

**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	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.