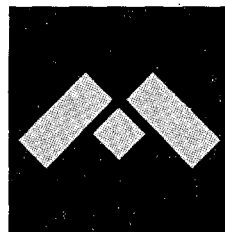


17TH ANNUAL REPORT

2008-2009

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MAGNUM LIMITED



MAGNUM LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS :

Dr. Nagesh Bhandari	:	Chairman & Director
Mr. Shailesh Bhandari	:	Director
Mr. Hemant Desai	:	Director
Mr. Munendrasingh Jadon	:	Director

COMMITTEES OF BOARD:

AUDIT COMMITTEE :

Mr. Munendrasingh Jadon	:	Chairman
Mr. Hemant Desai	:	Member
Mr. Shailesh Bhandari	:	Member

SHAREHOLDERS' GRIEVANCE COMMITTEE :

Dr. Nagesh Bhandari	:	Chairman
Mr. Hemant Desai	:	Member
Mr. Munendrasingh Jadon	:	Member

AUDITORS :

M/s Asim Mehta & Associates

Chartered Accountants
Ahmedabad

BANKERS :

Bank of India

Navrangpura Branch
Swastik Char Rasta
Navrangpura
Ahmedabad

SHARE TRANSFER AGENT :

M/s Link Intime India Private Limited

(Formerly known as Intime Spectrum Registry Limited)

211, Sudarshan Complex,

Nr. Mithakhali Under Bridge Navrangpura, Ahmedabad – 380 009

Ph. (O) : 079 – 26465179

E-mail : ahmedabad@linkintime.co.in

REGISTERED OFFICE :

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

Ph (O) : 079 – 26768844, (Fax) : 079 – 26768855

E-mail : magnum_ahd@yahoo.co.in

**MAGNUM LIMITED**

NOTICE FOR ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of Magnum Limited will be held on Wednesday, 30th day of September, 2009 at 10.00 A.M. at the Registered Office of the Company at A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380015 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit & Loss Account as on that date together with the Report of the Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Hemant Desai, who retires by rotation and is eligible 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.

By Order of the Board of Directors

Date : 31st August, 2009

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 INCLUDED 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 MEETING.
2. Members / Proxy should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
3. Members desiring any information on the Accounts are requested to write to the Company at least 10 days prior to the meeting so as to enable the Management to keep the information ready at the Meeting.
4. The register of members and share transfer books of the Company will remain closed from 22nd September, 2009 to 30th September, 2009 (Both days inclusive).

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

Name of Director	Mr. Hemant Desai
Age	54 years
Date of Appointment	10th November, 2005
Qualification	B.E. Electronics
Expertise in functional areas	He is engaged in the filed of Medical Transcription. He is concentrating on sourcing business from US Clients.
Companies in which he holds Directorship / Committee Memberships	NIL


MAGNUM LIMITED

DIRECTORS' REPORT

To
The Members,
MAGNUM LIMITED
Ahmedabad

Your Directors have pleasure in presenting the 17th Annual Report on the business and operations of the Company together with Audited Accounts for year ended on 31st March, 2009.

FINANCIAL PERFORMANCE :

(Amount in Rupees)

Particulars	Year ended 31 st March, 2009	Year ended 31 st March, 2008
Sales and other Income	64,281	106,541
Profit / (Loss) before Interest, Deprecation & Tax	(454,072)	(948,316)
Profit / (Loss) before Deprecation & Tax	(455,309)	(952,318)
Profit / (Loss) before Tax	(1,945,926)	(2,003,874)
Provision for Fringe Benefit Tax	0	2000
Deferred Tax Assets / (Liability)	405,288	215,868
Net Profit / (Loss)	(1,540,638)	(1,790,006)
Balance Carried Forward	(2,344,944)	(804,306)

DIVIDEND :

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

OPERATIONS :

During the year, the Company has discontinued the activity related to share transfer agent. Your Company has achieved a total income of Rs. 64,281 during the year compared to Rs. 106,541 of the previous year. The net Loss during the year was Rs. 1,540,638 compared to Net Loss of Rs. 1,790,006 during the previous year.

DIRECTORS :

Pursuant to sub-section (1) of section 256 of the Companies Act, 1956 and clause (1) of Article 126 of Article of Association of the Company, Mr. Hemant Desai, Director of the Company retires from the Board at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to section 217(2AA) of the Companies (Amendment) Act, 2000 of the Companies Act, 1956, the Board of Directors of the Company hereby confirms :

1. That in the preparation of the accounts for the financial year ended 31st March, 2009, the applicable accounting standards had been followed alongwith proper explanations relating to material departures;
2. That 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 the loss of the company for that period;
3. That 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. That the Board of Directors had prepared the accounts for the financial year ended 31st March, 2009 on a going concern basis.

AUDITORS :

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.

**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 Exchanges. 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.

HUMAN RESOURCES :

Your Directors wish to place on record their deep appreciation to employees at all levels for their all round 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 said year.

APPRECIATION AND ACKNOWLEDGEMENT :

The Board of Directors are pleased to place on record their appreciation for the continued guidance and support provided by Customers, Banks, Government Authorities, Auditors and Shareholders during the year under review. The Board also would particularly like to express great appreciation for the understanding and support extended by the employees at all levels.

By Order of the Board of Directors

Date : 31st August, 2009

Place : Ahmedabad

Nagesh Bhandari
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW :

The World economy has witnessed a financial crisis during the year 2008-2009 and the Indian economy was not an exception to it. India also witnessed an impact of the global turmoil and all the sectors including financial & service sector was badly affected.

During the year, the Company has discontinued the activities related to Share Transfer Agent and has surrendered the lease line to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As such no major activity was carried out by the Company during the year 2008-2009.

OPPORTUNITIES AND THREATS :

The financial crisis all over the world has affected all sectors and there was a less demand in the financial and service sector. The primary and secondary stock market is reviving with a slower speed during the last couple of months. As the company was engaged in share transfer related activities, there are ample opportunities available for the Company to revive the said business.

The crash in the Stock Markets in India during the last 18 months has narrowed down the scope of share transfer related activities. Apart from that there is tough competition in the business of Share transfer activity. During the year, the company has discontinued the share transfer related activities.

SEGMENT ANALYSIS AND REVIEW :

The activity of the Company was to provide service of Share Transfer related activity. 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 future of Share Transfer related activities is by and large dependent upon the growth of primary and secondary capital market. With the revival of the primary capital market, there is a good opportunity for the Company to expand the activities of the Company and to provide the services to more companies.

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, environmental 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.

Most significant of all such risks is regarding uncertainty of capital market, which may lead to fluctuations in share transfer related activities.

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

INTERNAL CONTROL AND ADEQUACY :

Magnum Ltd. 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 2008-2009, the total income of the Company was Rs. 64,281 compared to Rs. 1,06,541 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. 19,45,926 against Rs. 20,03,874 during the previous year. The Net Loss after tax including deferred tax was Rs. 15,40,638 as against Rs. 17,90,006 in the previous year.

**HUMAN RESOURCES :**

Our Company has great value in the commitment, competence and vigour shown by its employees in all aspects of business. Our Company confirms its commitment to take initiatives to further align its HR Policies in order to meet the growing needs of the business.

We have employee focus in a sense that it provides fulfillment, stretch and development for its employees at all levels. It's all because of the considerable skill and motivation of employees, our Company is able to deliver customer satisfaction.

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.

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REPORT ON CORPORATE GOVERNANCE

Corporate Governance is globally recognized as a fundamental component for the robust operation of every corporate entity. Sound governance practices and responsible corporate behavior contribute to superior long-term performance of Companies. It has evolved into a set of guidelines, designed to ensure a firm commitment to values and ethical conduct by corporates.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's Philosophy on Corporate Governance is that the Corporate Governance Code of the Listing Agreement ("the Code") prescribes only a minimum framework for governance of a business in corporate framework. The Company's philosophy is to develop this desired minimum framework and institutionalise the spirit it entails. This will lay the foundation for further development of superior governance practices, which are vital for growing successful business and for furthering the interest of all stakeholders in the best possible manner.

The Company recognises that transparency, disclosure, financial controls and accountability are the pillars of any good system of corporate governance. The policies and actions of the Company are in terms of guidelines on Corporate Governance with endeavour to enhance shareholders' value.

I. BOARD OF DIRECTORS :

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 are Independent & Non-Executive 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, 2009 are given below:

Name of Directors	Category	No. of other Directorship held	No. of board committees of which member/ Chairman
Dr. Nagesh Bhandari	Chairman & Promoter Director	6	NIL
Mr. Shailesh Bhandari	Promoter Director	9	NIL
Mr. Hemant Desai	Independent Non-Executive Director	NIL	NIL
Mr. Munendrasingh Jadon	Independent Non-Executive Director	NIL	NIL
Mr. Avinash Bhandari*	Promoter Director	2	NIL
Dr. Gitesh Shah*	Non-Executive Director	1	NIL

* Mr. Avinash Bhandari and Dr. Gitesh Shah has resigned from the Directorship of the Company w.e.f. 1st June, 2008

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

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.

During the year under review, the Board of Directors met 6(Six) times on 30th April, 2008, 1st June, 2008, 31st July, 2008, 3rd September, 2008, 22nd October, 2008 and 31st January, 2009.

The following table gives the attendance record of the Directors at the Board as well as last Annual General Meeting held on 30th September, 2008.



Name of Directors	No. of Board Meeting Attended	Attendance at the Last Annual General Meeting
Dr. Nagesh Bhandari	06	YES
Mr. Shailesh Bhandari	06	YES
Mr. Hemant Desai	06	NO
Mr. Munendrasingh Jadon	06	YES
Mr. Avinash Bhandari*	01	NO
Dr. Gitesh Shah*	NIL	NO

* Mr. Avinash Bhandari and Dr. Gitesh Shah have resigned from the Directorship of the Company w.e.f 1st June, 2008

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 Committee members of the said Committee.

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.

The members of the Audit Committee for the year ended on 31st March, 2009 are as under:

1. Mr. Munendrasingh Jadon Chairman
2. Mr. Hemant Desai Member
3. Mr. Shailesh Bhandari Member (w.e.f 01/06/2008)
4. Mr. Avinash Bhandari Member (upto 01/06/2008)

The meetings of Audit Committee are normally held at the registered office of the Company in Ahmedabad. The Committee meets at least four times in a year and not more than four months shall elapse between two meetings.

During the year under review five meetings of the Audit Committee were held on 30th April, 2008; 31st July, 2008; 3rd September, 2008; 22nd October, 2008 and 31st January, 2009.

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	04
Mr. Avinash Bhandari*	Member	01

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

B. REMUNERATION COMMITTEE:

The Company has not constituted a Remuneration Committee. At present, the Company does not pay any remuneration to Directors of the Company.

The Non-executive Directors do not draw any remuneration from the Company either by way of sitting fees or commission.