



APOLLO FINVEST (INDIA) LIMITED



ANNUAL REPORT
2009 - 2010



Annual Report 2009-2010

BOARD OF DIRECTORS:

SMT. ANJU R. INNANI
SHRI UMANATH R. AGARWAL
SHRI NARAYAN T. RATHI
SHRI SANDEEP MAHESHWARI
(w.e.f. 22nd July, 2009)

MANAGING DIRECTOR
WHOLETIME EXECUTIVE DIRECTOR
DIRECTOR
DIRECTOR

AUDITORS:

SHANKARLAL JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

BANKERS:

STANDARD CHARTERED BANK
ORIENTAL BANK OF COMMERCE
ICICI BANK LIMITED

REGISTERED OFFICE:

"JEWELARCADE",
PLOT NO.123, 1ST FLOOR,
WATERFIELD ROAD,
BANDRA (WEST),
MUMBAI - 400 050.
Email : apollofin@hotmail.com
apollofininvestrel@gmail.com

REGISTRAR & SHARE TRANSFER AGENTS:

LINK INTIME INDIA PRIVATE LIMITED
C-13, PANNALAL SILK MILLS COMPOUND,
L. B. S. MARG, BHANDUP (WEST),
MUMBAI - 400 078.
TEL : 2596 3838, 2596 0320
FAX : 2594 6969
Email : rnt.helpdesk@linkintime.co.in

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APOLLO FINVEST (INDIA) LIMITED

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the Members of **APOLLO FINVEST (INDIA) LIMITED** will be held on **Monday, 27th September, 2010** at Golden Gate, Laram Centre, S. V. Road, Andheri (West), Mumbai-400058 at 1:00 P. M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended on that date along with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Sandeep Maheshwari, who retires by rotation at ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint M/s. Shankarlal Jain & Associates, Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof for the time being in force), Securities Contracts (Regulations) Act, 1956 and the Rules framed there under, the Listing Agreement, Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2009 (hereinafter referred to as "the said guidelines") and subject to such other rules / regulations as may be applicable and such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications, as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, as may be agreed to by the Board of Directors of the Company ('the Board' which term shall be deemed to include any Committee thereof), consent of the Company be and is hereby accorded to the Board to de-list the Equity Shares of the Company from Ahmedabad Stock Exchange Limited (ASE) and Jaipur Stock Exchange Limited (JSE).

RESOLVED FURTHER THAT the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the aforesaid voluntary delisting of shares, as it may, in its absolute discretion deem fit without being required to seek any further approval of the members or otherwise and that the members shall be deemed to have given their approval expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all necessary steps in this regard in order to comply with all the legal and procedural formalities and further to authorise any of its Committees / Directors or any of the Officers of the Company to do all such acts, deeds or things as may be required from time to time to give effect to the aforesaid resolution and matters related thereto."

For and on behalf of the Board

Place: Mumbai
Dated: 28th June, 2010

ANJU R. INNANI
MANAGING DIRECTOR

REGISTERED OFFICE:
"Jewel Arcade",
Plot No. 123, 1st Floor,
TPS IV, Waterfield Road,
Bandra (West),
Mumbai- 400 050.

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NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (forty-eight) hours before the time fixed for holding the meeting.
3. The Register of Members and Share Transfer Books will remain closed from Thursday, 23rd September 2010 to Monday, 27th September, 2010 (both days inclusive).
4. Members desirous of obtaining any information concerning the account and operations of the Company are requested to address their queries to the Registered Office of the Company in writing at least seven working days before the date of the meeting, to enable the Company to keep the necessary information ready.
5. Members are requested to bring their copy of Annual Report to the Meeting
6. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
7. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item Nos.4 is appended hereto.

BRIEF RESUME OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

Particulars	Shri Sandeep Maheshwari
Age	40 Years
Date of Appointment	22 nd July, 2009
Qualifications	FCA
Expertise in specific functional area	Audit, Taxation, Company Law Matters
Directorship of other Companies	One
Chairman/Member of the Committees on the Board of the Companies on which he / she is a Director	Nil
Shareholding of Non-Executive Directors in Apollo Finvest (India) Limited	Nil

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

Item No. 4:

As the members are aware that the equity shares of the Company are presently listed on Bombay Stock Exchange Limited (BSE), Ahmedabad Stock Exchange Limited (ASE) and Jaipur Stock Exchange Limited (JSE).

It has been observed that the trading in equity shares in past few years on the ASE and JSE is insignificant. The depth and liquidity of trading in the Company's equity shares on the ASE and JSE is absent with virtually no trading. No particular benefit is available to the shareholders by continuing the listing of equity shares on the ASE and JSE. The proposed delisting of the Company's Equity Shares on the ASE and JSE will not be prejudicial to or affect the interest of the shareholders. Hence, the Company is contemplating the possibility of delisting of its shares from the ASE and JSE.

As per the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2009, a specified procedure is required to be followed for delisting of the shares from any Stock Exchange(s) and also for compliance with such other additional conditions as may be specified by the concerned Stock Exchange from where shares are to be de-listed.

In terms of the Delisting Guidelines, a public announcement regarding the proposed delisting will be given in the newspapers. The delisting will take effect only after all approvals, permissions and sanctions have been received.

In line with the said guidelines, the Members' approval is being sought by a Special resolution for enabling the voluntary delisting of the Company's Equity Shares from the ASE and JSE.

Your Directors therefore recommend a resolution proposed for approval of Members.

The Directors of the Company may be deemed to be interested in the resolution to the extent of their respective shareholding in the Company.

For and on behalf of the Board

Place: Mumbai

Date: 28th June, 2010

ANJU R. INNANI
MANAGING DIRECTOR



APOLLO FINVEST (INDIA) LIMITED

DIRECTORS' REPORT

TO

THE MEMBERS

Your Directors have pleasure in presenting their Twenty Forth Annual Report on the operations of the Company, together with the Audited Accounts for the year ended March 31, 2010.

FINANCIAL RESULTS:

(Rupees in Lacs)

Particulars	Year ended 31 st March 2010	Year ended 31 st March 2009
Gross Sales and other Income	373.33	98.57
Profit / (Loss) before Depreciation and Tax	291.65	(401.93)
Less: Depreciation	5.22	6.95
Profit / (Loss) before Tax	286.43	(408.88)
Less: Provision for Fringe Benefit Tax	-	0.82
Less: Deferred Tax Liability	(0.34)	(19.71)
Net Profit / (Net Loss) after tax	286.77	(389.99)

REVIEW OF OPERATIONS:

For the financial year ended 31st March 2010, the sales and other income of the Company increased by 278.74% to Rs. 373.33 Lacs as compared to Rs. 98.57 Lacs in the previous year. The Company has for the year ended 31st March, 2010 earned a net profit of Rs. 286.77 Lacs (previous year net loss of Rs. 389.99 Lacs) after providing for taxation and diminution in value of investments.

DIVIDEND:

With a view to conserve the financial resources for the future operations, your Directors have thought it prudent not to declare dividend for the year ended 31st March, 2010.

PRUDENTIAL NORMS OF RBI:

The Company has followed the Prudential Norms of the Reserve Bank of India as are applicable to the Company.

DIRECTORS:

Shri Sandeep Maheshwari, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at ensuing Annual General Meeting.

A brief profile of Shri Sandeep Maheshwari is annexed to the Notice of the ensuing Annual General Meeting. None of the Directors are disqualified from being appointed as Directors as specified in terms of Section 274(1) (g) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- In the preparation of the annual accounts, the applicable Accounting Standards have been followed except AS-15 regarding liability for Gratuity & Leave Encashment which are not provided on the basis of actuarial valuation.
- 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 as at 31st March, 2010 and of the Profit of the Company for the year ended on that date.
- 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; and
- The Annual Accounts for the year ended March 31, 2010 have been prepared on a going concern basis.

PARTICULARS AS PER SECTION 217(2A) OF COMPANIES ACT, 1956:

There are no employees who are in receipt of remuneration of Rs. 24,00,000/- or more per annum if employed throughout the year under review or Rs. 2,00,000/- or more per month if employed for part of the year under review in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

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CORPORATE GOVERNANCE REPORT:

A report on Corporate Governance along with the certificate from M/s. Shankarlal Jain & Associates, Chartered Accountants, Statutory Auditors of the Company on compliance thereof, pursuant to Clause 49 of the Listing Agreement, forms an integral part of this report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The Management Discussion & Analysis Report, which gives a detailed account of the operations of your Company, forms an integral part of this report.

SECRETARIAL COMPLIANCE CERTIFICATE:

Pursuant to Section 383A of the Companies Act, 1956, all Companies whose paid up share capital is Rs. 10 Lacs and above but less than Rs. 5 Crores are required to obtain a Compliance Certificate from a Practising Company Secretary.

Accordingly, the Compliance Certificate for the year ended 31st March 2010, as obtained from M/s. Jayesh Shah & Co., Company Secretaries is attached herewith and forms an integral part of this report.

FIXED DEPOSITS:

The Company has not accepted or renewed any deposit as covered under Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975 from public during the year under review.

AUDITORS:

M/s. Shankarlal Jain & Associates, Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment under Section 224(1B) of the Companies Act, 1956. The Company has obtained a Certificate from M/s. Shankarlal Jain & Associates, to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said Section.

The members are requested to appoint Auditors for the current year and fix their remuneration.

AUDITORS' COMMENTS:

The observations made by the Auditors in their Report read with relevant notes as given in the Notes on Accounts annexed to the Accounts, are self explanatory and therefore do not call for any further comments under Section 217 (3) of the Companies Act, 1956.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A Conservation of Energy and Technology Absorption:

The information required under the provisions of section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 relating to the conservation of energy and technology absorption is not being given, since the Company is not engaged in any manufacturing activity.

B Foreign Exchange Earnings And Outgo:

Information regarding foreign exchange earnings and outgo is reported to be NIL for the year under review.

ACKNOWLEDGEMENTS:

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from all organizations connected with its business during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of Executives and Staff of the Company. Lastly your Directors are deeply grateful for the confidence and faith shown by the Shareholders of the Company in them.

For and on behalf of the Board

Place: Mumbai
Date : 28th June, 2010

ANJU R. INNANI
Managing Director

UMANATH R. AGARWAL
Executive Director



APOLLO FINVEST (INDIA) LIMITED

SECRETARIAL COMPLIANCE CERTIFICATE

SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH 2010 IN RESPECT OF APOLLO FINVEST (INDIA) LIMITED

CIN of the Company: L51900MH1985PLC036991

Nominal Capital: Rs. 8 Crore

To,

The Members

Apollo Finvest (India) Limited

Mumbai

We have examined the registers, records, books and papers of **APOLLO FINVEST (INDIA) 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 duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a Public Limited Company, comments are not required.
4. The Board of Directors duly met **Six** times respectively on **29th April, 2009, 22nd July, 2009, 30th July, 2009, 21st August, 2009, 30th October, 2009 and 29th 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.
5. The Company had closed its Register of Members, from 21st September, 2009 to 25th September, 2009 and necessary compliance of Section 154 of the Act has been made. The Company has no debenture holders.
6. The Annual General Meeting for the financial year ended **31st March, 2009** was held on **25th September, 2009** after giving due notice to the members of the Company and resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year ended 31st March, 2010.
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 has made necessary 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 Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. (i) There was no allotment or transmission of securities during the financial year. However, certificates lodged for transfer of shares were delivered to the shareholders as per the provisions of the Companies Act, 1956.
(ii) The Company was not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year.
(iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
(iv) The Company was not required to transfer any amount to the Investor Education and Protection Fund.
(v) The Company has complied with the requirements of Section 217 of the Act.

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14. The Board of Directors of the Company is duly constituted and the appointment of additional director and director has been duly made. There was no appointment of alternate director or director to fill casual vacancy.
15. The re-appointment of Managing Director and Whole-time Director has been duly made in compliance with the provision of Section 269 read with Schedule XIII of the Act.
16. The Company has not appointed any sole selling agents during the financial year.
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.
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 or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no outstanding preference shares/debentures, hence there was no redemption of preference shares / debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the preview 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 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 Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of 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 year under review.
31. The Company and its directors had received 4 (four) Show Cause Notices under the provisions of the Companies Act, 1956 for the various non compliances related to Audited Accounts for the year ended 31st March, 2007. However, no prosecution was initiated against the Company or its directors.
In response to compounding applications filed by the Company, the Hon. Company Law Board Mumbai Region Bench had compounded all the non compliances. The Company has also made the payment of penalties levied by the Hon. Company Law Board, Mumbai Region for the said offences.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year.

**For JAYESH SHAH & CO.
COMPANY SECRETARIES**

Sd/-

**JAYESH SHAH
C. P. No. 2535**

**Place: Mumbai
Date : 28th June, 2010**



APOLLO FINVEST (INDIA) LIMITED

Compliance Certificate of APOLLO FINVEST (INDIA) LIMITED for the year ended 31st March 2010

Annexure "A"

Statutory Registers as maintained by the Company

1. Register of Members u/s. 150
2. Register of Directors, Managing Director, Manager and Secretary u/s.303
3. Register of Directors Shareholdings u/s. 307
4. Register of Disclosures of Interest by Directors u/s.301(3)
5. Minutes Book u/s.193
6. Register of Charges u/s 143 and Copies of instruments creating charge u/s 136
7. Register of Contracts u/s 301.

Other Registers

1. Register of Transfers

Annexure "B"

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2010.

Sr No.	Form No./ Return	Filed under section	For	Date of Filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
1.	Form No. 32	303(2)	Appointment of Mr. Sandeep Maheshwari as an Additional Director w.e.f. 22 nd July, 2009.	21/08/2009	Yes	N.A.
2.	Form No. 66	383A	Secretarial Compliance Certificate for the year ended 31 st March, 2009.	12/10/2009	Yes	N.A.
3.	Form No. 23AC & 23ACA	220	Audited Balance Sheet as at 31 st March 2009 and Profit & Loss Account for the year ended 31 st March, 2009.	18/10/2009	Yes	N.A.
4.	Form No. 32	303(2)	Regularisation of Mr. Sandeep Maheshwari as a Director of the Company at the AGM dated 25 th September, 2009.	23/10/2009	Yes	N.A.
5.	Form No. 23	192	Re-appointment of Mrs. Anju R. Innani as Managing Director and Mr. Umanath R. Agarwal as Whole Time Director of the Company.	23/10/2009	Yes	N.A.
6.	Form No. 25C	269(2) & Sch XIII	Re-appointment of Mr. Umanath R. Agarwal as Whole-time director w.e.f. 21 st October 2009	23/10/2009	Yes	N.A.
7.	Form No. 20B	159	Annual Return made upto 25 th September, 2009	23/11/2009	Yes	N.A.
8.	Form No. 25C	269(2) & Sch XIII	Re-appointment of Mrs. Anju R. Innani as Managing Director w.e.f. 19 th November 2009	07/12/2009	Yes	N.A.
9.	Form No. 21	621A	Compounding of offence u/s 211	15/04/2010	Yes	N.A.
10.	Form No. 21	621A	Compounding of offence u/s 211(3A)	15/04/2010	Yes	N.A.
11.	Form No. 21	621A	Compounding of offence u/s 217(3)	15/04/2010	Yes	N.A.
12.	Form No. 21	621A	Compounding of offence u/s 285	15/04/2010	Yes	N.A.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Background:

The fiscal 2009-10 has been a difficult one for the Indian economy with a significant slowdown in the growth rate in the second half of fiscal 2009, following the financial crisis that began in the industrialized world and spread to economies across the world. The GDP growth rate in 2008-09 was 6.7% with the growth rate in the last two quarters hovering around 6%. The general apprehension was that this trend would persist for some time as the full impact of the economic slowdown in the developed world affected the system, with policymakers taking a calculated risk in providing substantial fiscal stimuli to counter the negative fallout of the global meltdown. However, over the span of the year, the economy posted a remarkable recovery, not only in terms of overall growth figures but more importantly, in terms of certain key fundamentals, which justify optimism for the Indian economy in the medium to long run.

(a) Industry Structure & Developments:

The Non-Banking Financial Companies (NBFC's) as a whole account for 9.1% of the assets of the total financial system. In the wake of the recent global financial crisis and its fallout for Financial Institutions, the Reserve Bank of India undertook measures to preserve financial stability and arrest the moderation in the growth momentum. As a measure aimed at expanding rupee liquidity, the RBI provided a special repo window under its Liquidity Adjustment Facility (LAF) for NBFC's. In addition, an existing Special Purpose Vehicle was used as a platform to provide liquidity support to NBFC's.

(b) Opportunities & Threats:

With GDP growth forecasts of 5% - 6% over the next few years, the Indian economy will continue to provide several growth opportunities. The increased thrust on the infrastructure sector including power, road, ports, telecom and other urban infrastructure projects will continue to provide excellent investment opportunities in the future. In addition, the services sector which is growing at rapid pace and contributes substantially to GDP will provide many new opportunities for the financial services industry in India.

The NBFC Sector continues to face competitive pressures from the Banking sector and financial institutions, due to their increased penetration in the consumer financing market, with comparatively low cost of funds at their disposal. The spreads in the lending business have also narrowed considerably, bringing risk-adjusted margins to generally unviable levels.

(c) Segment-wise Performance:

The Company's main business is Investment in shares and Investment in Equity / Debt Mutual Funds and all the activities of the Company are related to its main business. As such there are no separate reportable segments.

(d) Outlook:

The Company continues to explore the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

(e) Risks and Concerns:

The Company is exposed to specific risks that are particular to its businesses and the environment within which it operates, including interest rate volatility, economic cycle, market risk and credit risk. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management policies.

(f) Internal Control Systems & their Adequacy:

The Company's operating and business control procedures have been framed in order that they ensure efficient use of resources and comply with the procedures and regulatory requirements. The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. The Audit Committee reviews the quarterly and annual financial statements, adequacy of disclosures treatment of various items involving accounting judgments.

(g) Discussions on Financial Performance with respect to Operational Performance:

The Income during the year Increased to Rs. 373.33 Lacs from Rs. 98.57 Lacs in the previous year. Company earned a profit of Rs. 286.77 Lacs as against loss of Rs. 389.99 Lacs in the previous year. The Deferred Tax during the year under review amounting to Rs. 0.34 Lacs has been written back during the year.

(h) Human Resource Development:

The Company believes that the human resources are vital in giving the Company a Competitive edge in the current business environment. The Company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition/ dissemination, creativity and responsibility. As in the past, the Company has enjoyed cordial relations with the employees at all levels. The number of employees as on March 31, 2010, stood at TEN (10).

(i) Cautionary Statement:

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.