

## NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of **JEET MACHINE TOOLS LIMITED** will be held on Tuesday, 30<sup>th</sup> September, 2008 at 11.30 A.M. at the registered office at 25, Ambalal Doshi Marg, Hamam Street, Fort, Mumbai-400023 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2008 and Profit & Loss Account of the Company for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Kulwant Singh Kohli, who retires by rotation and being eligible, offer himself for re-appointment.
3. To appoint M/s. J. S. Bhatia & Co. Chartered Accountants, the retiring Auditors as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

BY ORDER OF THE BOARD

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Place: Mumbai  
Date: 28<sup>th</sup> June, 2008

Sd/-  
Jagjit Singh Chawala  
Director

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The instrument of proxy should be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. The register of members and Share Transfer Books of the Company will remain closed from 29<sup>th</sup> to 30<sup>th</sup> September, 2008 (Both days inclusive).
4. Shareholders are requested to forward their queries on the Accounts for the financial year ended 31<sup>st</sup> March, 2008 to the registered office of the Company at least 10 days in advance to enable the Company to keep the information ready at the meeting.
5. The Annual report and attendance slips will not be distributed at the Annual General Meeting. Shareholders are requested to bring the same along with them.

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**BY ORDER OF THE BOARD**

Place: Mumbai  
Date: 28<sup>th</sup> June, 2008

Sd/-  
**Jagjit Singh Chawala**  
Director

## DIRECTORS' REPORT

To,  
The Members

Your Directors take pleasure in presenting their Annual Report on the Business operations of the Company along with their Statement of Audited Accounts for the year ended 31st March, 2008.

### 1. FINANCIAL RESULTS & OPERATION:

<i>Particulars</i>	<i>(Rs. in Thousands)</i>	
	<i>Financial Year 2007-2008</i>	<i>Financial Year 2006-2007</i>
Total Income	9405.832	5644.125
Profit before Interest, Depreciation and Taxation	7078.374	709.603
Less: Interest	(80.793)	(170.823)
Profit before Depreciation and Tax	6997.581	539.014
Less: Depreciation	(132.259)	(174.736)
Profit before Tax	6865.322	364.278
Less: Provision for Tax		
Current Tax	(703.254)	(327.682)
Fringe Benefit Tax	(6.696)	(0.100)
Add: Deferred Tax	7.663	200.709
Net Profit after Tax	6163.035	(164.213)
Balance Carried forward to Balance Sheet	6163.035	(164.213)

### 2. OPERATION AND FUTURE OUTLOOK:

During the year under review, the turnover of the Company has been Rs. 1020.465 Thousands as against Rs. 4920.733 Thousands in the previous year. After providing for interest and depreciation aggregating Rs. 213.052 Thousands, the net profit before tax has amounted to Rs. 6163.035 Thousands as against net loss of Rs. 164.213 in the previous year. The net profit after tax is Rs. 6163.035 Thousands, which after adjusting with the short provision for taxes have been carried forward to balance sheet.

### 3. DIVIDEND:

With a view to conserve the resources of the Company, your Directors have not recommended any payment of dividend for the year under review.

4. **DIRECTOR:**

Mr. Kulwant Singh Kohli is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Your Board recommended his re-appointment.

5. **DIRECTORS RESPONSIBILITY STATEMENT:**

As required by the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- That in the preparation of the annual accounts, the applicable standards had been followed along with proper explanations relating to material departures.
- That the Directors 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 31<sup>st</sup> March, 2008 and of the profit of the Company for the year ended 31<sup>st</sup> March, 2008.
- That the Directors took proper and sufficient care to maintain adequate accounting records in accordance with the provisions of this Act to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Directors have prepared the Annual Accounts on a going concern basis.

6. **AUDITORS:**

M/s J. S. Bhatia & Co., Chartered Accountants, Mumbai Auditors of the Company retires at the ensuing Annual General Meeting. The Members are requested to consider their re-appointment.

7. **AUDITORS' REPORT:**

Observation made in the Auditors' Report read with relevant notes given in the Notes to Accounts, are self-explanatory and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

8. **SECRETARIAL COMPLIANCE CERTIFICATE:**

Pursuant to the proviso to Section 383A(1) of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001, a Secretarial Compliance Certificate issued by M/s. Rathi & Associates, Company Secretaries in Whole Time Practice, is attached to this Report.

9. **FIXED DEPOSITS:**

During the year under review, the Company has not accepted or renewed deposits within the meaning of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of deposits) Rules 1975.

10. **PERSONNEL:**

As required under Section 217 (2A) of the Companies Act 1956 and the rules there under, there are no particulars to be furnished as none of the employees was in receipt of remuneration aggregating Rs. 24,00,000/- or more per annum, if employed throughout the year or Rs. 2,00,000/- or more per month, in case employed for part of the year.

11. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information pursuant to 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 regarding conservation of energy, technology absorption & foreign exchange earnings and outgo is given in the Annexure- A to and forming part of this report.

12. **ACKNOWLEDGEMENT:**

We take the opportunity to express our deep sense of gratitude to the Company's Bankers and local authorities. We also express our gratitude to the Shareholders for reposing their confidence and faith in the Company. We also place on record our appreciation for the sincere efforts put in by the employees at all levels of the organization.

**FOR AND ON BEHALF OF THE BOARD**

**DATE: 28<sup>th</sup> June, 2008**  
**PLACE: MUMBAI**

**Sd/-** **Sd/-**  
**(Jagjit Singh Chawala) (Ajit Singh Chawala)**  
**Director** **Director**

**JEET MACHINE TOOLS LTD**

STATUS :- COMPANY

Asst. Year :- 2008-2009

GIR NO :- DC CIR 3 (2) / 90-J

P. Y. Ended :- 31-03-2008

PAN NO :- AAA CJ 0252 A

**COMPUTATION OF INCOME FOR THE YEAR ENDED 31.3.2008**

		Rs
<b>INCOME FROM BUSINESS</b>		
(As per Annexure I)		866,764.00
Speculation Gain on Shares		8,743.00
<b>CAPITAL GAIN</b>		
(As per Annexure II)		1,155,623.00
<b>TOTAL INCOME</b>	RS.	2,031,130.00
<b>ROUNDED OFF</b>	RS.	2,031,130.00
<b>TAX PAYABLE</b>		
(Annexure - III)	RS.	656,740.00
<b>LESS : TAX DEDUCTED AT SOURCE</b>		
Interest on Loan	190,826.00	
Interest on Fixed Deposits P & S BANK	74,236.00	
Interest on Fixed Deposits ICICI BANK	223,115.00	
		(488,177.00)
	<b>Balance Tax Payable</b>	168,563.00
<b>Less :-</b>		
Advance Tax Paid on 15.06.07	5,000.00	
Advance Tax Paid on 14.09.07	10,000.00	(15,000.00)
	<b>Balance Tax Payable</b>	153,563.00
<b>Interest us/ 234 B</b>		
Interest payable @ 1% p.m. on Rs. 153563/- for 4 months		6,143.00
<b>Add :-</b>		
<b>Interest us/ 234 C</b>		
1st Installment - 15%	609.00	
(Rs. 20284/- * 1 % p.m. * 3 months)		
2nd Installment - 45%	1,826.00	
(Rs. 60853/- * 1 % p.m. * 3 months)		
3rd Installment - 75%	3,343.00	
(Rs. 111422/- * 1 % p.m. * 3 months)		
4th Installment - 100%	1,536.00	7,314.00
(Rs. 153563/- * 1 % p.m. * 1 month)		
	<b>Balance Tax Payable</b>	167,020.00
<b>Less :-</b>		
S. A. Tax Paid		(217,137.00)
	<b>Refund Due</b>	(50,117.00)

**JEET MACHINE TOOLS LTD****Annexure -I****INCOME FROM BUSINESS :**

	<b>Rs</b>
Profit Before Tax	6,865,322.00
Add :- <b>Disallowable</b>	
Depreciation (As per Books)	132,259.00
STT Charges	16,859.00
Share Transaction Charges	5,161.00
	<u>7,019,601.00</u>
Less : Depreciation allowable u/s 32 (As per Annexure IV)	(108,916.00)
Less : Exempt u/s 10	
Dividend on Shares	(37,616.00)
Dividend on Mutual Fund	(451,589.00)
Less:- Considered Separately	
Long Term Cap.Gain On Shares	3,362,086.00
Long Term Cap.Gain on M.F.	1,028,264.00
Short Term Cap.Gain On Sale Shares	1,155,623.00
Speculative Gain	8,743.00
	<u>(5,554,716.00)</u>
	<u><u>866,764.00</u></u>

**Annexure -II****CAPITAL GAIN**

1) Short Capital Gains on sale of Shares (As Per Annexure - 1)	1,155,623.00	
2) Long Term Capital Gain on Sale of Shares	1,155,623.00	
Long Term Capital Gain on Sale of M.Fund (As per Annexure - 2 )	<u>1,028,264.00</u>	2,183,887.00
Less :- Exempt u/s 10	<u>(2,183,887.00)</u>	1,155,623.00
		<u><u>1,155,623.00</u></u>

**Annexure -III****TAX POSITION****A) Tax Calculation on Book Profit u/s 115 JB**

Net Profit as per P & L Account.	6,865,322.00
Less :- <b>Income Exempt u/s 10</b>	
Dividend on shares	37,616.00
Dividend on mutual funds	451,589.00
	<u>489,205.00</u>
Book Profit	<u>6,376,117.00</u>
ROUNDED OFF u/s 288	<u><u>6,376,120.00</u></u>



Tax Payable on Book Profit @ 10%	6,376,120 is	637,612.00
Add :- Education cess 3%		19,128.00
<b>Tax Payable Under MAT</b>		<b>656,740.00</b>

## B) Tax Payable As Per Normal Provisions

Tax Payable on Total Income of Rs.	875,507.00	Other than SHTCG i	262,652
Tax Payable on SHTCG @ 10% of Rs.	1,155,623.00	u/s 111 A is	115,562
			378,214.00
Add :- Education Cess 3 %			11,346.00
<b>Total Tax Payable</b>			<b>389,560.00</b>

Since the Tax payable u/s 115 JB MAT is more than the tax payable under normal provision of Income Tax hence Tax payable is u/s 115 JB i.e. Rs.

**656,740.00**

## Note

## A) Long Term Capital Losses on Shares Carried forward to subsequent Year

Asst. Year	Dt. Of Filing	Amount
1998-1999	30/11/1998	372,260.00
1999-2000	30/11/1999	129,714.00
2000-2001	29/11/2000	779,470.00
2001-2002	31/10/2001	113,414.00
2002-2003	29/10/2002	104,375.00
2003-2004	27/11/2003	856,856.00
2004-2005	01/11/2004	219,033.00
		<b>2,575,122.00</b>

## B) LONG TERM CAPITAL LOSS ON ASSETS CARRIED FORWARD TO NEXT YEAR

ASST. YEAR	AMOUNT
2004-2005	793934.00
	<b>793,934.00</b>



**J. S. BHATIA & CO.****CHARTERED ACCOUNTANTS**

14/15, Ashoka Centre,  
2nd Floor, Lokmanya Tilak Marg,  
Mumbai - 400 001.  
Tel. : Office : 2267 5066 / 2267 5067  
Fax : 2269 2994  
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**AUDITOR'S REPORT**

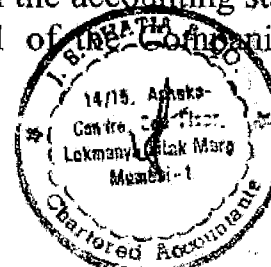
We have audited the attached Balance Sheet of M/s JEET MACHINE TOOLS LTD., as at March 2008 and also the Profit & Loss Account for the year ended on that date and cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit also includes examining, on 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, (the Order) 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 paragraphs 4 and 5 of the said order.

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

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii) 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.
- iii) The Balance Sheet, Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
- iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.



**J. S. BHATIA & CO.**  
**CHARTERED ACCOUNTANTS**

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- v) On the basis of written representations received from the directors as on March 31, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
- In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2008.
  - In the case of Profit & Loss Account, of the Profit for the year ended on that date.
  - In case of Cash Flow statement, of the cash flows for the year ended on that date.

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For J. S. BHATIA & CO.,  
 CHARTERED ACCOUNTANTS



J. S. BHATIA

PLACE : MUMBAI  
 DATE : 28/06/2008

