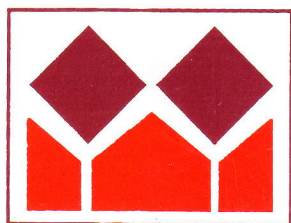


16th
Annual Report
2009 - 2010



MAHAN
INDUSTRIES
LIMITED

BOARD OF DIRECTORS

Shri Y. K. Gupta

Shri Manik Dattatrey

Shri Lalit Sharma

Shri Chanakya Shukla

Shri Kalpesh Trivedi

Shri Bharat Sanchala

Managing Director

Director

Independent Director

Independent Director

Independent Director

Independent Director

BANKERS

HDFC Bank Ltd. (Paldi Branch)

Ahmedabad.

AUDITORS

DJNV & Co.

Chartered Accounts

Ahmedabad.

REGISTERED OFFICE

&

INVESTOR'S SERVICE DEPT.

3rd Floor, D.K. House,

Nr. Mithakhali Underbridge,

Ellisbridge,

Ahmedabad-380 006.



DIRECTOR'S REPORT

To The Members

Your Directors have pleasure in presenting the Sixteenth Annual General Report and the Audited Accounts of the Company for the year ended on March 31, 2010.

✦ *Financial Results*

Particulars	2009-10	2008-09
Profit/(Loss) before Depreciation & Tax	1955656	(8220602)
Depreciation	256350	286835
Profit/Loss before Tax	1699306	(8507437)
Provision for Fringe Benefit tax/ Income Tax	118250	16588
NET PROFIT FOR THE YEAR	1580476	(8524025)
Balance form Previous year	(72784216)	(64263720)
Balance carried to Balance Sheet	(71203740)	(72784216)

✦ *Operation Review*

The year under review was marred with global uncertainties. However, and had marginal growth sustained.

The Key aspects of your Company's performance during the financial year 2009-10 are as follows:-

- There is a Profit after tax of Rs. 1580476 2009-10 as against loss of Rs. 8524025 in 2008-09.

✦ *Dividend*

In order to conserve the resources to augment future growth, your director do not recommend any dividend for the financial year 2009-2010.

✦ *Directors*

Mr. Bharat Sanchala who was appointed as Additional Director of the Company on 20th February, 2010 are appointed as Director of the Company and are liable to retire by rotation.

At 16th Annual General Meeting of the Company Mr. Lalit Sharma retire by rotation and being eligible, offer themselves for re-appointment.

The above re-appointments form part of the Notice of the forthcoming 16th Annual General Meeting and the respective resolution are recommended for your perusal.

✚ ***Fixed Deposits***

The Company has not accepted any deposits from the public during the year under review.

✚ ***Management Discussion and Analysis Report***

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual report.

✚ ***Corporate Governance Report***

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a Detailed report on Corporate Governance is included in the Annual Report. A Practicing Chartered Accountant's certifying the Company's compliance with the requirements of Corporate Governance in relation to Clause 49 of the Listing Agreement is attached with The Corporate Governance Report.

✚ ***Auditors***

M/s DJNV & Co, Chartered Accountant, the present statutory auditor of the Company holds office until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them as the Statutory Auditor of the Company until the conclusion of next Annual General Meeting. M/s DJNV & Co. have under section 224(1) of the Companies Act, 1956 furnished the certificate of their eligibility for re-appointment.

✚ ***Auditors Report***

The Auditors report to the Shareholders does not contain any qualification.

✚ ***Conservation of Energy, Research and Development, Technologies Absorption Foreign Exchange Earning and Outgo***

Since the Company is not carrying any manufacturing activities, the details relating to conversation of energy and technologies absorption is not quite relevant to the Company.



✚ Directors Responsibility Statement

Pursuant to the provisions of section 217 (2AA) of the Companies Act, 1956, your Directors place on record a responsibility statement stating that:

- ▶ In the preparation of the annual accounts for the financial year ended 31st March, 2010 applicable accounting standards have been followed along with proper explanation relating to material departures
- ▶ That the Directors, in consultation with the auditors, 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 and of the profit and loss of the Company for that period.
- ▶ That the Directors have taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting material fraud and other irregularities.
- ▶ That the Directors have prepared the Annual Accounts on a going concern basis.

✚ Particulars as per Section 217 of the Companies Act, 1956

The Company had no employee who was in receipt of remuneration during the year under review, which in the aggregate was equal to or more than such sum as is prescribed under Section 217(2A) of the Companies Act, 1956.

✚ Acknowledgement

Your Director would take this opportunity to thank all the stockholders for their supports and co-operation rendered to the Company during the under review.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 27th August, 2010

Yogendra Kumar Gupta
Managing Director

MAHAN INDUSTRIES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

COMPANY PERFORMANCE

In financial year 2009-10 the Company recorded a total Turnover of Rs.55965501/- and earned a profit of Rs.1581056/-.

FUTURE OUTLOOK:

The Company is continuing to strengthen its presence with a clear **focused** approach which would help increase revenue growth, improve profitability as well as de-risk the Company from economic slowdowns.

OPPORTUNITIES AND THREATS:

The Company's business has its own opportunities which are addressed and the threats faced by the Company include competitive risks. The Company's risk management process addresses the same.

INTERNAL CONTROL SYSTEM AND ADEQUACY:

The Company has adequate Internal Control System to ensure maintenance of proper accounting records, their accuracy and Accounting Standards, Safeguarding of Company's Assets and assessing its risk for insurance coverage. These controls have been evolved in line with the size of the operations and organizational requirements and are adequate to protect the enterprise resources.

SAFETY HEALTH AND ENVIRONMENT

The Company is giving due importance to safety, health and environment related issues. The employees are educated and trained to improve awareness and skills in their respective areas of operations.



HUMAN RESOURCES

To meet the Company's long term vision and various emerging challenges, the Company has put together a number of initiatives e.g. significant strides have been made in organizational renewals programme, with focus on enhancing organizational efficiency, employee competence and commitment, keeping in mind the flexibility required to meet changing market requirements and to use manpower gainfully and enhance their productivity.

The Company's Future Leaders Programmers seeks to identify leverage and appropriately deploy talent within the Company keeping in view the long term objectives of the Company.

The Company is also focusing beyond the workplace with programmes such as training to its employee and engaging and recognizing employee in social activities. The relations with the Employees at all levels continue to be cordial.

CORPORATE SOCIAL RESPONSIBILITY

The Company aspires to be an excellent, society oriented and ethical organisation. Corporate Social responsibility is an important component of the Company Mission statement. CSR includes creating healthy safe working conditions that protect the people as well as the environment. All efforts are made to ensure that the processes of the Company are eco-friendly.

**CORPORATE GOVERNANCE REPORT
INTRODUCTION****Company's Philosophy on Corporate Governance**

Corporate governance aims at achieving long term viability of business keeping in mind effective relationship with shareholders and establishing systems that help the Board in monitoring risks. Your company is committed to good Corporate Governance and transparency in its dealing, laying emphasis on timely regulatory compliance.

I. BOARD OF DIRECTORS**A. Composition and Category of Directors is as follows :**

Names of Director	Category Executive/Non Executive/Independent	No of other Directorships and Committee Membership/Chairmanship		
		Other Directorships	Other Committee Membership	Other Committee Chairmanship
Sh. Y.K. Gupta	Managing Director Executive Director	None	2	1
Sh. Manik Dattatreya	Director Executive Director	None	1	None
Sh. Chanakya Shukla	Director	None	None	None
Sh. Kalpesh Trivedi	Independent cum Non Executive director	None	2	2
Sh. Lalit Sharma	Independent cum Non Executive director	None	3	None
Sh. Bharat Sanchala	Independent cum Non Executive director	None	None	None

B Attendance of each Director at the Board Meeting and the Last Annual General Meeting:-

Names of Directors	No of Board Meetings attended	Last Annual General Meeting
Sh. Y.K. Gupta	11	Yes
Sh. Manik Dattatreya	8	Yes
Sh. Chanakya Shukla	9	Yes
Sh. Kalpesh Trivedi	10	Yes
Sh. Bharat Sanchala	Nil	No
Sh. Lalit Sharma	6	Yes

C Number of Board Meetings held and the dates on which held:-



Eleven board meetings were held during the accounting period from 1st April, 2009 to 31st March, 2010. The dates of such meetings are 16.05.2009, 01.08.2009, 30.09.2009, 31.10.2009, 05.11.2009, 05.12.2009, 16.12.2009, 31.12.2009, 04.01.2010, 30.01.2010, 20.02.2010.

II. AUDIT COMMITTEE

The audit committee constituted by the Board of Directors of the Company comprises of 3 Members viz Kalpesh Trivedi -Chairman, Sh. Lalit Sharma and Sh.Y.K. Gupta.

This committee was formed basically with the purpose of enhancing the creditability of the financial disclosure and for providing transparency. The terms of reference of the committee amongst other matter also include:

- To establish accounting policies and practices as per the prevailing accounting standards in consultation with management & auditors.
- To review the company's financial reporting process and the disclosure of its financial position.
- To review with management, external and internal auditors, the adequacy of internal control systems.
- To review the adequacy of internal audit functions.
- To recommend appointment and removal of external auditors, fixation of audit fees and also approval for payment for any other services.
- To discuss with internal auditors any significant findings and follow up thereon.
- To review quarterly & annual results and place the same before the Board.
- To ensure compliance with stock exchange and legal formalities concerning financial disclosures.
- To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

- To discuss with external auditors before the audit commences, nature and scope of the audit as well as have post-audit discussion to ascertain any area of concern.

The audit committee shall have the following powers:

1. To investigate an activity within terms of reference.
2. To get the information from any employee of the company.
3. To obtain advice from any outside legal or professional persons/agencies.
4. To call, if considered necessary, any outsiders having expertise.

During the year, the committee has met 4 times, and is well within the limits prescribed under Clause 49 of Listing Agreement. All the members of the Audit Committee were present in all the meetings held during the year. The head of finance function, head of internal audit, and representatives of the Statutory Auditors appointed by the Company were invited to attend the Audit Committee.

III REMUNERATION COMMITTEE

The Board of the company has constituted a remuneration committee, comprising of 3 Directors viz Sh. Kalpesh Trivedi -Chairman, Sh. Lalit Sharma and Sh. Y.K. Gupta.

The Remuneration committee has been constituted to recommend/review the remuneration package of the Managing/Whole Time Directors based on the performance and defined criteria.

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy consonance with the existing Industry practice.

Since there was no proposal for enhancement in the remuneration of the Directors after constitution of the Committee, the committee did not meet any time during the year.



IV CODE OF CONDUCT

The Company has adopted a Code of Conduct for its directors and senior management in its compliance with Clause 49 of the Listing Agreement. The code is derived from three international fundamental principles; viz. good corporate governance, good corporate citizenship and exemplary personal conduct and it is applicable to all directors and senior management of the Company. The board members and senior management personnel have affirmed their compliance with the Code of conduct.

The Company has a Code of Conduct for prevention of Insider trading in the Shares and Securities of the Company pursuant to SEBI (Prohibition of Insider Trading) Regulation 1992. The code of conduct for prevention of insider trading, inter alia, prohibits purchase/sales of shares of the company by employees while in possession of unpublished price sensitive information in relation to the Company.

V CEO/ CFO CERTIFICATION

As required under Clause 49 of the Listing Agreement with the Stock Exchange, the Executive Director & CEO have certified to the Board the financial statements for the year ended 31st March, 2010.

VI SHAREHOLDERS GRIEVANCES & SHARE TRANSFER COMMITTEE

The committee comprises of Shri. Y. K. Gupta as its Chairman and Shri Manik Dattatrey and Shri. Lalit Sharma as its members.

The Shareholders Grievances & Share Transfer Committee deals with the matters relating to delays in transfer of shares, demat, non receipt of annual account, split, duplicate, transmission etc of the shares issued by the Company.

All the complaints have been resolved and as on 31st March, 2010 no complaint from shareholders is pending. At the end of year, no requests for shares transfers were pending for registration.

VII GENERAL BODY MEETINGS**Details of previous General Meetings**

Financial Year	Category	Date	Time	Location
2006-07	AGM	29/09/2007	11.00a.m	Reg Off:-3 rd Floor, D. K. House, Nr. Mithakali, Under Bridge, Ahmedabad-380006
2007-08	AGM	30/09/2008	10.00a.m	Reg Off:-3 rd Floor, D. K. House, Nr. Mithakali, Under Bridge, Ahmedabad-380006
2008-09	AGM	30/09/2009	10.30a.m	Reg Off:-3 rd Floor, D. K. House, Nr. Mithakali, Under Bridge, Ahmedabad-380006
2008-09	EOGM	05/12/2009	10.30a.m	Reg Off:-3 rd Floor, D. K. House, Nr. Mithakali, Under Bridge, Ahmedabad-380006

VIII DISCLOSURES

- a. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large.**

The related party transactions in accordance with the AS-18 of the ICAI have been given in the Notes of Accounts. However, these transactions are not likely to have any potential conflict with the interests of the Company.

- b. **Risk Management Framework**

The Company has in place mechanisms to inform the Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk through means of a properly identified framework. The risk management issues are discussed in Management Discussion & Analysis.

- c. **Details of non- compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital markets, during the last three years.**

The Company has complied with all the provisions of listing agreement with Stock Exchange and regulations and guidelines of SEBI, as applicable from time to time. There were no instances of non-compliances of any matter related to the capital markets during the last three years.



IX GENERAL SHAREHOLDER INFORMATION

► ANNUAL GENERAL MEETING

Date and Time : 30th September, 2010 at 9.30 a.m.

Venue : 3rd Floor, D. K. House,
Nr. Mithakali,
Under Bridge,
Ahmedabad-380006

► FINANCIAL CALENDAR

Financial year : 1st April to 31st March

Quarterly Unaudited: Results : Within forty five days from the end of the quarter

► **Book Closure Date** : From : 15th September, 2010
To : 17th September, 2010
(Both days inclusive)

► **Listing on Stock Exchanges** : The Bombay Stock Exchange Limited
(Scrip Code:-531515)

► **Demat ISIN No. For Equity shares** : INE735D01025

► **Market Price data** :

Monthly high & Low quotations of shares traded at Bombay Stock Exchange for the year 2009-10

	Months High price	Months Low Price	Volume	BSE Sensex High	BSE Sensex Low
April 2009	3.29	2.48	12775	11492.10	9546.29
May 2009	3.66	3.05	32,280	14930.54	11621.30
June 2009	4.27	2.95	205070	15600.30	14016.95
July 2009	2.81	2.10	1275	15732.81	13219.99
August 2009	2.68	1.92	29684	16002.46	14684.45
September 2009	6.51	2.55	107210	17142.52	15356.72

MAHAN INDUSTRIES LIMITED

October 2009	6.44	4.81	318949	17493.17	15805.20
November 2009	12.47	5.90	298184	17290.48	15330.56
December 2009	28.15	12.25	1445091	17530.94	16577.78
January 2010	40.35	4.20	6245002	17790.33	15982.08
February 2010	5.55	3.44	14487570	16669.25	15651.99
March 2010	6.87	4.95	11888531	17793.01	16438.45

Registrar & Transfer Agents:

Purva Share Registry India Pvt Ltd
No.9, Shiv Shakti Industrial Estate,
Ground Floor, J. R. Boricha Marg,
Opp. Kasturba Hospital, Lower Parel,
Mumbai-400011
Tel No: - 23016767/8261 Fax:-022-23012517
Email Id: - busicomp@vsnl.com

Share Transfer System:

Share transfers in physical form have to be lodged with the Registrar and Transfer Agents

All shares received for transfer are registered and returned within a period of thirty days from the date of lodgment, provided the documents are valid and complete in all respects.

Shareholding pattern as on 31st March , 2010 :

Sr.No.	Category of Shareholders	Number of Shares held	%
A	Promoters/Promoters' Group		
1)	Indian		
a)	Individuals/HUF	7386544	2.31
b)	Body Corporate	7150000	2.23
2)	Foreign	0	0
	Sub Total	14536544	4.54



B	Public Shareholding		
1)	Institutions	0	0
2)	Non Institutions		
i)	Body Corporate	238022886	74.38
ii)	Individuals		
	Individual shareholders holding nominal share capital upto Rs.1 lakh	22251179	6.95
	Individual shareholders holding nominal share capital in excess of Rs.1 lakh	45166591	14.11
3)	Any Other		
i)	N.R.I	22800	0.01
ii)	Clearing Members	0	0
iii)	Overseas Corporate Bodies	0	0
	Total of (1) (2) and (3)	305463456	95.46
C	Shares held by Custodians and against which depository receipts have been issued	Nil	0
	TOTAL OF A+B+C	320000000	100

Distribution of Shareholding as on 31st March, 2010

Shareholding of Nominal value of Rs.	No of Shareholders	Total No of Shares Face Value Rs.1/- Each
Up to 5000	1564	2831310
5001-10000	290	2480683
10001-20000	157	2580686
20001-30000	127	3345574
30001-40000	53	1938521
40001-50000	71	3400658
50001-100000	97	7497567
100001 & Above	166	295925001

► **Address for Communication:**

Shri Manik Dattatrey, Compliance Officer,
Mahan Industries limited,
3rd Floor, D. K. House, Nr. Mithakali Bridge,
Ellisbridge, Ahmedabad-380006

► **Declaration on Code of Conduct:**

The Board of Directors
Mahan Industries limited
3rd Floor, D. K. House,
Nr. Mithakali Bridge,
Ellisbridge, Ahmedabad-380006

Dear Sir

This is to confirm that the Board has laid down a code of conduct for all the board members and senior management personnel for the Company.

It is further confirmed that all the directors and senior management personnel of the Company have affirmed compliance within the Code of Conduct of the Company for the year ended 31st March, 2010 as envisaged in clause 49 of the listing Agreement with Stock Exchanges.

Y. K. Gupta
Managing Director

Place: Mumbai

Date: 27th August, 2010



CEO/ CFO CERTIFICATION

To
The Board of Directors
Mahan Industries Limited

We, Yogendra Kumar Gupta, Managing Director appointed in terms of Companies Act, 1956 and Manik Dattatrey, the CFO hereby certifies as follows:

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:

These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading

These statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- B. There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.

- C. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. They have indicated to the Auditors and the Audit committee

- ✚ Significant changes in internal control over financial reporting during the year;
- ✚ Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statement; and
- ✚ Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

Yogendra Kumar Gupta
Managing Director

Manik Dattatrey
Chief Financial Officer



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Mahan Industries Limited

We have examined the compliance of conditions of Corporate Governance by Mahan Industries Limited ("the company") for the year ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we verify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We have examined that no investor grievances are pending for a period exceeding one month, as at 31.03.2010, against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For DJVN & CO
Chartered Accountants

Place: Ahmedabad

Date: - 27th August, 2010

JAYESH PAREKH
PARTNER

D J N V & Co.
Chartered Accountants
Ahmedabad

AUDITORS' REPORT

To the members of
Mahan Industries Limited

1. We have audited the attached Balance Sheet of **MAHAN INDUSTRIES LIMITED** for the year ended 31st March, 2010 and the Profit & Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the 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 statement 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 Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matter specified in paragraphs 4 & 5 of the said order.
4. Further, 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 the law have been kept by the company so far as appears from our examination of the books;
 - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account;
 - (d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956 *except for AS 15 in respect of Accounting for Retirement Benefits and disclosure requirements thereof.*



(e) On the basis of written representations received from the Directors of the company as at March 31, 2010 and taken on record by the Board of Directors, we report that no director is disqualified from being appointed as director of the company under clause (g) of sub- section (1) of section 274 of the Companies Act, 1956.

(f) *The company has not provided for interest on bank borrowings for the early years and since the bank from whom the company has borrowed the money is closed the further interest till date is not ascertainable and the same is not provided and to that extent profit is overstated. In absence of any account confirmation the amount of payment made during the year has been adjusted towards the principal.*

Subject to the above and read together with Notes to Accounts the said Statements of Account, in our opinion and to the best of our information and according to the explanations given to us, give the information required by the Companies Act, 1956, in the manner so required and give a true & fair view in accordance with the accounting principles generally accepted in India:

- (I) in case of the Balance Sheet , of the state of Affairs of the company as at 31st March, 2010.
- (II) in case of the Profit & Loss Account , of the Profit for the year ended on that date and
- (III) in case of the cash flow statement, of the cash flows for the year ended on that date.

For D J N V & Co.
Chartered Accountants
ICAI Reg. No. 115145W

(Jayesh Parikh)
Partner
M.No.:40650

Ahmedabad :27.08.2010

ANNEXURE TO THE AUDITOR'S REPORT

- (1) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year. There is a regular program of verification which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) None of the Fixed Assets has been disposed off during the year, which has bearing on the going concern assumption.
- 2) (a) Physical verification of inventory have been conducted at reasonable intervals during the year by the management.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of the business.
- (c) The company has maintained proper records of inventory. No material discrepancies were noticed on physical verification.
- (3) (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. As the company has not granted any loans, secured or unsecured, to parties listed in the register maintained under section 301 of the Companies Act, 1956 paragraphs (iii)(b), (c) and (d) of the Order, are not applicable.
- (b) According to the information and explanations given to us, the company has taken unsecured loan from one covered in the register maintained under section 301 of the Companies Act, 1956. Maximum amount involved during the year is Rs. 211.58 lacs and the year end balance of such loan taken is Rs.203.93 lacs .
- (c) As per the information given to us the loan taken by the company are interest free and there are no specific terms and conditions and as such the loans are prima facie not prejudicial to the interest of the company.
- (d) The loans taken are interest free without any stipulation as to repayment.
- (4) In our opinion and according to the information and explanation 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 the purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.



- (5) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our Opinion & according to the information & explanations given to us, the transaction made with the parties during the year in pursuance of contract & arrangement entered in the register maintained under 301 of the Companies act, 1956 have been made at prices which are reasonable, having regard to the prevailing market prices at the relevant time, where such comparative market price are available.
- (6) The company has not accepted any deposits from the public which falls within the provisions of section 58 A and 58 AA of the Companies Act, 1956.
- (7) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (8) To the best of knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost record under section 209 (1) (d) of the Companies Act, 1956.
- (9) (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company is regular in depositing undisputed statutory dues including Provident Fund, Investor education protection fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service-Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities.
- (b) According to information and explanation given to us, details of dues in respect of income tax were in arrears, on account of dispute is as follows:

Particulars	Financial Year, For which the matter for pertains pending	Forum where dispute to	Amount Rs.
Income Tax	2000-01	ITAT set aside for CIT Appeals	22,25,639
	2004-05	CIT Appeals	34,988

- (10) The company does not have accumulated losses exceeding 50% of its net worth and has not incurred cash losses during the financial year but have incurred cash losses in the immediately preceding financial year.
- (11) In our opinion and according to the information and explanation given to us, the company has defaulted in repayment of dues to a financial institution / bank. Since the bank is closed and the account confirmation is not available the entire amount is considered as overdue.

- (12) According to the information & explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provision of clause 4(xiii) of the companies (Auditor's Report) order, 2003 are not applicable to the company.
- (14) In our opinion, proper records have been maintained of the transactions and contracts of trading in shares, securities, debentures and other investments and timely entries have been made therein. All stocks of trading shares have been held by the company except to the extent of exemption if any granted under section 49 of the Act.
- (15) According to the information & explanations given to us, the company has not given any guarantees for the loans taken by others from banks or financial institutions
- (16) In our opinion, the term loan has been applied for the purpose for which it was raised.
- (17) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term purpose.
- (18) According to the information and explanation given to us, the company has not made Preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (19) According to the information and explanations given to us, Company has not issued any debenture during the year. Hence reporting on the question of securitisation does not arise.
- (20) As per the information and explanations given to us the company has raised funds by way of warrants which are converted to equity during the year and as the shares are listed the funds so raised have been considered for the purpose of reporting under this clause.. Further as per the information and explanations given to us the funds have been utilized for the activity of investing.
- (21) Based upon the audit procedures performed and on the basis of information and explanation provided by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For D J N V & Co.
Chartered Accountants

(Jayesh Parikh)
Partner

Ahmedabad: 27.08.2010



Balance Sheet as on 31st March, 2010

(Amount in Rs.)

PARTICULARS	SCH. NO.	AS ON 31.03.2010	AS ON 31.03.2009
I SOURCES OF FUNDS:			
1 Share holder's funds			
a. Share Capital	1	371500000	71500000
2 Loan Funds			
a. Secured Loans	2	22666043	3531016
b. Unsecured Loans	3	20393318	2781914
		414559361	77812930
II APPLICATION OF FUNDS:			
1 Fixed Assets	4		
Gross Block		3112622	4230386
Less: Depreciation		1629124	1987766
		1483498	2242620
2 Investments	5	267616554	2034304
3 Current Assets Loans & Advances			
a. Current Assets	6	30242766	16620527
b. Loans & Advances & Deposits	7	57921532	27592753
		88164298	44213280
4 Less: Current Liabilities & Provisions	8	13908729	43461489
5 Net Current Assets		74255569	751791
6 Profit & Loss Account		71203740	72784216
7 Notes on Accounts	13		
		414559361	77812930

The Schedules refer to herein above form an integral part of the Balance Sheet

As per our report attached
For D J N V & CO.
Chartered Accountants
ICAI Regd. No. 115145W

Jayesh Parikh Partner
M. No. 40650

FOR AND ON BEHALF OF THE BOARD

Y. K. GUPTA MANAGING DIRECTOR

LALIT SHARMA DIRECTOR

PLACE : AHMEDABAD
DATE : 27.08.2010

MAHAN INDUSTRIES LIMITED**Profit & Loss account for the year ended on 31st March, 2010**

PARTICULARS	SCH. NO.	AS ON 31.03.2010	AS ON 31.03.2009
-------------	-------------	---------------------	---------------------

(Amount in Rs.)

INCOME

Sales of Shares		53151213	0
Income From Financial Activity ,Security trading & Other Income	9	2814288	-6686486

TOTAL (A)	55965501	-6686486
-----------	-----------------	-----------------

EXPENDITURE

Purchase of Shares	10	49250702	0
Administrative, Selling & Other Exp.	11	3442186	806491
Interest expenses	12	1316958	713580
Depreciation	4	256350	286835

TOTAL (B)	54266196	1806906
-----------	-----------------	----------------

Profit Before Tax		1699306	-8507437
Provision for :			
Income Tax		117000	0
Fringe Benefit Tax		0	16588
Profit for the year after Tax		1582306	-8524025
Less : Provision for earlier year		1830	-3530
Add: Balance Brought Forward		-72784216	-64263720
Net Profit (Loss) carried to Balance Sheet		-71203740	-72784216
Basic Earning Per Shares		0.02	-1.19
Diluted Earning Per Shares (Ref Note 16 Schedule 13)		0.02	-1.19
Notes on Accounts	13		

The Schedules refer to herein above form an integral part of the Profit & Loss Account.

As per our report attached

For D J N V & CO.

FOR AND ON BEHALF OF THE BOARD

Chartered Accountants

ICAI Regd. No. 115145W

Jayesh Parikh Partner
M. No. 40650

Y. K. GUPTA MANAGING DIRECTOR

LALIT SHARMA

DIRECTOR

PLACE : AHMEDABAD

DATE : 27.08.2010



Schedule forming part of the Balance sheet as on 31st March, 2010

AS ON 31.03.2010 AS ON 31.03.2009

(Amount in Rs.)

SCHEDULE : 1 : SHARE CAPITAL

AUTHORISED

373000000 Equity share of Rs1/- each (Previous year
7300000 Equity Share of Rs 10 each)

373000000 73000000

ISSUED , SUBSCRIBED & FULLY PAID UP

320000000 Equity share of Rs1/- each (Previous year
7150000 Equity Share of Rs 10 each)
5,15,00,000 Convertible Warrants to be Converted
in to Equity Shares Rs.1/- each

320000000 71500000

51500000 0

371500000 71500000

SCHEDULE : 2 : SECURED LOANS

- a Working Capital from Scheduled Bank
(Against colletral security of Office
Premises & Personal guarantee of Directors)
- b ICICI Car Loan (Ag.Hypo Car)
- c Loan Against Shares from Finance companies
(Secured against pledge of Shares)

2889893 2994893

318346 536123

19457804 1614691

22666043 5145707

SCHEDULE : 3 : UNSECURED LOANS

From Directors

20393318 1167224

20393318 1167224

SCHEDULE : 4 : Fixed Assets

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01.04.2009	ADDITION DURING THE YEAR	SALE DURING THE YEAR	AS ON 31.03.2010	UP TO 31.03.2009	DURING THE YEAR	ADJUST- MENT	AS ON 31.03.2010	AS ON 31.03.2010	AS ON 31.03.2009
Air conditioner/cooler	93315			93315	44207	4432		48639	44676	49108
Computer	392966	21500		414466	392966	48		393014	21452	0
Electric Fittings	48233			48233	30268	2291		32559	15674	17965
Epabx Equipment	15649			15649	9796	743		10539	5110	5853
Furniture & fixtures	504436			504436	411128	31931		443059	61377	93308
Machinery	38300			38300	11632	1819		13451	24849	26668
Motor Car	1684520		1139264	545256	539859	127642	614992	52509	492747	1144661
Office Equipment	78291			78291	40263	3719		43982	34309	38028
Office Premises	954322			954322	209700	15556		225256	729066	744622
Printer	420354			420354	297946	68169		366115	54239	122408
Total	4230386	21500	1139264	3112622	1987766	256350	614992	1629124	1483498	2242619
Pr. Year Figures	3675880	0	0	3675880	1572273	329103	200445	1700931	1974949	2631092

Schedule forming part of the Balance sheet as on 31st March, 2010

AS ON AS ON
31.03.2010 31.03.2009

SCHEDULE : 5 : INVESTMENTS

Long Term:

QUOTED SHARES

* Jhonmeyers Granites Ltd.	10000	1	1
* Kanhaiya Foods Ltd.	2900	1	1
* Karan Fibers & Fabrics Ltd.	197900	1	1
Spenta Finance Ltd.	500	1	1
a		4	4

Current Investments

D.K. Association	3	300	300
Charotar Housing Corporation	1000	10000	10000
Chase Infotech Ltd.	184400	0	1844000
Akshar Entertainment Pvt Ltd	150000	15000000	0
Candor Infratech Pvt Ltd	3800000	38000000	0
Chakri Industries Pvt Ltd	175000	17500000	0
Cobolt Infra Projects Pvt Ltd	1500000	15000000	0
Coral Granito Pvt Ltd	100000	5000000	0
Bhootnath Dealers Pvt Ltd	20000	10000000	0
D M International Pvt Ltd	250000	5000000	0
Himalaya Barter Pvr Ltd	40000	20000000	0
IBF Publications Pvt Ltd	45000	4500000	0
Jhankar Banquets Pvt Ltd	3125	2500000	0
Leena Construction Pvt Ltd	25000	2500000	0
Lucky Star International Pvt Ltd	333000	4995000	0
Mahalaxmi Tex Clothing Pvt Ltd	15000	1500000	0
Maple Goods Pvt. Ltd.	50000	10000000	0
Matrix Barter Pvt. Ltd	25000	5000000	0
Mimosa Enterprises Pvt Ltd	41667	12500000	0
Navyug Fin Sec Pvt Ltd	5000	5000000	0
Neminath Trade Pvt Ltd	125000	10000000	0
Ostwal Plantation India Ltd	1250	2500000	0
Seaview Suppliers Pvt Ltd	25000	5000000	0
Seth Iron & Steel Pvt Ltd	12500	5000000	0
Shakti Tex Coaters Pvt Ltd	20000	2000000	0
Sheil Mercantile Pvt Ltd	100000	5000000	0
Shree Sai Steel Industries India Pvt Ltd	57500	23575000	0
Silver Emporium Pvt Ltd	31250	5000000	0



Schedule forming part of the Balance sheet as on 31st March, 2010

Sruti Filatex Pvt Ltd	90000	900000	0
Teena Housing Finance Co Ltd	50000	5000000	0
Tridev Shoppers Pvt Ltd	10000	5000000	0
Ujala Finstock Pvt. Ltd.	3600	180000	180000
Yanki Infrastructure Pvt Ltd	81250	24456250	0
b.		267616550	2034300
Total a+b		267616554	2034304

NOTES :

- 1 Aggregate value of Quoted Investment is taken Rs 1/-
(Quoted shares is delisted so taken value of Rs. 1/-)

4 4

SCHEDULE : 6 : CURRENT ASSETS

1 Stock in Trade (At lower of cost and net realisable value)	26105626	3665799
2 Sundry Debtors (Unsecured & considered Good) More Than six months Others	2601623	12400083
	2601623	12400083
3 Cash in Hand	793353	299225
4 Balance with Schedule Banks in Current A/c	742164	255421
	30242766	16620527

SCHEDULE : 7 : LOANS & ADVANCES & DEPOSITS

(Unsecured considered good)

Advance receivable in cash or kind or for value to be received

Loan & Advances

Tax Deducted at Sources

57285574	27047177
635958	545576
57921532	27592753

MAHAN INDUSTRIES LIMITED

Schedule forming part of the Balance sheet as on 31st March, 2010

	AS ON 31.03.2010	AS ON 31.03.2009
SCHEDULE : 8 : CURRENT LIABILITIES & PROVISIONS		
<u>CURRENT LIABILITIES</u>		
Sundry Creditors	12000000	43386815
Other Current Liabilities	143083	18258
a	12143083	43405073
<u>PROVISIONS</u>		
Audit Fee Payable	44120	14045
Expenses Payable	1721526	42371
b.	1765646	56416
Total a+b	13908729	43461489

SCHEDULE : 09 : INCOME FROM FINANCIAL ACTIVITY & SHARE TRADING & OTHER INCOME

Dividend	152677	17680
Interest on Loan & Deposits	653790	563835
Misc. Income & Commission Income	664321	820278
Profit on Sale of Fixed Assets	728	0
Loss on day trading and F &O transaction	-83727	-8088279
Profit on Sale of Unquoted Investment	1426500	0
	2814288	-6686486

SCHEDULE : 10 : PURCHASE OF SHARES

Stock at opening	3665799	**
Add : Purchases	71690529	
	75356328	
Less: Closing Stock	26105626	
	49250702	0.00

**In the previous year the records were not as per AS9 and hence the figures are not provided



Schedule forming part of the Balance sheet as on 31st March, 2010

	AS ON 31.03.2010	AS ON 31.03.2009
	(Amount in	Rs.)

SCHEDULE : 11 : ADMINISTRATION , SELLING & OTHER EXP.

Advertisement exp.	61122	14619
Audit Fees	44120	14045
Bank Charges	3337	2798
Books & Periodicals	1335	1066
Consultancy Exp.	253000	59000
Conveyance	963	1298
Director's Remuneration	132000	132000
Donation Exp	6000	0
Electricity Exp.	13616	18806
Filing Fee	2100	2800
Insurance Exp.	14785	767
Kasar & Vata	501	2517
Legal Charges	28500	5400
Legal Expenses for Increase in Capital	1802298	0
Listing Fee	18170	15000
NSDL-CDSL Charges	62332	22472
Office Expenses	12011	11882
Other Charges	22675	3944
Postage Exp.	9717	2208
Printing & Stationery	33769	32571
Rates & Taxes	328489	30753
Rent Office	32000	0
Repair & Maintenance Exp.	16420	10174
Salary, Bonus	236944	156263
Sec tran Tax	168266	126023
Service Tax & Other Charges	15593	24914
Share Transfer & Stamping Exp. Demat charges	23503	16728
Staff welfare Expenses	17048	18237
Stamp Duty	911	10332
Telephone & Internet Expenses	80356	73903
Transaction Charges	305	10016
	3442186	820536

SCHEDULE : 12 : INTEREST EXPENSES :

Bank Interest	52650	563814
Interest on Margin Funding	1264308	149766
	1316958	713580

Schedule forming part of the Balance Sheet as on 31st March 2010.

Schedule: 13: Notes to Accounts**1. Statement of Significant Accounting Policies:****a. Basis of Preparation**

The financial statements have been prepared to company in all material respects with the Notified accounting standards by Companies Accounting Standards Rules, 2006 and the relevant provision of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis.

The accounting policies have been consistently applied by the Company and except for the change in accounting policy discussed more fully below are consistent with those used in the previous year.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period ended. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue and Expenditure Recognition:

Income is recognized as under:

i. Project consultancy and other activities:

Income recognized upon completion of stages as per contracts.

ii. It is general policy of Company to account for all expenditure on accrual basis.**d. Fixed Assets and Depreciation:**

Fixed Assets are capitalized at cost inclusive of installation expenses. Fixed Assets are shown at cost less accumulated depreciation.

Depreciation has been charged by straight line method (SLM) at the rates prescribed in schedule XIV to the Companies Act, 1956 on pro-rata basis.

e. Investments:**a) Un-quoted securities are valued at cost.****b) Income from dividends recognized upon receipt and the gains at the time of sale of investments. Interests from inter corporate deposit recognized on accrual basis. Securities purchased cum interest shown at cost on balance sheet date after reducing interest accrued there on from the purchase consideration.**

Long-term investments are carried at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognize a decline, other than of a temporary nature.



Current Investments are valued at cost or realizable whichever is lower.

f. Valuation of stocks in trade:

a) Stock in trade of quoted Scripts are taken at closing market rate or cost whichever is lower.

g. Deferred Tax:

The effect at end of the year consequent to compliance with Accounting Standard 22 "Accounting for Taxes on Income" result in deferred tax asset & the same has been not recognized as there is not virtual certainty to support that sufficient future taxable income will be available against such deferred tax assets.

h. Segment Reporting :

During the current year the company has dealt in shares hence the segment information required under segment reporting is not furnished.

2. The Company is registered with RBI vide Reg. No.01-00247 dt.16.5.1998; as Non deposit taking Non Banking Finance Company.
3. The balance of loans and advances, Sundry Debtors, Sundry Creditors and Current Liabilities and classification under the above heads, in absence of any documentary support, given and accepted as agreed by management, are subject to confirmations.
4. Previous year figure's have been regrouped and rearranged wherever necessary.
5. Earnings/ Expenditure in foreign Exchange - NIL
6. Expenditure of employees in respect of remuneration of not less than Rs. 24, 00,000/- per year or Rs. 2,00,000/- per month if employed for the part of the year is NIL.
7. Contingent liabilities for following items provided for is: Rs. NIL (Previous year Rs.NIL).

- Income Tax demand for the Asst. Year 2001-02. The company has gone in appeal with CIT (A) against the order of ITO for assessment year 2001-02. The original demand was Rs.2225639/- was reduced to Rs. 46490/- by the CIT (A).Which was duly paid department has filed the appeal in I.T.A.T. against this order; the appeal has been set aside by ITAT and is referred back to CIT Appeals.

- The Asst. order for A.Y. 2005-06 has been passed and a demand notice of Rs. 34988/- has been issued. An appeal is preferred against the said order.

8. No provision of the gratuity has been made, as no employee is entitled for the same.
9. No provision for interest for current year has been made as the company has applied for OTS and matter is pending & the outstanding amount of loan as per Books is 2889893/-is subject to confirmation from Bank statement, since bank is closed
10. In view of the profit in the current year provision for income tax as per MAT is made.
11. The company has made an application to BSE for listing of 11,50,000 Equity shares issued amounting to Rs. 1,15,00,000/-. Which has been rejected and as such these share are not tradable .Company is taking necessary action for rectification of the same.

12. Profit and Loss from the Trading of the Shares:

PARTICULARS	31.03.2010		31.03.2009	
	Qty.	Amount Rs.	Qty.	Amount Rs.
Sales	1276567	53151213	275708	46150476
Closing Stock	1058192	26105626	167423	3665799
Total (a)	2334759	79256839	443131	49816274
Less: Opening Stock	182923	3665799	3665799	4254090
Purchases/Allotment	2151607	71690529	268163	53621323
Net Profit in Vallan Transaction & future trading	--	(83727)	--	(29141)
Total (b)	2334530	75440055	458592	57904553
Net Profit /(Loss) to P & L A/c.		3816784		-8088279

13. Particulars of payment made to Auditors:

	<u>2009-2010</u>	<u>2008-2009</u>
Audit fees (including Service Tax)	Rs. 44120/-	Rs. 14045/-

14. Managerial Remuneration Paid to the Director Rs. 132000/- 104000/-

15. Related Party Disclosures:

a) Name of Key Management Personnel:

Mr. Y K Gupta - Managing Director
Mr. Manik Dattatrey C. Director

b) Transactions during the year with key management personnel:



Name of the Party	Nature of Relationship	Description of Transaction	Amount of Transaction	O/S Balance
Manik Dattatrey	Director	Director's Remuneration	1,32,000/-	Nil
Yogendra Kumar Gupta	M.D.	Unsecured loan (Max amount o/s during the year)	2,11,58,318/-	2,03,93,318/-

16. Earnings per Equity Share

	2009-2010	2008-2009
Net Profit / Loss after tax	1580476/-	-8524025/-
Weighted Average no of Equity Shares(Basic)	98732877	7150000
Weighted Average no of Equity Shares(Diluted)	98732877	7150000
Basic Earning per share (in RS.)	0.02	-1.19
Diluted Earning per share (in RS.)	0.02	-1.19

17. Paisa is rounded off to nearest rupee.

18. In the opinion of the Board the Current asserts, Loan and Advances although unsecured considered good have the value at which they are stated in the Balance Sheet if realized in the ordinary course of business.

19. The statement of significant accounting policies and the notes no. 2 to 18 form an integral part of the accounts for the period ended on 31st March, 2010.

Signature to Schedule 1 to 13 of Balance Sheet and Profit and Loss Account.

As per our report of even date.

For D J N V & CO.

Chartered Accountants

ICAI Regd. No. 115145W

Jayesh Parikh Partner

M. No. 40650

FOR AND ON BEHALF OF THE BOARD

Y. K. GUPTA MANAGING DIRECTOR

LALIT SHARMA

DIRECTOR

PLACE : AHMEDABAD

DATE : 27.08.2010

Cash Flow Statement

A. CASH FLOW FROM OPERATING ACTIVITIES

	Year Ended 31.03.2010 Amount	Year Ended 31.03.2009 Amount
Profit before tax and extra ordinary items	1699306	-8507437
Adjustment for:		
Depreciation	256350	286835
Provision for MICS EXP. WRITTEN OFF	0	0
Income Tax Refund (paid)	-118830	-13058
	(A) 1836826	-8233660
Adjustment for:		
Current Assets	(B) -42970146	125268812
Current Liabilities	(C) -29552760	12388947
Net Cash from operating activities	D=A+B+C -70686081	129424099

CASH FLOW FROM INVESTING ACTIVITY

Sale/Purchase of Fixed Assets	502772	-554506
Sale(Purchase) of Investment	-265582250	0
Net Cash Generated From Investing activities	(E) -265079478	-554506

B. CASH FLOW FROM FINANCE ACTIVITY

Procedds from issue of Shares Capital/Shares Warrant	(F) 300000000	
Borrowing (Net)	36746430	-128706404
Net Cash from financing activities	(G) 0	0
Add/ (Less): Prior period Items	(H) 0	0
NET INCREASE IN CASH/BANK BALANCE	H=D+E+F+G 980871	163189
CASH/ BANK BALANCE OPENING	554646	391457
CASH/ BANK BALANCE CLOSING	1535517	554645

As per our report of even date.

For D J N V & CO.

Chartered Accountants

ICAI Regd. No. 115145W

Jayesh Parikh Partner

M. No. 40650

FOR AND ON BEHALF OF THE BOARD

Y. K. GUPTA MANAGING DIRECTOR

LALIT SHARMA

DIRECTOR

PLACE : AHMEDABAD

DATE : 27.08.2010



**BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

1. Registration Details

Registration No. 24053

Balance Sheet Date 31st March, 2010

State Code: 004

2. Capital Raised during the year

Public Issue

Nil

Preferential Issue

3000.00

Bonus Issue

Nil

Share Warrant

Nil

3. Position of Mobilisation and Deployment of funds (Rs. In Lacs)

Total Liabilities

4145.59

Total Assets

4145.59

SOURCES OF FUNDS:

Paid up Capital

3715.00

Secured Loans

226.66

Unsecured Loan

203.93

APPLICATION OF FUNDS:

Net Fixed Assets

14.83

Investments

2676.17

Net Current Assets

742.56

Miscellaneous Exp.

0.00

Accumulated Losses

712.04

4. Performance of Company (Rs. In Lacs)

Total Income (Incl. Other Income)

559.66

Total Expenditure

542.66

Profit Before Tax

16.99

Profit After Tax

15.80

Earning per Share

(-) 1.19

Dividend Rate %

Nil

5. Generic Names of Three Principal Products/Services of the Company

Item Code No. (ITO CODE)

Not Applicable

Service Description

Not Applicable

For and on behalf of Board
Y.K.Gupta - Managing Director

Lalit Sharma - Director

Place: Ahmedabad

Date: 27.08.2010

MAHAN INDUSTRIES LIMITED

Registered Office:

3rd Floor, D.K.House, Nr. Mithakhali Under Bridge, Ahmedabad – 380 006.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Place)

16th Annual General Meeting 30th September, 2010

I/We hereby-record my/our presence at the 16th Annual General Meeting held at 3rd Floor, D.K.House, Nr. Mithakhali Under Bridge, Ahmedabad-380 006. On Thursday, 30th September 2010 at 10-00 a.m.

Full Name of the Member (IN BLOCK LETTERS) _____

Reg. Folio No. _____ No. of Shares held _____

Full Name of the Proxy (IN BLOCK LETTERS) _____

SIGNATURE OF THE MEMBER (s) OR PROXY/PROXIES PRESENT

(Please complete and sign this attendance slip and handover at the Registered Office, only Member (s) of their Proxies with this Attendance Slip will be allowed entry to meeting.)

Tear of

MAHAN INDUSTRIES LIMITED

Registered Office:

3rd Floor, D.K.House, Nr. Mithakhali Under Bridge, Ahmedabad – 380 006.

PROXY FORM

Reg. Folio No. _____ No. of Share held _____ I/we _____
_____ of _____ in the _____

District of _____ being a member / members of Mahan Industries Ltd. hereby

Appoint _____ of _____ in the District _____

Of or failing him/her _____ of _____ in District of _____

As my/our Proxy to attend and vote for me/us and on my/our behalf at the Sixteen Annual General Meeting of the company to be held on Thursday, 30th September 2010 and at any adjournment thereof.

As witness my hand/our hands this _____ day of _____
_____ 2010.

Affix
Revenue
Stamp of
Rs. 1.

Signed by said

1. The form should be signed across the stamp as per specimen signatures registered with the Company.
2. The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before time fixed for holding the aforesaid meeting.

Book - Post

**If undelivered please return to
MAHAN INDUSTRIES LTD.**

**3rd Floor D.K. House,
Nr. Mithakhali Under Bridge.
Ahmedabad - 380 006.**