-selling agent during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares/ debentures / other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares/ debentures; therefore question of redemption does not arise.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited or accepted any deposit from public falling within the purview of section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975.
24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial year is within the borrowing limits of Company.
25. The Company has not made any loans or investments or given guarantees or provided securities to other bodies corporate during the financial year and consequently no entries have been made in the Register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from the one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or shows cause notices received by the Company and no fines and penalties or any other punishment imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money from its employees as security deposit pursuant to section 417(1) of the Act during the financial year.



33. The Company has not constituted any trust for its employees and hence provisions of section 418 of the Act are not applicable.

**For JIGNESH A. MANIAR & ASSOCIATES
COMPANY SECRETARIES**

**JIGNESH A. MANIAR
PROPRIETOR
C.P.No. : 6996**

Place : Ahmedabad
Date : 31st July, 2010

Annexure A

Registers as maintained by the Company

1. Register & Index of Members u/s 150 of the Companies Act, 1956
2. Register of Director etc. u/s 303 of the Companies Act, 1956
3. Register of Directors' Shareholdings u/s 307 of the Companies Act, 1956
4. Register of Companies and firms in which Directors of the Companies are interested as required under the Provisions of sec. 299 & 301 of the Companies Act, 1956
5. Register of Charges u/s 143 of the Companies Act, 1956
6. Register of Loans and Investments u/s 372A of the Companies Act, 1956
7. Minutes Book of the Board Meeting u/s 193(1) of the Companies Act, 1956
8. Minutes Book of the proceedings of General Meeting u/s 193(1) of the Companies Act, 1956.
9. Books of Accounts u/s. 209(1)(a) to (c)
10. Register of Share Transfer/ Transmissions
11. Attendance Register of Directors
12. Attendance Register of Members at General Meeting of the Company

Annexure B

Forms and Returns as filed by the Company with Registrar of Companies, Gujarat / Ministry of Corporate Affairs during the financial year ended on 31st March, 2010.

Sr. No.	Particulars	Filed Under Section	Date of Document	Date of Filing	Whether Delay in Filing	Additional Fees paid
1.	Form 32	383A	30/04/2009	07/05/2009	No	No
2.	Form 23AC & Form 23ACA	220	31/03/2009	01/10/2009	No	No
3.	Form 20B	159	30/09/2008	12/10/2009	No	No
4.	Form 32	260	30/01/2010	01/-2/2010	No	No

**For JIGNESH A. MANIAR & ASSOCIATES
COMPANY SECRETARIES**

**JIGNESH A. MANIAR
PROPRIETOR
C.P.No. : 6996**

Place : Ahmedabad
Date : 31st July, 2010



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW :

The global economy has witnessed a sharp fall after the recession of the last two years. The countries over the world have announced the stimulus packages, to overcome the crisis witnessed by the economy and to some extent have been able to minimize the effect of the recession. India has also witnessed the effect of global recession and was able to minimize the effect due to cost effective and labour intensive economy.

The Company has not carried out any business activities during the financial year and as such there was no income from operations during the financial year.

OPPORTUNITIES AND THREATS :

The financial and service sector in India is gradually recovering from the global recession and there will be ample opportunities available for the established players. In the past, your Company was engaged in Software related business and share transfer related activities, which has a good potential to grow in the future. However no business activities was carried out during the last financial year.

The competition in the financial and service sector from the well known and established corporate houses is threat for the Company to revive the said business. Apart from this, this being a customer centric business, the Company is required to make sizeable investments in office softwares, communication equipments etc., which is a challenge for the Company looking at the financial position of the Company.

SEGMENT ANALYSIS AND REVIEW :

The activity of the Company was to provide service of Share Transfer related activity. However, the said activity was discontinued by the Company. Therefore the Company operates in a single business / geographical segment as envisaged in Accounting Standard (AS-17) issued by the ICAI. Hence segment wise performance is not furnished.

FUTURE OUTLOOK :

The Company has a opportunity to re-enter the software related business activities apart from share transfer related activities. If the Company ables to do, there is a good future outlook for the Company in terms of past experience and sound promoter background.

RISKS & CONCERNS :

Our Company like other companies is exposed to various types of risks, such as financial risks, business risks, legal & statutory risks, political risks, management risks, knowledge risks etc. Externally, the Company is exposed to financial risks, strategic risks, operational risks and hazard risks. Internally, it is exposed to liquidity & cash flow risks, risks regarding intellectual capital, accounting controls, information systems etc.

Your Company has put in place a Comprehensive Enterprise Risk Management System. All the risk factors, if any related to company and its Client Companies have been identified and counter measure for mitigation of such risk have been planed and are being implemented.

INTERNAL CONTROL AND ADEQUACY :

Your Company has a proper and adequate internal control to ensure all assets are safeguard and protected against loss from unauthorized use or disposition,

The Internal Control System is designed to ensure that financial and other records are reliable for preparing financial information and other Data and for maintaining accountability of the assets. Our Company has robust internal system and process in place for ensuring the smooth conduct of its operations.

The integrity and reliability of the internal control systems are achieved through clear policies and procedures.

FINANCIAL PERFORMANCE :

During the year 2009-2010, the total income of the Company was Rs. 3050 compared to Rs. 64,281 of the previous year. This was mainly due to discontinuation of share transfer related activity by the company.

The Net Loss before tax of the Company during the year was Rs. 7,15,667 against loss Rs. 19,45,926 during the previous year. The Net Loss after tax including deferred tax was Rs. 6,64,694 as against loss Rs. 15,40,638 in the previous year.

**HUMAN RESOURCES :**

Our Company has great value for the commitment, competence and vigour shown by its employees in all aspects of business. Our Company confirms to align the policies of its human resources as per the business requirements.

The board would like to express its sincere appreciation and gratitude on behalf of all the stakeholders of the Company, who benefit from the hard work of the employees.

CAUTIONARY STATEMENT :

Statement in this Management Discussion and Analysis report detailing the Company's objective, projections about the future, estimates, expectations or predictions including, but not limited to, statements about the Company's strategy for growth, products development, market position and expenditures may be "forward - looking statements" within the meaning of applicable securities laws and regulations.

Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes or other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

**REPORT ON CORPORATE GOVERNANCE**

The Company is committed to follow the Good Corporate Governance practices and strongly believes that by adopting and adhering to the Good Corporate Governance policies, the Company can manage and control the affairs of the Company in an efficient manner. The Corporate Governance deals with laws, procedures, practices and implicit rules that determine a Company's ability to take informed managerial decision vis-a-vis its claimants - in particular, its shareholders, creditors, customers, the State and employees. The Company is in compliance with the Clause 49 of the listing agreement prescribed by the Stock Exchange and SEBI.

I. BOARD OF DIRECTORS :

As on 31st March, 2010 the strength of the Board of Directors of the Company has an optimum combination of Executive and Non-executive Directors. The Board of Directors comprises of four Directors, of which two Directors were Non-Executive & Independent Directors. Composition of Board is in conformity with the provisions of the Clause 49 (I)(A) of the Listing Agreement.

Composition of the Board of Directors and other related matters as on 31st March, 2010 are as under :

Name of Directors	Category	No. of other Directorship held	No. of board committees of which member/ Chairman
Dr. Nagesh Bhandari	Chairman & Executive Director	7	NIL
Mr. Shailesh Bhandari	Executive Director & Promoter	9	NIL
Mr. Ram Singh *	Independent & Non-Executive Director	1	2
Mr. Munendrasingh Jadon	Independent & Non-Executive Director	NIL	NIL
Mr. Hemant Desai **	Independent & Non-Executive Director	NIL	NIL

* Mr. Ram Singh was appointed as Independent & Non-Executive w.e.f. 30th January, 2010

** Mr. Hemant Desai had resigned as Director of the Company w.e.f. 30th January, 2010

Details of Directorship given above exclude directorship held in Private Companies, Foreign Companies and Companies registered under section 25 of the Companies Act, 1956. Details of committee membership includes Membership / Chairmanship of Audit Committee and Shareholder's / Investors' Grievances Committee of the Public Companies.

RETIRE BY ROTATION :

Pursuant to section 256 of the Companies Act, 1956, Mr. Shailesh Bhandari, Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered him for re-appointment. Brief resume of the Director proposed to be re-appointed and other relevant details are given in the explanatory statement annexed to the Notice of the Annual General Meeting.

BOARD MEETING :

The Board Meetings are normally held at the registered office of the Company in Ahmedabad. The Board meets at least once a quarter with gap between two meetings not exceeding four months. The Board agenda papers and other explanatory notes are circulated to the Directors in advance.

The Board of Directors met 5(Five) times during the year under review which are held as under.

Particulars	Date of the Board Meeting
First Board Meeting	30th April, 2009
Second Board Meeting	31st July, 2009
Three Board Meeting	31st August, 2009
Forth Board Meeting	31st October, 2009
Fifth Board Meeting	30th January, 2010

The following table gives the attendance record of the Directors at the Board as well as last Annual General Meeting held on 30th September, 2009.

Name of Directors	No. of Board Meeting Attended	Attendance at the Last Annual General Meeting
Dr. Nagesh Bhandari	05	YES
Mr. Shailesh Bhandari	05	YES
Mr. Ram Singh	01	N.A.
Mr. Munendrasingh Jadon	05	YES
Mr. Hemant Desai	04	NO

II. COMMITTEES OF BOARD :

Currently Magnum Limited has two Board level committee viz. Audit Committee and Shareholders' Grievance Committee. Both Committees have combination of Executive, Non-executive and Independent Directors. The Board is responsible for the constitution, co-opting and fixing the terms of reference for the Committee and its members.

A. Audit Committee :

Composition of the Audit Committee is in compliance with the requirements of Clause 49 (II)(A) of Listing Agreement and section 292A of the Companies Act, 1956. Minutes of the Audit Committee are circulated and discussed at the Board Meetings.

The Audit Committee comprises of three members and Mr. Munendrasingh Jadon, Independent & Non-Executive Director is the Chairman of the Committee. The Audit Committee was re-constituted w.e.f 30th January, 2010.

The members of the Audit Committee for the year ended on 31st March, 2010 are as under :

1. Mr. Munendrasingh Jadon	Chairman
2. Mr. Shailesh Bhandari	Member
3. Mr. Ram Singh	Member (w.e.f 30th January, 2010)
4. Mr. Hemant Desai	Member (up to 30th January, 2010)

The Committee meets to review and approve the Unaudited / Audited Financial Results of the Company as per Clause 41 of the Listing Agreement.

During the year under review five meetings of the Audit Committee were held on 30th April, 2009; 31st July, 2009; 31st August, 2009; 31st October, 2009 and 30th January, 2010. The time gap between two meetings of the Committee was not more than four months.

The following table gives the attendance record of the Members of the Audit Committee.

Name of Member	Designation	No. of Committee Meeting attended
Mr. Munendrasingh Jadon	Chairman	05
Mr. Hemant Desai	Member	05
Mr. Shailesh Bhandari	Member	05
Mr. Ram Singh	Member	N.A.

* Mr. Ram Singh was appointed as member of the Committee w.e.f. 30th January, 2010

Terms of reference of the Audit Committee are in compliance with the provisions of Clause 49 of the Listing Agreement and the Companies Act, 1956.

B. Shareholders' Grievance Committee :

The Shareholders' Grievance Committee is in compliance with the requirements of Clause 49 of the Listing Agreement. The Committee comprising of one executive director and two non-executive independent directors to expedite the process of redressal of compliant like non-transfer of shares and non-receipt of annual report etc.

The members of the Shareholders' Grievance Committee for the year ended on 31st March, 2010 is as under :

1. Dr. Nagesh Bhandari	Chairman
2. Mr. Munendrasingh Jadon	Member
3. Mr. Hemant Desai	Member (upto 30th January, 2010)
4. Mr. Ram Singh	Member (w.e.f. 30th January, 2010)

The Committee met from time to time during the year under review for redressal of the shareholders' grievances. The Shareholders' Grievance Committee is authorised review the process of share transfer and dematerialization of shares and to expedite process of redressal of Complaints like non-transfer of shares, non-receipt of annual report etc.

The Company has received one complaint for the non-receipt of annual report during the year and same was resolved by the Company during the year.

During the financial year 2009-2010, seven meetings of the Shareholders' Grievance Committee were held. There was no pending share transfer, which were received more than one month prior to that date.

C. Remuneration of Directors

The Company has not constituted a Remuneration Committee. At present, the Company does not pay any remuneration to Directors of the Company by way of salary, commission or sitting fees.

III. GENERAL BODY MEETINGS :

The last three Annual General Meetings of the Company were held within the statutory time period, the details of the same are as under :

AGM	Financial Year	Venue	Date & Time	No. of Special Resolution
17 th	2008-2009	A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015	30 th September, 2009 At 10.00 A.M.	NIL
16 th	2007-2008	A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015	30 th September, 2008 At 11.00 A.M	NIL
15 th	2006-2007	A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015	29 th September, 2007 At 11.00 A.M.	NIL

No Extra Ordinary General Meeting was held during the financial year 2009-2010. No resolution through postal ballot was passed during the financial year 2009-2010 and no resolution is proposed to be passed through postal ballot at the ensuing Annual General Meeting.

IV. DISCLOSURES :

Disclosures on materially significant related party transactions

There are no materially significant related party transaction i.e. transaction material in nature, between the Company and its Promoters, Directors or Management or their relatives etc. having any potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in the notes to the accounts in this Annual Report.

Code of Conduct :

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company.

In Compliance with the Code, Directors of the Company have affirmed compliance with the Code for the year ended on 31st March, 2010. A declaration to this effect signed by the Director forms part of this Annual Report.

Cases of Non-Compliance / Penalties :

There is no non-compliance by the Company on any matter related to capital markets during the last three years. Similarly, there are no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any other statutory authorities on any matter related to capital markets during the last three years.

**Compliance with the Corporate Governance :**

The Company has complied with all the mandatory requirements laid down by the Corporate Governance Code. The Board would review implementation of non-mandatory requirements of the Code in due course of time.

The Company has complied with all the requirements of the Listing Agreements with the Stock Exchange as well as regulation and guidelines issued by SEBI.

V. MEANS OF COMMUNICATION :

During the year, quarterly unaudited financial results with the limited review report and annual audited financial result of the Company were submitted to the Stock Exchange on their approval by the Board of Directors. The Company normally publishes the quarterly result in "Western Times" in English and Gujarati editions.

Management Discussion and Analysis Report is a part of the Annual Report.

VI. GENERAL SHAREHOLDER INFORMATION :

Day, Date & Time of 18th AGM	Friday, 24th September, 2010 at 10 a.m.
Venue of AGM	H. T. Parekh Convention Centre, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015
Book Closure Date	20th September, 2010 to 24th September, 2010 (both days inclusive)
Financial Year	1st April to 31st March
Compliance Officer	Mr. Shailesh Bhandari, Director
Email for Investor Complaint	magnum_ahd@yahoo.co.in
ISIN with NSDL & CDSL	INE591B01018

A. Financial Year [Tentative] :

Financial year	:	April - March
First Quarter Ending 30th June, 2010	:	By 14th August, 2010
Second Quarter Ending 30th September, 2010	:	By 14th November, 2010
Third Quarter Ending 31st December, 2010	:	By 14th February, 2011
Fourth Quarter Ending 31st March, 2011	:	By 15th May, 2011 / 30th May, 2011

B. Listing on Stock Exchange(s) :

Your Company's Shares are listed on :

Company Code	Name of Stock Exchange	Address of Stock Exchange
530347	Bombay Stock Exchange Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001

Annual Listing fees for the Financial Year 2010-2011 have been duly paid to the Bombay Stock Exchange Limited and Annual Custodial fees for the Financial Year 2010-2011 have been duly paid to the NSDL and CDSL.

C. Registrar & Share Transfer Agent :

Shareholders are requested to send all documents pertaining to share transfer related request and other communication in relation thereto directly to the Registrar at the following address.

M/s Link Intime India Pvt. Ltd.

211, Sudarshan Complex,
Nr. Mithakhali under Bridge,
Navrangpura,

Ahmedabad - 380 009

Ph. No. : 079-26465179

E-mail Address : ahmedabad@linkintime.co.in

**D. Share Transfer System :**

Powers to approve requests related to share transfers, dematerialisation / rematerialisation have been delegated to the employees / officers of M/s Link Intime India Pvt. Ltd., Registrar & Share Transfer Agent of the Company for expeditious disposal of shareholders' requests and complaints.

E. Categories of Shareholding as on 31st March, 2010

Category	No. Of Shares	% of Share Capital
Indian Promoters	19,37,033	44.29
Mutual Funds	62,800	1.44
Central Government Authority	71,900	1.64
Private Corporate Bodies	4,55,624	10.42
Non Resident Indians	39,967	0.91
Clearing Members	34,509	0.79
Indian Public	17,71,267	40.51
Total	43,73,100	100.00

F. Dematerialisation of Shares and Liquidity :

Equity Shares of the Company can be traded in dematerialised form by all the shareholders. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Demat security (ISIN) code for the equity shares in **INE591B01018**.

As on 31st March, 2010, total 33,74,385 equity shares representing 77.16% were held in demat form and balance 9,98,715 equity shares representing 22.84% were held in physical form.

G. Distribution of Shareholding as on 31st March, 2010 :

Category	No. of Shareholders		No. of Shares	
	Total	% of Shareholders	Total	% of Shares
1 to 500	2623	80.51	477156	10.91
501 to 1000	330	10.13	278836	6.38
1001 to 2000	137	4.21	207011	4.73
2001 to 3000	51	1.57	128249	2.93
3001 to 4000	20	0.61	68082	1.55
4001 to 5000	17	0.52	80346	1.84
5001 to 10000	33	1.01	256069	5.86
10001 and above	47	1.44	2877351	65.80
TOTAL :	3258	100.00	4373100	100.00

H. Market Price Data :

The monthly movement of equity share price during the year 2009-2010 at Bombay Stock Exchange Limited (BSE) is summarized as below :



Month	Share Price		BSE Sensex	
	High Price (Rs.)	Low Price (Rs.)	High	Low
April 2009	3.87	2.73	11,492.10	9,546.29
May 2009	4.64	3.55	14,930.54	11,621.30
June 2009	6.18	4.14	15,600.30	14,016.95
July 2009	4.35	2.90	15,732.81	13,219.99
August 2009	4.26	3.05	16,002.46	14,684.45
September 2009	5.75	3.91	17,142.52	15,356.72
October 2009	5.60	5.00	17,493.17	15,805.20
November 2009	5.20	4.52	17,290.48	15,330.56
December 2009	5.43	4.48	17,530.94	16,577.78
January 2010	6.96	4.57	17,790.33	15,982.08
February 2010	8.20	6.44	16,669.25	15,651.99
March 2010	7.38	3.84	17,793.01	16,438.45

I. Outstanding GDRs / ADRs / Warrants and Convertibles Instruments, conversion date and likely impact on the Equity

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments as on 31st March, 2010.

J. Registered Office & Address for correspondence

Magnum Limited

A-1, Skylark Apartment,
Satellite Road, Satellite,
Ahmedabad - 380 015

Ph. No. : 079-26768844, Fax No. : 079-26768855

Email : magnum_ahd@yahoo.co.in



DECLARATION OF CODE OF CONDUCT

In accordance with Clause 49(ID) of the Listing Agreement with the Stock Exchange, I Shailesh B. Bhandari, Director of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for the Board Members and Senior Management of the Company and the Board Members have affirmed compliance with the said Code of Conduct for the year ended on 31st March, 2010.

Place : Ahmedabad
Date : 31st July, 2010

Shailesh Bhandari
Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
MAGNUM LIMITED
Ahmedabad

We have examined the compliance of conditions of Corporate Governance by Magnum Limited for the year ended on 31st March 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of 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, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

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

For, Asim Mehta & Associates
Chartered Accountants

Place : Ahmedabad
Date : 31st July, 2010

Asim C. Mehta
Proprietor
M. No. 35039

AUDITORS' REPORT

To,
The Members of
MAGNUM LIMITED

We have audited the attached Balance Sheet of MAGNUM LIMITED as at 31st March, 2010, the profit and loss account and also the cash flow statement for the year ended on that date annexed thereon. 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 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 the 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, a statement on the matters specified in paragraph 4 & 5 of the said order.
3. Further to our statements in the Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper Books of Account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet and Profit and 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 and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956. Subject to notes stated in schedule 16.
 - (e) On the basis of written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors are 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, the said accounts read with other notes thereon give the information required by the Companies Act 1956, in the manner so required and subjects to our notes on accounts and remarks as stated in Companies (Auditors Report) Order, 2003 give 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; and,
 - (ii) In the case of Profit and Loss Account, of the loss of the year ended on that date
 - (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For, Asim Mehta & Associates
Chartered Accountants

Place : Ahmedabad
Date : 29th May, 2010

Asim C. Mehta
Proprietor
M. No. 35039

**ANNEXURE TO THE AUDITORS' REPORT:**

(REFERRED TO IN PARAGRAPH [2] OF OUR REPORT OF EVEN DATE.)

As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of book & records of Company as we considered appropriate & according to the information and explanation given to us, during the course of our Audit, we report that in our opinion.

- 1) (a) The Company has maintained records showing full particulars including quantitative details and situation of fixed Assets.
(b) All the fixed assets have not been verified by the management during the year but, according to the information and explanations given to us, there is a regular Programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
(c) During the year, in our opinion, a substantial part of fixed assets has not been disposed off by the Company, which would affect the going concern of the Company.
- 2) The company has no stock of Inventory.
- 3) (a) The company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Act during the financial year under the audit.
(b) Repayment of interest free loans from associates is not done hence there is no repayment involved.
- 4) In our opinion and according to the information and explanations given to us, and subject to notes of accounts, having regard to the explanations that there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- 5) (a) In our opinion and according to the information and explanations given to us, during the year, no transactions that need to be entered into the Register maintained and Section 301 of the Companies Act, 1956 have been found.
(b) In our opinion and according to the information and explanations given to us, there are no such transactions exceeding Rs. five lakhs each which have been made at prices, which are not reasonable having regard to the prevailing market prices, for such goods, materials or services at the relevant time.
- 6) As per explanation given to us, the Company has not accepted any deposits from public to which the provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 would apply. Therefore, the provisions of clause 4 (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 7) The company is conducting Internal Audit Departmentally.
- 8) The Central Government has not prescribed the maintenance of the cost record u/s 209(1) (d) of the Companies Act, 1956 and hence the provisions of clause 4 (viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 9) (a) In our opinion and according to the information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including the investor education and protection fund, provident fund, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
(b) In our opinion and according to the explanation given to us, and the records examined by us there are no dues to be deposited on account of dispute.
- 10) The company has accumulated losses as at 31st March, 2010 amounted to Rs.30,09,638 and has incurred cash



- loss of Rs. 4,07,890 during the financial year ended on that date.
- 11) Based on our audit procedures and on the information and explanations given by the management, the company has not obtained any loans from any financial Institution or bank.
 - 12) The company has not granted any loans and advances on the basis of security by way of pledge of shares, 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) In our opinion and according to the information and explanations given to us, the company is not a dealer or trader in securities.
 - 15) The company has not given any guarantees for loans taken by others from banks or financial institutions.
 - 16) The company has not obtained any term loans that were not applied for the purpose for which these were raised.
 - 17) Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment, and vice versa.
 - 18) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
 - 19) The Company has not raised any money by public issue during the year.
 - 20) 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 course of our audit.

**For, Asim Mehta & Associates
Chartered Accountants**

**Asim C. Mehta
Proprietor
Firm Registration No. 35039**

Place : Ahmedabad
Date : 29th May, 2010

**BALANCE SHEET AS AT 31ST MARCH 2010**

(Amount in Rupees)

Particulars	Schedule No.	As at 31st March 2010	As at 31st March 2009
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	1	43731000	43731000
Reserves & Surplus	2	9109600	9109600
		52840600	52840600
DEFERRED TAX LIABILITY	3	945684	996657
LOAN FUNDS			
Unsecured Loans	4	4650000	4300000
		58436284	58137257
TOTAL			
APPLICATION OF FUNDS :			
Fixed Assets			
Gross Block	5	14690714	14690714
Less : Depreciation		13782668	13474890
Net Block		908046	1215824
INVESTMENT	6	13567109	13567109
CURRENT ASSETS LOANS & ADVANCES	7	42131802	42210411
LESS : Current Liabilities & Provisions	8	1180311	1201030
NET CURRENT ASSETS		40951491	41009381
MISCELLANEOUS EXPENDITURES : (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)	9	3009638	2344944
		58436284	58137257
TOTAL			
Significant Accounting Policies and Notes Formatting Part of Accounts	16		

As per our report of even date attached

For and behalf of the board

For, Asim Mehta & Associates
Chartered Accountants

Shailesh Bhandari
Director

Asim C. Mehta
Proprietor
Place : Ahmedabad
Date : 29th May, 2010

Nagesh Bhandari
Director

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

(Amount in Rupees)

Particulars	Schedule No.	2009-2010	2008-2009
INCOME			
1. From Operation	10	-	10208
2. Other Income	11	3050	54073
TOTAL		3050	64281
EXPENDITURE			
1. Personnel Expenses	12	201890	280922
2. Administrative & Other Expenses	13	142696	237431
3. Software Development Expenses		-	-
4. Interest & Finance Charges	14	160	956
5. Prior Period Expenses	15	66194	-
6. Loss on sale of investments		-	-
TOTAL		410940	519309
Profit/(Loss) before Depreciation		(407890)	(455028)
Depreciation		307777	1490898
Profit/(Loss) After Depreciation		(715667)	(1945926)
Less : Provision for Taxation		-	-
Less : Provision for Fringe Benefit Tax		-	-
Deferred Tax Assets (Liability)		(50973)	405288
Net Profit/(Loss) for the year		(664694)	(1540638)
Add : Balance brought forward from previous year		(2344944)	(804306)
Balance carried to the Balance Sheet		(3009638)	(2344944)
Earning Per Shares (Basic & Diluted)		(0.15)	(0.35)
Significant Accounting Policies and Notes Formatting Part of Accounts	16		

As per our report of even date attached

For and behalf of the board

For, Asim Mehta & Associates
Chartered Accountants

Shailesh Bhandari
Director

Asim C. Mehta
Proprietor
Place : Ahmedabad
Date : 29th May 2010

Nagesh Bhandari
Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

Particulars	2009-2010 Rs.	2008-2009 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	(715667)	(1945926)
Adjustments for : Depreciation	307777	1490898
Operating profit before changes in working capital	(407890)	(455028)
Adjustments For : Trade & Other Receivable	8659	47749
Loans & Advances	80099	16707
Trade and other payable	(18719)	(72051)
Cash Generated from Operations	(337851)	(462622)
Income tax paid	-	-
Cash flow before extraordinary item.	(337851)	(462622)
NET CASH FLOW FROM OPERATING ACTIVITY (A)	(337851)	(462622)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(0)	-
Sale of Fixed Assets	-	-
Sale of Investments	-	-
NET CASH USED INVESTING ACTIVITIES (B)	(0)	0
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings : Repayment of Term Borrowing	350000	500000
NET CASH FROM FINANCING ACTIVITIES (C)	350000	500000
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS TOTAL [A+B+C]	12149	37377
CASH AND CASH EQUIVALENTS AS AT 1ST APRIL	61719	24340
CASH & CASH EQUIVALENTS AS AT 31ST MARCH	71868	61719

As per our report of even date attached

For and behalf of the board

For, Asim Mehta & Associates
Chartered Accountants**Shailesh Bhandari**
Director**Asim C. Mehta**
Proprietor
Place : Ahmedabad
Date : 29th May, 2010**Nagesh Bhandari**
Director

**SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2010**

(Amount in Rupees)

Particulars	As at 31st March 2010	As at 31st March 2009
SCHEDULE - 1 SHARE CAPITAL AUTHORISED : 70,00,000 Equity Shares of Rs.10/- each	70000000	70000000
	70000000	70000000
ISSUED, SUBSCRIBED & PAID UP : 43,73,100 Equity Shares of Rs.10/- each fully paid-up (Previous year 43,73,100 Equity Shares of Rs.10/- each fully paid-up)	43731000	43731000
TOTAL	43731000	43731000
SCHEDULE - 2 RESERVES & SURPLUS Share Premium Account State Subsidy General Reserve	6450000 1659600 1000000	6450000 1659600 1000000
TOTAL	9109600	9109600
SCHEDULE - 3 DEFERRED TAX ADJUSTMENTS Deferred Tax Liability (Earlier Years) Deferred Tax Assets (Current Year)	996657 (50973)	1401945 (405288)
TOTAL	945684	996657
SCHEDULE - 4 UNSECURED LOANS From Directors From Others	2600000 2050000	2500000 1800000
TOTAL	4650000	4300000



SCUEDULE - 5 FIXED ASSETS

(Amount in Rupees)

Sr. No.	Description	Gross Block				Depreciation				Net Block	
		As at 31st March, 2009	Additions during the year	Deductions during the year	As at 31st March, 2010	As at 31st March, 2009	Additions during the Year	Deductions during the year	As at 31st March 2010	As at 31st March 2010	As at 31st March 2009
1	Plant & Machinery										
	Computers	6562068	--	--	6562068	6175152	58813	--	6233965	328103	386916
	Printers	2496083	--	--	2496083	2371279	--	--	2371279	124804	124804
2	Electrical Installations										
	Air Conditioners	540996	--	--	540996	513946	--	--	513946	27050	27050
	Electrical Fitting	780914	--	--	780914	741868	--	--	741868	39046	39046
3	Office Equipments	4310653	--	--	4310653	3672645	248964	--	3921609	389044	638008
	TOTAL	14690714	--	--	14690714	13474890	307777	--	13782668	908046	1215824
	Previous Year	14690714	0	0	14690714	11983992	1490898	--	13474890	1215824	2706722

Note : Depreciation is Calculated as per Straight Line Method.

SCHEDULE - 6
INVESTMENTS

(Amount in Rupees)

Sr. No.	Particulars	As at 31st March 2010		As at 31st March 2009	
		No. of Shares	Value	No. of Shares	Value
Quoted					
1	Arcadia Mercantile Capital	22,100	221,000	22,100	221,000
2	Bubna Major Blo-Tech	1,500	15,000	1,500	15,000
3	Centurion Bank Of Punjab Limited	2,000	30,084	2,000	30,084
4	Crest Paper Mills Limited	700	7,000	700	7,000
5	Canbay Polyfilms Limited	1,400	14,000	1,400	14,000
6	Dharnendra Agro Food Indl Td	202,400	5,053,005	202,400	5,053,005
7	Dharnendra Industries Limited	85,000	1,500,000	85,000	1,500,000
8	Etp Corporation Limited	2,000	89,302	2,000	89,302
9	Ganesh Housing Corporation Limited	1,540	154,036	1,540	154,036
10	Hitwardhak Cotton Industries Limited	100,000	1,000,000	100,000	1,000,000
11	Iota Chemicals Limited	5,000	85,475	5,000	85,475
12	J.K.Pharma Chem Limited	800	16,000	800	16,000
13	Linaks Micro Electronics Limited	2,000	29,928	2,000	29,928
14	Lakhanpal Foods Limited	2,500	27,275	2,500	27,275
15	Merry Share Fin Limited	113,100	1,185,317	113,100	1,185,317
16	Mrug Pharmaceuticals Limited	289,200	2,892,000	289,200	2,892,000



Sr. No.	Particulars	As at 31st March 2010		As at 31st March 2009	
		No. of Shares	Value	No. of Shares	Value
17	Pharmed Chemicals Limited	1,100	11,000	1,100	11,000
18	Rajindar Pipes Limited	800	32,000	800	32,000
19	Rose Mount Pharma Limited	8,100	226,337	8,100	226,337
20	Rank Aqua Estates Limited	1,200	47,394	1,200	47,394
21	Stellar Drugs Limited	5,000	85,600	5,000	85,600
22	Time Shipping Limited	42,100	458,574	42,100	458,574
23	Varun Cements Limited	800	20,000	800	20,000
24	Valley Abrasives Limited	11,600	116,000	11,600	116,000
25	Vintek R.F.Limited	5,000	132,782	5,000	132,782
26	Arch Commerz Limited	90	18,000	90	18,000
	TOTAL (I)		13,467,109		13,467,109
Unquoted :					
1	Apollo Industries & Finance Limited	10,000	100,000	10,000	100,000
2	Crescent Finstock Limited	500	-	500	-
	TOTAL (II)		100,000		100,000
	GRAND TOTAL (I+II)		13,567,109		13,567,109
	Market Value of Quoted Investment		405,248		141,774

(Amount in Rupees)

Particulars	As at 31st March 2010	As at 31st March 2009
SCHEDULE - 7		
CURRENT ASSETS, LOANS AND ADVANCES		
Current Assets		
Sundry Debtors - (Unsecured, Considered Good)		
Out Standing for a period More than Six Months	26256079	26264738
Others debts	--	--
	26256079	26264738
CASH AND BANK BALANCES :		
Cash on hand	5596	7725
Balance with scheduled Banks in Current A/c.	66271	53994
	71868	61719
LOANS AND ADVANCES		
(Unsecured, Considered Good)		
(As certified by Management)		
Loans	5831587	5831587
Advances	5816310	5896409
Deposits	4155958	4155958
	15803855	15883954
TOTAL	42131802	42210411



(Amount in Rupees)

Particulars	As at 31st March 2010	As at 31st March 2009
SCHEDULE - 8 CURRENT LIABILITIES & PROVISIONS		
(A) SUNDRY CREDITORS :		
For Expenses	1180311	1199030
	1180311	1199030
(B) PROVISIONS :		
Provision for Fringe Benefit Tax	-	2000
TOTAL	1180311	1201030
SCHEDULE - 9 MISCELLANEOUS EXPENDITURES : (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
Profit & Loss Account	3009638	2344944
TOTAL	3009638	2344944
SCHEDULE - 10 INCOME FROM OPERATION		
Share Transfer Income	-	10208
TOTAL	-	10208
SCHEDULE - 11 OTHER INCOME		
Other Income	2000	54073
Dividend Income	1050	-
TOTAL	3050	54073
SCHEDULE - 12 PAYMENT TO EMPLOYEE		
Salary & Allowances	201890	280922
TOTAL	201890	280922
SCHEDULE - 13 ADMINISTRATIVE EXPENSES :		
Telephone Postage & Courier	669	7400
Stationery, Printing & Xerox	6016	5000
Repairs & Maintenance Charges	13905	8764
Office Expenses	500	23497
Legal & Professional Expenses	17500	21650
Consultancy Expenses	36119	34543
Conveyance Expense	-	2422
Rates, Taxes & Fees Expenses	-	72172
Advertisement Expenses	26055	15876
Insurance Premium Expenses	-	472
Lease Line Exps.	14718	20635
Listing Exps.	12214	10000
Auditor Remunerations	15000	15000
TOTAL	142696	237431
SCHEDULE - 14 INTEREST & FINANCE CHARGES		
Bank Charges	160	956
TOTAL	160	956
SCHEDULE - 15 Prior Period Expenses		
Earlier Year Income Tax (A. Y. 2006 - 07)	66194	-
TOTAL	66194	-

**SCHEDULE - 16****I. ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

1. During the year Company had not undertaken any commercial activity.
2. **Gratuity: -**
No provision for gratuity has been made by the Company.
3. **Depreciation :-**
Depreciation is provided on a Straight Line basis applying the rates specified in schedule XIV to the Companies Act, 1956. Depreciation is provided on the basis of period for which it was put to use.
4. **Fixed Assets: -**
All Fixed Assets are valued at cost less depreciation.
5. **Investments**
Investments in shares as to its quantity have been taken as certified by the management.
6. **Valuation of Investments: -**
Investments are valued at cost and not at lower of cost or market value. Company has not provided for decline in the market value of the Investments. Diminution in the value of such long term Investments as on Balance Sheet date was **Rs. 1,30,61,861/-**

II. NOTES ON ACCOUNTS**1. Statutory Auditors Remuneration :**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Audit Fees	15000	15000
Total	15000	15000

2. Managerial Remuneration :

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Salary	0.00	0.00
H.R.A.	0.00	0.00
Total	0.00	0.00

3. TOTAL FOREIGN EXCHANGE EARNING & OUTGO:

1. Earning in Foreign Exchange for Export of Goods & Services: Rs. **NIL** (Rs. NIL in Previous Year).
2. Expenditures in Foreign Currency for Import of Materials, Traveling & Others: Rs. **NIL** (Rs. NIL in Previous Year).
3. Balance sheet abstract and company's general business profile as required in terms of the Part IV of the Schedule VI of the Companies Act, 1956 is attached herewith.
4. Balance of Sundry Debtors, Loans & Advances, Deposits & Sundry Creditors are subject to confirmation and as certified by the management as to recoverability.
5. Amount has been rounded off to nearest rupee.
6. There is no amount payable to any small scale Industrial undertakings.
7. Particulars relating to Software: -
The Company was engaged in the development of Computer Software. The production and sale of such Software cannot be expressed in generic unit. Hence it is not possible to give quantitative details as required under paragraph 3 and 4 C of part II of Schedule VI of the Companies Act, 1956. However during the year company has not done any commercial activity.



8. Previous Years figures have been regrouped wherever necessary.
9. Taxation
 - A. No Provision for Income tax has been made as there is no profit in the current year.
 - B. Consequent to the issuance of Accounting Standard-22 Accounting for Taxes on Income by the ICAI which is mandatory in nature, the Company has recognized Deferred Taxes which result from the timing difference between the Book Profits/(Loss) and Tax Profits/(Loss). Consequently, as require by the Standard the Company has recognized the deferred tax balance that would have accumulated prior to adopting the standard, if the standard had been in effect from the beginning. Details of deferred Tax Liability/Assets have been shown as under.

Note

Deferred Tax Assets on account of Depreciation was Rs. 50,973/- for the current year is transferred to profit & loss account. This is on account of Timing Difference of Depreciation provision. The above provision is made as required by Accounting Standard-22 issued by The Institute of Chartered Accountants of India.

10. There is no lease transaction during the year as per Accounting Standard-19.
11. The Company is operating only in one Segment hence no Segment-wise disclosure as per Accounting Standard 17 is provided.
12. RELATED PARTY (AS IDENTIFIED BY THE COMPANY) DICLOUSURES UNDER ACCOUNTING STANDARD 18:-

I. Associates

1. Electrotherm (India) Ltd.
2. Ahmedabad Aviation And Aeronautics Ltd.
3. Alwar Trading And Investment Company
4. Adroit Trading And Investment Company
5. Afghan Trading Pvt. Ltd.
6. Bhandari Brothers Commercial Pvt. Ltd.
7. Bhaskarpara Coal Company Ltd.
8. Crystal Real Estate Pvt. Ltd.
9. E-Motion Power Ltd.
10. ET - Elec Trans Ltd.
11. Electrotherm Infrastructure Pvt. Ltd.
12. Electro Salt & Water Ltd.
13. Electrotherm Engineering & Projects Ltd.
14. Electrotherm Renewables Ltd.
15. Electrotherm Foundation
16. EIL Software Pvt. Ltd.
17. EIL Software Services Offshore Pvt. Ltd.
18. EIL Hospitality Pvt. Ltd.
19. EIL Realty Pvt. Ltd.
20. EIL Technology Pvt. Ltd.
21. Gujarat Mint Alloys Ltd.
22. Global Avianautics Ltd.
23. Indus Elec Trans Pvt. Ltd.
24. Indus Real Estate Pvt. Ltd.
25. ICS Commercial Pvt. Ltd.
26. Jayshri Petro Yarn Pvt. Ltd.
27. Liberty Finance & Leasing Com. Pvt. Ltd.
28. New Delhi Real Estate Pvt. Ltd.



29. Palace Tours & Air Charters Pvt. Ltd.
30. Palanpur Reality Developers Pvt. Ltd.
31. Palace Infrastructure Pvt. Ltd.
32. Suraj Real Estate Pvt. Ltd.
33. S B Realty Developers Pvt. Ltd.
34. Sun Infrapower Pvt. Ltd.
35. Sun Residency Pvt. Ltd.
36. S. N. Advisory Pvt. Ltd.
37. Suraj Advisory Services Pvt. Ltd.
38. Western India Specialty Hospital Ltd.

II. Key Management Personnel

1. Mr. Shailesh Bhandari
2. Mr. Nagesh Bhandari

III. Relatives Of Key Management Personnel

(Where Transaction Has Taken Place)

NIL

IV. Transaction with Related Parties

Company has not entered in to any transaction with related party during the year.

13. As per the Accounting Standard 13, diminution in the value of Investment of Rs. 1,30,61,861/- requires to be charged to P&L A/c. Now, if it would have been charged to P&L A/c. it could result in to Net loss of Rs. 1,60,71,499/-. As per managements perceptions, since the Investments are kept for Long term, periodical diminutions are not provided for.

Signature to Schedule 1 to 15

As per our report of even date attached

For, Asim Mehta & Associates
Chartered Accountants

Asim C. Mehta
Proprietor
M. No. 35039

Shailesh Bhandari
Director

Nagesh Bhandari
Director

Place : Ahmedabad
Date : 29th May, 2010



**ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PART-IV OF SCHEDULE VI
OF THE COMPANIES ACT, 1956 :**

BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

REGISTRATION NO : 16891 STATE CODE : 04
BALANCE SHEET : 31-03-2010 (Amount in Rs. Thousands)

II CAPITAL RAISED DURING THE YEAR

PUBLIC ISSUE Nil
RIGHT ISSUE Nil
BONUS ISSUE Nil
PRIVATE PLACEMENT Nil

III DETAILS OF MOBILISATION AND DEPLOYMENT OF FUNDS

TOTAL LIABILITIES 58436
TOTAL ASSETS 58436

SOURCE OF FUNDS

PAID-UP CAPITAL 43731
RESERVES & SURPLUS (Including Deferred Tax Liability) 10055
SECURED LOANS Nil
UNSECURED LOANS 4650

APPLICATION OF FUNDS

NET FIXED ASSETS 908
INVESTMENTS 13567
NET CURRENT ASSETS 40951
MISC. EXPENDITURE 3010
ACCUMULATED LOSSES 0

IV PERFORMANCE OF COMPANY

TURNOVER (INCLUDING OTHER INCOME) 3
TOTAL EXPENDITURE 719
PROFIT/LOSS BEFORE TAX (716)
PROVISION FOR TAXATION (51)
PROFIT/LOSS AFTER TAX (665)
EARNING PER SHARE (In Rs.) (0.15)
DIVIDEND % Nil

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

(as per monetary terms)

ITEM CODE (ITC CODE)

-- -- -- -- --

PRODUCT DESCRIPTION

-- -- -- -- --

As per our report of even date attached

For and behalf of the board

For, Asim Mehta & Associates
Chartered Accountants

Shailesh Bhandari
Director

Asim C. Mehta
Proprietor

Nagesh Bhandari
Director

Place : Ahmedabad
Date : 29th May, 2010

**MAGNUM LIMITED**

Regd. Office : A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad 380015.

PROXY FORM

DP ID	
Client ID	

FOLIO NO	
NO OF SHARES	

I/We _____ of _____ being a member/members of MAGNUM LTD hereby appoint _____

of _____ or failing him _____ of _____

_____ as my/our Proxy to attend and vote for me/us and or on my/our behalf at the 18th Annual General Meeting of the Company to be held on Friday, 24th September, 2010 at 10.00 a.m. at H. T. Parekh Convention Centre, Ahmedabad Management Association, Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380015, at any adjournment thereof.

Signed this _____ day of _____, 2010

Affix Revenue Stamp

Signature

NOTE :

- 1 The Proxy Form signed across revenue stamp should reach at the Company's Registered Office at A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad 380015 at least 48 hours before the scheduled time of the meeting.
2. The Proxy need not be a member of the Company.
3. Please fill in full particulars.
4. Company reserves the right to ask for indentification of the proxy

MAGNUM LIMITED

Regd. Office : A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad 380015.

ATTENDANCE SLIP

Please complete the attendance slip and hand it over at the entrance of the Meeting Place.

I/We hereby record my presence at the 18th Annual General Meeting of the Company to be held on Friday, 24th September, 2010 at 10.00 a.m. at H. T. Parekh Convention Centre, Ahmedabad Management Association, Atira Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380015.

DP ID	
Client ID	

FOLIO NO	
NO OF SHARES	

Name of the Shareholder (In Block Letters)	
Signature of Shareholder	
Name of the proxy (In Block Letters)	
Signature of the Proxy	

Note : This attendance is valid only in case shares are held on the date of this Annual General Meeting.