



	2008-2009 Rupees	2007-2008 Rupees
<b>SCHEDULE-10 EMPLOYEE'S EMOLUMENTS</b>		
Salaries, Wages, & Bonus	2,190,150	2,093,650
Contribution to Superannuation scheme	51,963	48,756
Managing Director's Remuneration	1,667,960	1,653,164
Other Retirement Benefits	420,246	2,136,226
	<b>4,330,319</b>	<b>5,931,796</b>

**SCHEDULE-11 OTHER EXPENSES**

Retainership	-	60,800
Motor car Expenses	651,498	437,124
Stationery & Printing	81,527	111,463
Rent	8,760	48,695
Travelling Expenses	566,338	429,909
Telephone Expenses	182,808	205,392
Legal & Professional	1,378,630	1,465,090
Insurance	49,003	52,673
Auditor's Remuneration		
i) Audit Fees	40,000	40,000
ii) In other capacity (Tax Audit, Certification etc.)	193,394	203,087
iii) Out of Pocket expenses	13,247	13,461
Electricity	157,111	182,325
Directors' Fees	65,000	85,000
Brokerage	21,150	329,974
Clearing Forwarding & Shipping Charges	-	41,300
Miscellaneous Expenses	1,231,143	2,344,633
Folding Expenses	-	66,033
Business Centre Expenses	-	44,100
Leave & Licence Premises Expenses	49,548	-
Rates & Taxes	1,443,773	1,390,729
Interest	232,420	23,260
Cloth sampling Charges	-	10,797
	<b>6,365,350</b>	<b>7,585,845</b>

# 96th Annual Report 2008-2009

## SCHEDULE-12 NOTES FORMING PART OF ACCOUNTS

### 1. Major Accounting Policies:-

- Recognition of income expenditure**  
Revenue/income and cost/expenditure are generally accounted on accrual as they are earned or incurred.
- Depreciation is provided at Written Down Value Method as per Schedule XIV of the Companies Act, 1956.**
- Valuation of Inventories:**  
Property held as stock in trade is valued at cost or market whichever is lower. Finished goods stock is valued at cost or realizable value whichever is lower.
- Fixed Assets**  
Fixed assets are stated at cost less depreciation.
- Investment**  
All long term investment are stated at cost or book value, book value being arrived at after adjusting provisions for permanent diminution in values of each investment individually. Short term investments are valued at cost or market value whichever is lower.
- Accounting Policy regarding Retirement Benefits**
  - Gratuity and Leave encashment is provided in the basis of valuation made by an Actuary
  - Superannuation Fund is contributed into Fund with LIC.

### 2. Managing Director's remuneration (Minimum)

	2008-2009 Amount (in Rs.)	2007-2008 Amount (in Rs.)
a) Salary & Allowances	1400000	1400000
b) Provident Fund, Superannuation Fund and Gratuity	267960	253164
	<u>1667960</u>	<u>1653164</u>

### 3. Quantitative Information :

#### a) Cloth :

	Opening Stock		Purchases		Sales		Closing Stock	
	Mtrs.	Rs.	Mtrs.	Rs.	Mtrs.	Rs.	Mtrs.	Rs.
Previous Year	64759	1241187	325294 15886	6835795 950673	325294 80645	7074903 2122936	-	-

#### b) Units :

	Opening Stock		Purchases		Sales		Closing Stock	
	No. of Units	Rs.	No. of Units	Rs.	No. of Units	Rs.	No. of Units	Rs.
Previous Year	1	49,70,170	-	-	-	-	1	49,70,170
	1	49,70,170	-	-	-	-	1	49,70,170

4. Earning per Share as computed in accordance with Accounting Standard 20.	2008-2009 Rs.	2007-2008 Rs.
(i) Net Profit after Tax (Rs.)	(20360585)	9740815
(ii) Number of Equity Shares of Rs.100/- each	98560	98560
Basic and Diluted Earnings per Share (Rs.)	(206.58)	98.83

### 5. Segment Reporting :

Since the Company is dealing only in Textiles it has one reportable segment





6. Related Party Disclosure :

Sr. No.	Nature of Transaction	Subsidiary	Associates	Key Management Personnel	Total
1.	Demerger	-	-	-	-
2.	Finance (incl. Loans)	-	-	-	-
3.	Managing Director's remuneration	-	-	16,67,960	16,67,960
4.	Net Outstanding Receivable (Payable)	-	10,000	Nil	10,000

Name of the related parties and relationship :

A) Associates

- |                                    |                                    |
|------------------------------------|------------------------------------|
| 1. Galactic Enterprises Ltd.       | 7. Sutantu Agricultural Farm       |
| 2. Adarsh Enterprises              | 8. Mangaldas Mehta & Co. Pvt. Ltd. |
| 3. Fistuala Trading Pvt. Ltd.      | 9. Bromelia Trading Pvt. Ltd.      |
| 4. Abhay Investments Pvt. Ltd.     | 10. Victoria Capital Ventures Ltd. |
| 5. Pawan Farms & Orchards          | 11. Mangaldas Mehta & Co.          |
| 6. Bruhaspati Investment & Trading |                                    |

B) Key Management Personnel

1. SHRIADITYA MANGALDAS

7. Deferred Tax :

There is a net deferred tax asset as on 31.3.2009. As a matter of prudence the net deferred tax asset is not recognized in the accounts.

	2008-2009	2007-2008
	Rs.	Rs.
a) Expenditure in Foreign Currency on Travel	202500	165300
b) F.O.B. Value of Exports		941321

8. No amount of unpaid dividend has become due for payment into Investors Education and Protection Funds.
9. After protracted negotiations, a consent agreement was signed with two parties for recovery of Rs.8.81 crores (after deducting Rs.75.44 lacs payable to one of the concerned parties from Rs.9.56 crores) settled at Rs.6.36 crores. Out of this amount, Rs.1.66 crores has already been received and balance will be received in installments over a period of four and half years. Full provision has been made in the accounts for the difference of Rs.2.45 crores between the amount settled and the amount originally receivable.
10. As per revised Accounting Standard 15 applicable from this year, the liability for gratuity and leave encashment has been valued by an Actuary. Full provision for liability in this respect has been made in the accounts.

Table showing change in Benefit Obligation as on 31.3.2009:-

	2008-2009
	Rs.
Liability at the beginning of the year	12,54,004
Interest Cost	1,09,188
Current Service Cost	1,10,844
Past Service Cost (Not Vested Benefit)	-
Past Service Cost (Vested Benefit)	-
Settlement	-
Liability Transfer in	-
Liability Transfer out	-
Benefit paid	-
Actuarial (gain/loss on obligations)	80,354
Liability at the end of the year	15,54,390

12. Previous year's figures are regrouped where necessary.

As per our report annexed herewith

For Sorab S. Engineer & Co.  
Chartered Accountants

M. P. Anita  
Partner

Dated: 30th July 2009

For The Victoria Mills Ltd.,

R. K. Shah  
Secretary

Aditya Mangaldas

Chairman &  
Managing Director

V. C. Vaidya

D. K. Contractor

S. G. Vaidya

Directors

**CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2009**

	2008-2009		2007-2008	
	Rupees	Rupees	Rupees	Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
NET PROFIT/(LOSS) AFTER TAX & EXTRA-ORDINARY ITEM		(20,360,585)		9,740,815
<b>Add/Less:</b>				
a) Provision for Taxation	965,000		3,335,000	
b) Depreciation	887,764		1,156,138	
c) Loss on sale of Investments	3,422,939		-	
d) Loss on sale of Fixed Assets	14,056		-	
e) Interest paid	232,420	5,522,179	23,260	4,514,398
		(14,838,406)		14,255,213
<b>Add/Less:</b>				
a) Dividend Income	398,114		270,575	
b) Interest received on others	4,299,451		8,929,567	
c) DEPB Incentive	-		174,553	
d) Bill Discounting Income	1,806,112		1,757,313	
e) Profit on Redemption Of Mutual Fund Investment	320,731		131,512	
f) Profit on sale of Investment	-		6,443,838	
		6,824,408		17,707,358
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>		(21,662,814)		(3,452,145)
<b>Add:</b>				
a) Increase in Trade Payables	-		3,011,401	
b) Decrease in Trade Payables	(7,776,867)		-	
c) Decrease in Inventories	-		1,241,187	
<b>Less: Decrease in Trade &amp; other receivable</b>	<b>58,845,152</b>		<b>18,215,928</b>	
Increase in Inventory		51,068,285		22,468,516
		29,405,471		19,016,371
<b>Deduct:</b>				
Direct Taxes Paid/ Received	(8,039,866)		(544,197)	
DEPB Received	-		657,354	
		(8,039,866)		113,157
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES(A)</b>		<b>21,365,605</b>		<b>19,129,528</b>





# CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2009

	2008-2009		2007-2008	
	Rupees	Rupees	Rupees	Rupees
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
<b>INFLOW :</b>				
a) Sale of Fixed Assets	50,000			
b) Dividend Income	398,114		287,597	
c) Interest received on others	4,299,451		8,929,567	
d) Bill Discounting Income	1,806,112		1,757,313	
e) Profit on Sale of Investments Net	-		6,443,838	
f) Profit on Redemption of Mutual Funds Investment	320,731		131,512	
g) Sale of Investments	-	6,874,408	-	17,549,827
<b>OUTFLOW :</b>				
a) Purchase of Fixed assets	-		11,350	
b) Purchase of Investments	(22,196,772)		37,873,382	
	(22,196,772)	(22,196,772)	37,884,732	37,884,732
Less: Fixed Assets Converted to stock in Trade	-		-	
		(15,322,364)		(20,334,905)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
a) Secured Loans	(115,241)		(442,712)	
b) Unpaid Dividened	(4,753,650)		(4,807,000)	
c) Interest Paid	(232,420)	(5,101,311)	(23,260)	(5,272,972)
<b>NET CASH INFLOW/(OUTFLOW)IN FINANCING ACTIVITIES (C)</b>				
<b>NET INCREASE/DECREASE IN CASH/CASH EQUIVALENTS (A+B+C)</b>		941,930		(6,478,349)
<b>CASH AND CASH EQUIVALENTS AS AT 31ST MARCH 2008</b>	5,465,440		11,943,789	
<b>31ST MARCH 2009</b>	6,407,370		5,465,440	
<b>NET CASH INFLOW/(OUTFLOW)</b>		941,930		(6,478,349)

As per our report annexed herewith

For Sorab S.Engineer & Co.  
Chartered Accountants

M. P. Anita  
Partner

Dated: 30th July 2009

For The Victoria Mills Ltd.,

R. K. Shah  
Secretary

Aditya Mangaldas

V. C. Vaidya

D. K. Contractor

S. G. Vaidya

Chairman &  
Managing Director

Directors

STATEMENT PURSUANT TO PART IV OF SCHEDULE TO THE COMPANIES ACT, 1956  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

State Code  (Refer Code List)

Registration No.

Balance Sheet Date

Date Month Year

II Capital raised during the year (Amount in Rs.Thousands)

Public Issue  Right Issues

Bonus Issue  Private Placement

III Positions of Mobilisation and Deployment of Funds (Amounts in Rs.Thousands)

Total Liabilities  Total Assets

Sources of Funds

Paid up Capital  Reserves & Surplus

Secured Loans  Unsecured Loans

Application of Funds:

Net Fixed assets  Investments

Net Current Assets  Miscellaneous Expenditure

Accumulated Losses

IV Performance of Company (Amount in Rs.Thousands)

Turnover  Total Expenditure

Profit/Loss before tax(+)  Profit/Loss after tax(+)

Earning per share in Rs.  Dividend Rate(%)

V Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item

Code No

(ITC) Code

Products Description

VOILE, FANCY SHIRTINGS & DRESS MATERIAL  
AS OTHER FABRICS



**2008-2009  
THE VICTORIA MILLS LIMITED, MUMBAI  
ANNUAL REPORT WITH  
BALANCE SHEET AND PROFIT & LOSS ACCOUNT**

**BOARD OF DIRECTORS :**

Mr. Aditya Mangaldas (Chairman & Managing Director)  
Mr. V. C. Vaidya  
Mr. D. K. Contractor  
Mr. S. G. Vaidya

**AUDITORS :**

**Sorab S. Engineer & Co.**  
Chartered Accountants

**REGISTERED OFFICE :**

Bharat House,  
104, Mumbai Samachar Marg,  
Fort, Mumbai - 400 023.

**REGISTRAR & SHARE TRANSFER AGENTS**

System Support Services  
209, Shivai Ind. Estate,  
89, Andheri Kurla Road,  
Sakinaka, Mumbai - 400 072.  
Tel. No. : 2850 0835, 2850 1622  
Fax : 2850 1438



**96th  
Annual Report 2008-2009**

**THE  
VICTORIA MILLS  
LIMITED**





## NOTICE

NOTICE IS HEREBY GIVEN that the 96<sup>th</sup> Annual General Meeting will be held as scheduled below :

**DAY** : Wednesday  
**DATE** : 30th September 2009  
**TIME** : 11.00A.M.  
**PLACE** : At Hall of Culture, Nehru Centre,  
Dr. Annie Besant Road, Worli,  
Mumbai 400 018

### To transact the following business :-

1. To receive consider and adopt the Balance Sheet as at 31st March 2009 and Profit and Loss Account for the year ended on that date and report of the Board of Directors and Auditor's Report thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri S.G. Vaidya who retires by rotation and is eligible for reappointment.
4. To appoint Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

**THE REGISTER OF MEMBERS AND THE SHARE TRANSFER BOOKS OF THE COMPANY WILL BE CLOSED FROM 22ND SEPTEMBER TO 30TH SEPTEMBER 2009 (BOTH DAYS INCLUSIVE)**

By Order of the Board

**R.K. SHAH**  
SECRETARY

Date: 30.7.2009

**Registered Office :-**  
Bharat House,  
104 Mumbai Samachar Marg,  
Fort, Mumbai 400 023.

### NOTES :

- (a) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
- (b) The dividend as recommended by the Directors for the year ended 31<sup>st</sup> March 2009 and as may be approved by the members of the Company at the Annual General Meeting will be payable to those shareholders from 6<sup>th</sup> October 2009 whose names appear on the Register of Members as on 21<sup>st</sup> September 2009. In respect of shares held in demat form, the dividend will be paid on the basis of the beneficial ownership as per details to be received from the Depositories as at the end of business on 21<sup>st</sup> September 2009.
- (c) Members, who hold shares in physical form are requested to notify immediately change in their addresses, if any, specifying Registered Folio Number and other relevant details. Members who hold shares in Electronic form are requested to notify change in their address to Depository Participant with whom they are maintaining their Beneficial owner account, to Company's Registrar and Share Transfer Agents
- (d) Members, who hold shares in Dematerialised form are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.
- (e) Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination are requested to send their requests in Form No.2B in duplicate (which will be made available on request) to the Registrar and Transfer Agents of the Company.
- (f) Members are requested to intimate to the company or Registrar and Transfer Agents viz, System Support Services, 209 Shivai Industrial Estate, 89 Andheri-Kurla Road, Sakinaka, Mumbai - 400 072, changes if any, in their registered address quoting Folio Numbers or Client ID and DP ID numbers in all the correspondence.



## DIRECTORS' REPORT

To,  
The Shareholders of  
The Victoria Mills Limited.

Ladies & Gentlemen :

Your Directors present their 96th Annual Report on the working of the Company with audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2009 and the report of the auditors thereon.

	2008-2009 Rupees	2007-2008 Rupees
Gross Profit/Loss for the year before depreciation	(1,82,07,061)	1,44,88,708
Add/Less: Provision for depreciation	8,87,764	11,56,138
Add/Less: Provision for taxation	965000	
Provision for Fringe Benefit Tax	223300	
Income Tax of previous year	77460	
	<u>12,65,760</u>	<u>35,91,755</u>
Profit/Loss	(2,03,60,585)	97,40,815
Add: Balance brought down from the previous year	16,21,29,188	15,95,03,887
Balance available for appropriation	<u>14,17,68,603</u>	<u>16,92,44,702</u>
Less: Transfer to General Reserve	-	13,50,000
	<u>14,17,68,603</u>	<u>16,78,94,702</u>
Less: Proposed Dividend on Equity shares	49,28,000	49,28,000
Tax on Proposed Dividend	8,37,514	8,37,514
Balance to be carried forward	<u>13,60,03,089</u>	<u>16,21,29,188</u>

The Directors recommend payment of dividend of Rs. 50/- per equity shares on share capital of the company.

The company had filed a complaint with Economic Offence Wing of Crime Branch, Mumbai, as intimated earlier. Substantial progress was made by Economic Offence Wing of Crime Branch, Mumbai, in the complaint filed by the company. The parties involved in defrauding the company approached us for an amicable settlement of the matter during the year under report. After protracted negotiations, a consent agreement was signed for an amount of Rs.6.36 crores against receivable of Rs.8.81 crores (after deducting Rs.75.44 lacs payable to one of the concerned parties from Rs.9.56 crores). Against the settlement amount of Rs.6.36 crores, Rs.1.66 crores has already been received and balance will be received in installments over a period of four and half years.

As per the terms of the consent agreement, the FIR has been quashed pursuant to the order of the Bombay High Court dated 17<sup>th</sup> July 2009.

As a result of recession in the international market, the export of fabrics has become unremunerative and hence the company has stopped exporting fabrics for the time

being. However, the company is continuing textile trading in the domestic market.

In accordance with the provisions of Companies Act, 1956 and the Company's Articles of Association, Shri S.G.Vaidya retire by rotation and is eligible for re-appointment.

The statement giving particulars under the Companies (Particulars of Employees) Rules, 1975, required to be included in the Directors' Report is not appended, as the same is not applicable.

As required by the Company (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to conservation of energy are given in the prescribed form as Annexure 1 to this Report. As there was no manufacturing activity during the year, the information of conservation of energy and technology absorption is not applicable.

As per requirement of S.E.B.I. (Substantial Acquisition of Shares and Takeovers) Regulations 1997 constituents of Group as defined under MRTP Act 1969 is shown separately as Annexure 2.

Pursuant to Section 217(2AA) of the Companies Act, 1956 (hereinafter referred to as "the Act"), your Directors confirm that :-

- In the preparation of the Annual Accounts, the applicable accounting standards had been followed.
- They had selected such accounting policies and applied them consistently and made judgements 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 31<sup>st</sup> March 2009 and of the profits of the Company for the year ended 31<sup>st</sup> March 2009;
- They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They had prepared the Annual Accounts on a going concern basis.

No Public Deposits were outstanding with the Company as at the end of 31.3.2009 as all the deposits have been repaid.

You are requested to appoint auditors from the conclusion of this meeting till the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors.

On behalf of the  
Board of Directors

**ADITYA MANGALDAS**  
Chairman & Managing Director

Place: Mumbai  
Dated: 30.7.2009





## ANNEXURE 1 TO DIRECTORS' REPORT

### PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

#### A. Conservation of Energy :

Not applicable since there was no manufacturing activity during the year.

#### FORM A

#### DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	Standard	Current Year 2008-2009	Previous Year 2007-2008
<b>A. Power &amp; Fuel Consumption</b>			
1) Electricity		-	-
a) Purchased Units		-	-
Total amount Rs.		-	-
Rate/Unit Rs		-	-
b) Own Generation :			
i) Through diesel generator		Nil	Nil
Diesel KL		Nil	Nil
Unit		Nil	Nil
Oil			
Cost/Unit Rs.			
ii) Through steam turbine/generator			
Unit		Nil	Nil
Unit per litre of fuel			
Oil/gas		Nil	Nil
Cost per unit			
2) Coal (Specify quality & where used)			
Quantity (tonnes)		Nil	Nil
Total cost avg.rate		Nil	Nil
3) Furnace Oil/LSHS			
Quantity (KL)		-	-
Total Cost		-	-
Avg. Rate Rs ./KL		-	-
4) Other /internal generation		Nil	Nil
<b>B. Consumption per unit of Production if any</b>			
Cloth produced (kgs.)	-	-	-
Electricity Rs/kg.	-	-	-
Furnace Oil/LSHS/Rs./kg.	-	-	-
<b>C. FOREIGN EXCHANGE EARNING AND OUT GO</b>			
1. Export of Textiles F.O.B.value		-	941321
2. Earning in Foreign Exchange		-	1131383
Outgoing in Foreign Exchange(Travelling)		202500	165300

## ANNEXURE -2

**DISCLOSURE AS REQUIRED BY SECURITIES AND EXCHANGE BOARD OF INDIA  
(SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 1997**

**i) Details of Persons and Companies constituting Group as defined under MRTD Act.**

Aditya Mangaldas, Mamta Kishore Dalal, Devyani H. Mangaldas, Aditi Mangaldas, Nirmala Rasiklal, Kishore Rasiklal, Sunil Kishore Dalal, Shreya Kishore, Urmila Girdharlal, Love Girdharlal, V.C.Vaidya, S.G. Vaidya, Anjali Kamal Mangaldas, Chetan J. Parikh, Vinay J.Parikh, Gauriben Sanatkumar, Sanatkumar Jayantilal, Mangaldas Mehta & Co., Cee Parikh Inv. Pvt. Ltd., Abhay Mangaldas, Kamal Madanmohan Mangaldas Snehalata Ramesh Shah, Ramesh Ramanlal Shah, Galactic Enterprises Ltd., Bromelia Trading Pvt. Ltd., Fistula Trading Pvt. Ltd., Abhay Investments Pvt. Ltd., Pawan Farms & Orchards, Vesna Investment & Trading Co., Bruhaspati Investment & Trading Company, Sutantu Agricultural Farm, Mangaldas Mehta & Co. Pvt. Ltd., Victoria Capital Ventures Ltd.

**ii) Shri Aditya Mangaldas and some P.A.C.'s have not acquired any share of The Victoria Mills Ltd. from other P.A.C's in terms of Reg. 3(1)(e) (i) during the year.**





## **SECRETARIAL COMPLIANCE CERTIFICATE**

**[under rule 3 of Companies (Compliance Certificate) Rules, 2001]**

### **Annexure forming part of the Director Report**

To,  
The Members,  
**THE VICTORIA MILLS LIMITED**  
**MUMBAI**

We have examined the necessary registers, records, books and papers of The Victoria Mills Limited as required to be maintained under the Companies Act, 1956, and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2009. 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 thereunder 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, Maharashtra, Mumbai, with additional filing fees in case of delayed filing, as prescribed under the Act and the Rules made thereunder.
3. The status of the Company being Public Limited Company, comments are not required.
4. The Board of Directors duly met 5 times on 16.04.2008, 30.07.2008, 30.09.2008, 22.10.2008 and 27.01.2009 respectively, 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 closed its Register of Members from 23.09.2008 to 30.09.2008 (Both Days Inclusive) and necessary compliance of Section 154 of the Companies Act, 1956 has been made in respect of the same.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2008 was held on 30.09.2008 after giving due notice to the members of the Company and the 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 under review.
8. The Company has not advanced any loans to its directors and / or persons or firms or companies referred to in the Section 295 of the Act.
9. The Company has not entered into any transaction/s attracting the provisions 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 was not required to obtain any approvals from the Board of Directors, Members or the Central Government.
12. The Company has issued Duplicate Share Certificates in compliance with the provisions of the Act, during the financial year under review.
13. The Company has:
  - (i) delivered all the certificates on lodgment thereof for transfer and transmission of shares in accordance with the provisions of the Act. The Company has not had any instance of allotment of share;
  - (ii) paid dividend within statutory time limits and hence no amount was required to be deposited in a separate Bank Account;
  - (iii) paid the amount of dividend declared within the statutory time limit from the date of declaration of such dividend and hence no warrants were required to be posted to the members;
  - (iv) no amount to be transferred in to the Investor Education and Protection Fund in respect of unpaid dividend account or application money due for refund, or matured deposits, or matured debentures and the interest accrued thereon which have 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. There were no appointments of additional directors, alternate directors and directors to fill casual vacancies during the financial year under review.



## 96th Annual Report 2008-2009

15. The Company has not appointed any new Managing Director / Whole Time Director / Manger during the financial year under review.
16. The Company has not appointed any sole-selling agents during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year under review.
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 thereunder.
19. The Company has not issued any new shares / debentures / other securities during the financial year under review.
20. The Company has not bought back any shares during the financial year ending 31<sup>st</sup> March, 2009.
21. Since the Company has not issued any redeemable preference shares / debentures, no comment is required.
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 purview of the provisions of Sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975, during the year under review.
24. The Company has not borrowed any sum of amount during the financial year ending 31<sup>st</sup> March, 2009.
25. The Company has made investments in the other bodies corporate during the year under review and made necessary entries in the Register maintained for the purpose. However The Company has not made any loan or advances or given guarantees or provided securities to other bodies corporate during the financial year under review and hence no comment is required.
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 financial year under review.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the financial year under review.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the financial year under review.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the financial year under review.
30. The Company has not altered any provisions of its Articles of Association during the financial year under review.
31. As explained to us, there was no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act and no fines and penalties or any other punishment was imposed on the Company during the financial year under review.
32. As explained to us, the Company has not received any money as security from its employees during the financial year under review.
33. The Company was not required to deposit any amount with prescribed authorities pursuant to Section 418 of the Act.

For Nilesch Shah & Associates  
Company Secretaries

Date: 30.07.2009  
Place: Mumbai

sd/-  
(Mehul Mehta)  
Partner  
C.P.No.: 3395





### Annexure - A

Sr. No.	Registers kept & maintained by the Company	Under Section
1.	Register of Charges	143
2.	Register of Members	150
3.	Register of Index of Members	151
4.	Minutes Books of proceedings of : 1. Meetings of the Board of Directors / 2. General Meetings	193
5.	Register of Contracts, Companies and firms in which Directors are interested	301
6.	Register of Directors, Managers and Secretary	303
7.	Register of Directors Shareholding	307
8.	Register of Investments or loans made, guarantee or security provided	372A
9.	Register of Share Transfers	Voluntary
10.	Register of Directors Attendance	Voluntary
11.	Register of Renewed and Duplicate Share Certificates under the Companies (Issue of Share Certificates) Rules, 1960	Rule 7

For Nilesh Shah & Associates  
Company Secretaries

Sd/-  
(Mehul Mehta)  
Partner  
C.P.No. : 3395

Place: Mumbai  
Date : 30.07.2009

### Annexure - B

Sr. No.	Form No.	Under Section	Purpose	Date of Filing & SRN
1.	Form 20B (Annual Return) Dtd. 30.09.2008	159, 161	As per requirement of Act	18.11.2008 P26147561
2.	Form 23AC/Form ACA (Annual Accounts) Dtd. 31.03.2008	220	As per requirement of Act	06.11.2008 P25237579
3.	Form 66 (Compliance Certificate) Dtd. 31.03.2008	383A	As required under the Companies (Compliance Certificate) Rules, 2001	05.11.2008 P24782724

For Nilesh Shah & Associates  
Company Secretaries

Sd/-  
(Mehul Mehta)  
Partner  
C.P.No. : 3395

Place: Mumbai  
Date : 30.07.2009



**AUDITOR'S REPORT**

To,

The Shareholders of  
The Victoria Mills Ltd.

1. We have audited the attached Balance Sheet of THE VICTORIA MILLS LIMITED, as at 31<sup>st</sup> March, 2009 and the Profit and Loss Account and Cash Flow Statement of the Company 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 based on our Audit.
2. 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 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments 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 purposes 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, Profit and Loss Account and Cash Flow Statement dealt with by the report are in agreement with the books of account;

(d) In our opinion the Profit and Loss Account, Balance Sheet and Cash Flow Statement comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 as applicable.

(e) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31<sup>st</sup> March 2009 from being appointed as directors 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 give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India :-

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31.3.2009
- ii) In the case of Profit & Loss account, of the loss for the year ended on that date and
- iii) In the case of Cash Flow Statement of the cash flows for the year ended on that date.

For **SORAB S. ENGINEERS & CO.,**  
Chartered Accountants

Dated : 30<sup>th</sup> July 2009  
Place : MUMBAI

**M.P. ANTIA**  
Partner  
Membership No.7825





## ANNEXURE TO THE AUDITORS' REPORT

### Re: The Victoria Mills Limited

Referred to in Paragraph 3 of our Report of even date.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the major assets have been physically verified by the management during the year.
- (c) No substantial part of fixed assets have been disposed off during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. No discrepancy was noticed on physical verification.
- (iii) The company has not granted/taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, requirement of clauses (iii, b), (iii, c) and (iii, d) of paragraph 4 of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) According to the information and explanations given to us, we are of the opinion that no transactions need to be entered into the register maintained under Section 301 of the Act. Consequently, requirement of clause (v, b) of paragraph 4 of the order is not applicable.
- (vi) The company has not accepted fixed deposits from public.
- (vii) The Company has an internal audit system, which in our opinion, is commensurate with the size of the Company and the nature of its business.
- (viii) Maintenance of cost records under section 209(1)(d) of the Companies Act 1956 is not applicable to the company.
- (ix) The company is regular in depositing with appropriate authorities undisputed statutory dues including Investor Education and Protection Fund, Income-tax, Sales-tax, Excise Duty, cess, Service Tax and other material statutory dues applicable to it. There are no disputable amounts not deposited by the Company.
- (x) The Company does not have accumulated losses nor has it incurred cash losses during the year and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to banks.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of Clause 4 (xiii) of paragraph 4 of the order are not applicable.
- (xiv) The Company is dealing in or trading in shares, temporarily through an Asset Management Company. Regular statements of accounts are received from this Asset Management Company.
- (xv) The Company has not given any guarantee on behalf of others.
- (xvi) The Company has not obtained any term loan during the year.
- (xvii) No funds were raised during the year.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- (xix) The company has not issued any Secured Debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) The Company has reached a settlement for fraud detected in past. (Refer note No.10 to Schedule 12). No other fraud by or against the company was detected during the year.

For **SORAB S. ENGINEERS & CO.,**  
Chartered Accountants

**M.P. ANTIA**

Partner

Membership No.7825

Dated : 30<sup>th</sup> July 2009

Place : MUMBAI



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## BALANCE SHEET AS AT 31ST MARCH 2009

	Schedule	Rupees	As at 2008-2009 Rupees	As at 2007-2008 Rupees
<b>SOURCES OF FUNDS</b>				
1) <b>SHAREHOLDER'S FUNDS</b>	1		9,856,000	9,856,000
a) Share Capital				
b) Reserves & Surplus	2		158,053,089	184,179,188
2) <b>SECURED LOANS</b>	3		-	115,241
<b>TOTAL</b>			<u>167,909,089</u>	<u>194,150,429</u>
<b>APPLICATION OF FUNDS</b>				
1) <b>FIXED ASSETS</b>	4			
a) Gross Block			12,291,619	12,570,047
b) Less: Depreciation			6,426,865	5,753,473
c) Net Block			<u>5,864,754</u>	<u>6,816,574</u>
3) <b>INVESTMENTS</b>	5		76,171,569	53,974,797
4) <b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>	6			
a) Inventories		4,970,170		4,970,170
b) Sundry Debtors		66,485,834		95,797,576
c) Cash & Bank Balances		6,407,370		5,465,440
d) Loans & Advances		38,818,606		80,802,357
		<u>116,681,980</u>		<u>187,035,543</u>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>	7			
a) Liabilities		13,934,728		21,537,245
b) Provisions		16,874,486		32,139,240
		<u>30,809,214</u>		<u>53,676,485</u>
<b>NET CURRENT ASSETS</b>			85,872,766	133,359,058
<b>TOTAL</b>			<u>167,909,089</u>	<u>194,150,429</u>
<b>NOTES FORMING PART OF ACCOUNTS</b>	12			
In the opinion of the Board, the Current Assets, Loans and Advances are approximately of value stated, if realised in the ordinary course of business				

As per our report annexed herewith

For **Sorab S.Engineer & Co.**  
Chartered Accountants

**M. P. Anita**  
Partner

Dated: 30th July 2009

For The Victoria Mills Ltd.,

**R. K. Shah**  
Secretary

**Aditya Mangaldas**

Chairman &  
Managing Director

**V. C. Vaidya**

**D. K. Contractor**

**S. G. Vaidya**

Directors



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009**

	Schedule	2008-2009 Rupees	2007-2008 Rupees
<b>INCOME</b>			
Sales		7,074,903	2,122,936
(Excluding excise duty)			
Other	8	22,582,072	30,209,250
Increase / (Decrease) in Stock	9	-	(1,241,187)
		<u>29,656,975</u>	<u>31,090,999</u>
<b>EXPENDITURE</b>			
Purchases		6,835,795	950,673
Employee's Emoluments	10	4,330,319	5,931,796
Other Expenses	11	6,365,350	7,585,845
Loss on Sale of Investment		3,422,939	-
Loss on Sale of Assets		14,056	-
Provision for Doubtful Debts		24,435,352	2,133,977
Bad Debts		2,460,225	-
Depreciation		887,764	1,156,138
		<u>48,751,800</u>	<u>17,758,429</u>
Loss (-)/Profit Before Tax and extraordinary items		(19,094,825)	13,332,570
Fringe Benefits Tax		223,300	186,100
Provision of Income tax		965,000	3,335,000
Income Tax in respect of previous years		77,460	70,655
<b>Profit For The Year</b>		<u>(20,360,585)</u>	<u>9,740,815</u>
<b>(Loss)/Surplus brought forward from last year</b>		<u>162,129,188</u>	<u>159,503,887</u>
<b>Balance available for Appropriation</b>		<u>141,768,603</u>	<u>169,244,702</u>
<b>Appropriations</b>			
General Reserves		-	1,350,000
Proposed Dividened		4,928,000	4,928,000
Tax On Dividened		837,514	837,514
		<u>5,765,514</u>	<u>7,115,514</u>
<b>Deficit/Surplus C/f to Balance Sheet</b>		<u>136,003,089</u>	<u>162,129,188</u>
<b>Earnings per Shares -Basic and Diluted</b>	12	<u>(206.58)</u>	<u>98.83</u>

**NOTES FORMING PART OF ACCOUNTS**

As per our report annexed herewith	Aditya Mangaldas	Chairman & Managing Director
For Sorab S.Engineer & Co. Chartered Accountants	V. C. Vaidya	Directors
M. P. Anita Partner	D. K. Contractor	
Dated: 30th July 2009	S. G. Vaidya	
For The Victoria Mills Ltd., R. K. Shah Secretary		

**SCHEDULES ANNEXED TO & FORMING PART OF THE  
BALANCE SHEET AS AT 31ST MARCH 2009**

	2008-2009 Rupees	2007-2008 Rupees
<b>SCHEDULE-1 SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL</b>		
2,00,000 Equity Shares of Rs.100/- each	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
<b>ISSUED &amp; SUBSCRIBED CAPITAL</b>		
98,560 Equity Shares of Rs.100/- each fully paid up where in Rs.4,00,000/- are paid up in cash & Rs.94,56,000/- paid up by way of bonus shares by Capitalisation of reserves	9,856,000	9,856,000
	<u>9,856,000</u>	<u>9,856,000</u>
<b>SCHEDULE 2: RESERVES AND SURPLUS</b>		
<b>A : General Reserve : As per Last Balance Sheet.</b>	22,050,000	20,700,000
Transfer from Profit & Loss A/c	-	1,350,000
	<u>22,050,000</u>	<u>22,050,000</u>
<b>B : Balance in Profit &amp; Loss A/c</b>	136,003,089	162,129,188
	<u>158,053,089</u>	<u>184,179,188</u>
<b>SCHEDULE-3 SECURED LOANS</b>		
Against Hypothecation of Car on installment from Bank	-	115,241
<b>TOTAL RUPEES</b>	<u>-</u>	<u>115,241</u>

**SCHEDULE-4 FIXED ASSETS**

Sr. No.	Description	Gross Block on 1.4.2008	Addition	Deductions	Gross Block on 31.3.2009	Total Depr. upto 1.4.2008	Curr. Year Depr.	Depr. Wt Back	Total Depr. upto 31.3.2009	Net Block on 31.3.2009	Net Block on 31.3.2008
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land & Building	686	0	0	686	0	0	0	0	686	686
2	Building	3910831	0	0	3910831	459255	172579	0	631834	3278997	3451576
3	Plant & Machinery (Computers)	602222	0	0	602222	519986	32894	0	552880	49342	82236
4	Electric Installation	1806898	0	0	1806898	738709	148585	0	887294	919604	1068189
5	Furniture & Dead Stock	975370	0	0	975370	681596	53173	0	734769	240601	293774
6	Vehicles	5274040	0	278428	4995612	3353927	480533	214372	3620088	1375524	1920113
<b>Total</b>		<b>12570047</b>	<b>0</b>	<b>278428</b>	<b>12291619</b>	<b>5753473</b>	<b>887764</b>	<b>214372</b>	<b>6426865</b>	<b>5864754</b>	<b>6816574</b>
Previous Year		12558697	11350	0	12570047	4597335	1156138	0	5753473	6816574	





**SCHEDULES ANNEXED TO & FORMING PART OF THE  
BALANCE SHEET AS AT 31ST MARCH 2009**

	QUANTITY	COST	2008-2009 Rupees	2007-2008 Rupees
<b>SCHEDULE-5 INVESTMENTS (AT COST)</b>				
<b>1A INVESTMENT IN SHARES QUOTED (SHORT TERM)</b>				
<b>NAME OF THE SECURITY</b>				
AIA Engineering Limited	-	-	-	410584
Andhra Bank	-	-	-	436149
Bharti Airtel Ltd	850	474113	-	-
Bharat Heavy Electricals Ltd	-	-	-	422564
Bharat Petroleum Corporation Ltd	-	-	-	450945
CESC Ltd	-	-	-	767822
Cairn India Ltd	2800	455840	-	-
DLF Limited	-	-	-	783900
Financial Technologies Ltd	-	-	-	1192770
Gammon India Ltd	-	-	-	697878
Godrej Industries Ltd	-	-	-	219700
HDFC Bank	493	403345	-	572374
Hindustan Petroleum Corporation Ltd	-	-	-	525240
ICICI Bank Ltd	3200	913870	-	2155924
Indian Hotels Co Ltd	-	-	-	74200
Infosys Technologies Ltd	-	-	-	1495769
Infrastructure Dev Finance Company Ltd	10811	525851	-	647185
ITC Ltd	-	-	-	752226
Larsen & Tubro Ltd	651	378582	-	955141
Mahindra & Mahindra Ltd	-	-	-	335888
Maruti Suzuki India Ltd	-	-	-	472275
Mundra Port And Special Economic Zone Ltd	-	-	-	873668
Oil & Natural Gas Corpn Ltd	-	-	-	516863
Punjab National Bank	-	-	-	848100
Reliance Communication Ltd	-	-	-	968633
Reliance Industries Ltd	-	-	-	951974
State Bank of India Ltd	427	390619	-	203520
Sun Pharmaceuticals Industries Ltd	-	-	-	684117
Tata Consultancy Services Ltd	-	-	-	953248
Tata Motors Ltd	-	-	-	870562
Tata Tea Ltd	-	-	-	687456
			<b>3542220</b>	<b>20926675</b>
<b>1B INVESTMENT IN SHARES QUOTED (LONG TERM)</b>				
<b>NAME OF THE SECURITY</b>				
Federal-Mogul Goetze (India) Ltd	3231	890981	890981	

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	Units	2008-2009 Rupees	2007-2008 Rupees
<b>2 INVESTMENT IN MUTUAL FUNDS (UNQUOTED)</b>			
K Liquid (G)	-	-	657,141
Kotak Floater Short term G	539,396.7066	7,800,000	-
Birla Gilt Plus Regular Plan	47,693.5400	1,500,000	-
Birla Sun Life Income Plus	48,857.4680	2,000,000	-
Birla Sun Life Income Fund	30,094.6480	1,000,000	-
DSP Black Rock Bond fund	33,795.0870	1,000,000	-
Fidelity Equity Fund	10,813.9280	300,000	300,000
Fidelity Fixed Maturity Plan Series 1	250,000.0000	2,500,000	-
HDFC Arbitrage Fund	179,629.9620	2,000,000	-
HDFC FMP 370D Nov 2008 (1)	200,000.0000	2,000,000	-
HDFC Top 200 Fund	1,319.7840	200,000	200,000
ICICI Prudential Blended Fund Plan A	148,054.9280	2,000,000	-
ICICI Prudential Income Plan	83,578.4970	2,500,000	-
ICICI Prudential Infrastructure Fund	6,591.9580	200,000	200,000
IDFC Arbitrage Plus Fund	186,640.2880	2,000,000	-
IDFC Dynamic Bond fund	57,072.4140	1,000,000	-
ING Income Fund	43,522.7300	1,000,000	-
J. M. Fixed Maturity Fund Series V11	-	-	2,500,000
Kotak Bond Regular	78,600.2860	2,000,000	-
Kotak Equity Arbitrage Fund	251,515.1470	2,500,000	2,500,000
Kotak FMP 12M Series 8	150,000.0000	1,500,000	-
LIC MF Fixed Maturity Plan Series -37	1,000,000.0000	10,000,000	10,000,000
LIC MF Fixed Maturity Plan Series -43	150,000.0000	1,500,000	-
LIC MF Fixed Maturity Plan Series -44	150,000.0000	1,500,000	-
Reliance Diversified Power Sector Fund	6,954.3060	500,000	500,000
Reliance Fixed Horizon Fund V11-Series 5	1,100,000.0000	11,000,000	11,000,000
Reliance Income Fund	34,046.1460	1,000,000	-
Standard Chartered FMPYS 17	400,000.0000	4,000,000	4,000,000
Tata Fixed Horizon Fund Series Scheme C	200,000.0000	2,000,000	-
Tata Infrastructure Fund	8,180.7400	300,000	300,000
UTI Bond Fund	39,693.4080	1,000,000	-

## 3 INVESTMENT IN BONDS (UNQUOTED)

NABARD	450.0000	3,938,368	-
<b>TOTAL RUPEES</b>		<b>76,171,569</b>	<b>53,974,797</b>

	At Cost		At Market Rate	
	2008-2009 Rupees	2007-2008 Rupees	2008-2009 Rupees	2007-2008 Rupees
Aggregate amount of quoted investment (Shares)	4,433,201	21,817,656	4,175,277	21,912,351
Aggregate amount of unquoted investments	71,738,368	32,157,141	74,233,188	32,186,524





	Rupees	2008-2009 Rupees	2007-2008 Rupees
<b>SCHEDULE-6 CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
<b>STOCK IN TRADE</b>			
(As per list certified and valued by the Company)			
Finished Goods		4,970,170	4,970,170
Property held as stock-in-trade (At Cost)		4,970,170	4,970,170
<b>SUNDRY DEBTORS (UNSECURED)</b>			
Exceeding six months:	63,767,432		95,797,576
Considered Good	26,569,329		4,594,202
Considered Doubtful	90,336,761		100,391,778
	26,569,329		4,594,202
Less: Provision for doubtful debts	63,767,432		95,797,576
	2,718,402		-
Other (considered Good)		66,485,834	95,797,576
<b>CASH AND BANK BALANCES</b>			
Cash on hand		564	247
With scheduled Bank in :			
Current Account	5,142,843		4,429,271
Bank Guarantee Margin Account	828,113		774,422
Unclaimed Dividened A/c	435,850		261,500
		6,406,806	5,465,193
		6,407,370	5,465,440
<b>OTHER CURRENT ASSETS</b>			
Loans & Advances :			
(Considered Good & Unsecured)			
Advances recoverable in cash or in kind or value	24,525,576		51,882,845
to be received	40,158		43,176
Dividened Receivable	822,004		1,044,449
Excise Rebate Receivable	450,000		2,400,678
Provision for Leave & Licence Income	12,962,668		13,155,946
Tax Deducted Source	18,200		12,275,263
Advance payment of Income Tax		38,818,606	80,802,357
Advances Considered Doubtful	3,403,840		3,403,840
Less: Provision	3,403,840		3,403,840
			-
		116,681,980	187,035,543
<b>TOTAL RUPEES</b>			

	2008-2009 Rupees	2007-2008 Rupees
<b>SCHEDULE-7 CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. Current Liabilities</b>		
Sundry Creditors	13,000,505	20,665,216
Outstanding Liabilities for expenses	498,273	610,429
	<u>13,498,778</u>	<u>21,275,645</u>
Unclaimed Capital Reduction	100	100
Unpaid Dividened	435,850	261,500
	<u>13,934,728</u>	<u>21,537,245</u>
<b>B. Provisions</b>		
Taxation	8,250,000	23,985,000
Provision for Retirement Benefits	2,858,972	2,388,726
Proposed Dividened	4,928,000	4,928,000
Tax On Dividened	837,514	837,514
	<u>16,874,486</u>	<u>32,139,240</u>
<b>TOTAL RUPEES</b>	<u>30,809,214</u>	<u>53,676,485</u>

**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT  
AS ON 31ST MARCH 2009**

	2008-2009 Rupees	2007-2008 Rupees
<b>SCHEDULE-8 OTHER INCOME</b>		
Dividend	398,114	270,575
<b>Interest</b>		
On Other (Gross)	4,299,451	8,929,567
(TAX DEDUCTED Rs 931560 /-)		
Miscellaneous Income	36,857	9,934
BusinessCentre Income	-	1,759,590
DEPB/DUTY Drawback Incentive	-	174,553
Royalty Received	570,870	1,027,718
Income on Bill Discounting	1,806,112	1,757,313
Leave & Licence Income	12,689,712	9,602,712
Profit on Sales of Investment	-	6,443,838
Profit on Redemption of Mutual Funds Units	320,731	131,512
Excess Provisions Written Back	2,460,225	101,938
<b>TOTAL RUPEES</b>	<u>22,582,072</u>	<u>30,209,250</u>

**SCHEDULE- 9 INCREASE/ (DECREASE) IN STOCK**

Closing Stock	0	0
Less : Op. Stock	0	1241187
	-	(1,241,187)