

**MIRCH TECHNOLOGIES LTD**

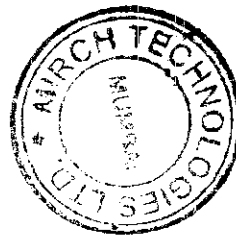
**Mumbai**

**37<sup>TH</sup> ANNUAL REPORT**

**AND**

**STATEMENT OF ACCOUNTS**

**2009-2010**



## DIRECTORS' REPORT

### To the Members,

Your Directors present herewith Thirty Seventh Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2010.

### FINANCIAL RESULTS:

The working results of the Company for the year under review are as under:

Particulars	(Rs. In lacs)	(Rs. In lacs)
	2009-2010	2008-2009
Turnover/other income	25.65	12.31
Net Profit/(Loss) for the year	5.45	(6.76)

### OPERATION:

The Company is not having its own fabrication workshop. Directors tried to get orders but to execute the same from outside workshop was not cost effective.

### DIVIDEND:

Your Directors have not recommended any dividend on equity shares for the year under review.

### DIRECTORS:

Shri S. K. Ladha retires by rotation at the Annual General Meeting and being eligible offers himself for re-appointment.

### DIRECTORS' RESPONSIBILITY STATEMENT:-

As required under Section 217 of the Companies Act, 1956, the Directors hereby confirm that :

- (i) in the preparation of the accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or Loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability;
- (iv) The Directors have prepared the annual accounts on a 'going concern' basis.

**PARTICULARS OF EMPLOYEES:**

The provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 are not applicable as no employee was in receipt of remuneration in excess of the limits set out under the said section.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO: PARTICULARS REQUIRED TO BE FURNISHED BY THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:**

- (1) Part A and B pertaining to conservation and technology absorption are not applicable to the Company for the year under review.
- (2) Foreign Exchange earnings and outgo: The Company has neither used nor earned any foreign exchange during the period under review.

**CORPORATE GOVERNANCE:**

The company is not required to have Corporate Governance report during the year under review.

**SECRETARIAL COMPLIANCE REPORT:**

Pursuant to the provisions of section 383A of the Companies Act, 1956, read with the Companies (Compliance Certificate) Rule, 2001 a Secretarial Compliance Report from a practicing Company Secretary is attached herewith and forming part of this Directors' Report.

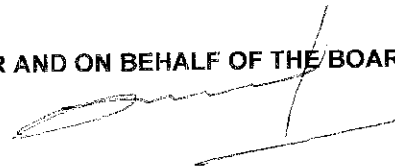
**AUDITORS AND AUDITORS' REPORT:**

M/s. K. R. Manik & Co. Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting.

M/s. K. R. Manik & Co. Chartered Accountants have been recommended for the appointment of Statutory Auditors. The Company has received a letter from them to effect that their appointment if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956.

Notes referred to in the Auditors' report are self-explanatory.

**FOR AND ON BEHALF OF THE BOARD**



**S. K. LADHA  
CHAIRMAN**

Mumbai

Date: September 1, 2010

*Auditor's report to the members*  
of  
MIRCH TECHNOLOGIES LTD.

1. We have audited the attached Balance Sheet of MIRCH TECHNOLOGIES LTD. as at 31<sup>st</sup> March , 2010, the Profit and Loss account and also 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 accounting 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 mis-statement . 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 the management, as well as evaluating the overall financial statement presentation . We believe that our audit provides a reasonable basis for our opinion .
3. *The Company's accumulated Losses as on 31<sup>st</sup> March , 2010 have eroded the entire share capital, the accounts are continued to be prepared on the assumption of a going concern concept basis .*
4. As required by the Companies (Auditor's Report) order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together 'the Order'), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 of India (the 'Act'), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

5. Further to our comment in the Annexure referred to in Paragraph 3 above, we report that :
- a. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose 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 this report are in agreement with the books of account ;
  - d. In our opinion, the balance sheet, Profit and loss account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable ;
  - e. On the basis of written representation received from the directors , as on 31<sup>st</sup> March , 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March , 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; .
  - f. *Reference is invited to Note No. (2) in respect of provision for gratuity, (4) in respect confirmation of balance due to and due from various parties, (7) in respect of disclose of expenses separately as required by part II of schedule VI, and (9) in respect of redeemable preference shares,*
  - g. Subject to matters stated in paragraph 3 and 5(f) above. In our opinion and to the best of our information and according to the explanation given to us, the said accounts, read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
  - i. In the case of the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March , 2010 .

M.No. 9550

- ii. In the case of the profit and loss account, of the Profit for the year ended on that date; and
- iii. In the case of cash flow statement, of the cash flow for the year ended on that date.

For K. R. Manik & Co.  
Chartered Accountants

Place : Mumbai  
Date : 1 SEP 2010

M.No. 9552

K. R. Manik  
(Proprietor)

MIRCH TECHNOLOGIES LTD.

ANNEXURE TO THE AUDITOR'S REPORT

(as referred to in paragraph 4 of our report of even date)

- 1) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets .  
b) These fixed assets have been physically verified by the management at regular interval considering the size of the Company and nature of assets . No material discrepancies have been noticed on such verification .  
c) No disposal of a substantial part of fixed assets of the Company has taken Place during the year .
- 2) a) As explained to us , the inventories were physically verified by the management at reasonable intervals. Company does not have any stock during the year.  
b) In our opinion and according to the information and explanation given to us, 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 its business .  
c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and the discrepancies noticed on such physical verification between physical stock and the book records were not material and have been adequately dealt with in the books of account .
- 3) As per information and explanations provided to us ;  
(a) During the year Company has taken unsecured Loans / advances from companies, firms and other parties covered in the Register maintained under section 301 of the Companies Act, 1956 comprising (i) from Company aggregating to Rs. NIL , the maximum amount Rs.75.99 Lacs and the year end balance was Rs. 74.36 Lacs, (ii) from firms aggregating to Rs. NIL , the maximum amount and the year end balance was NIL and (iii) from directors and his relatives aggregating to Rs. 31.64 Lacs , the maximum amount and year end balance was Rs. 85.90 Lacs. The Company

M.No. 9550

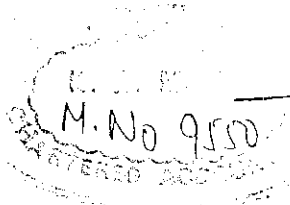
- has not granted any Loan during the year to any party covered in the register maintained under Section 301 of the Companies Act, 1956 .
- (b) No interest is charged / paid on such Loans and other terms and conditions of the aforesaid unsecured loans / advances taken by the company are not prima facie , prejudicial to the interest of the Company .
  - (c) The terms of repayment have not been stipulated .
  - (d) There is no overdue amount of Loans / advances taken .
- 4) The Company has adequate internal management control procedure Commensurate with the size of the Company and nature of its business with regard to purchase of inventory and other assets and sale of goods .We have not come across any major weakness in internal control by management .
- 5) a) In our opinion and according to the information and explanations given to us , transactions that need to be entered into a Register in pursuance of section 301 of the Companies Act, 1956 have been so entered ;
- b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding Rs. Five lacs in respect of any party during the year .
- 6) As the Company has not accepted deposits from the public, compliance of the Provision of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975 , with regard to the deposits accepted from public does not apply .
- 7) Although it is required to have internal Audit system, the Company has no such system carried out during the year under review . However the Company has adequate internal management control procedure commensurate with the size of the Company and nature of its business.
- 8) The Central Government has not prescribed the maintenance of the cost records under Section 209 (1)(d) of the Companies Act, 1956 for the Company .
- 9) a) According to the records of the Company, the Company is not regular in depositing undisputed statutory dues except the Income Tax and Professional Tax with the appropriate authorities .According to the information and

W. B. NARAYAN  
M. No 9550



explanation given to us ,there are undisputed dues payable in respect of Bombay Sales Tax Rs. 52,536/-, Central Sales Tax Rs. 7,38,313.85 , C.S.T. - Cuddapha Rs. 2,33,362/-, APGST Rs. 66,366/-, Professional Tax Rs. 575/- and VAT payable Rs.64,394/96 which have remained outstanding as at 31<sup>st</sup> March 2010, for a period of more than six months from the day they become payable .

- b) According to Information and explanation given to us, disputed Sale Tax demands aggregating to Rs.3.19 Lakhs has not been deposited , since matters are pending with the Appellate authorities.
- 10) The accumulated losses of the Company as at 31<sup>st</sup> March 2010 are more than 50% of its net worth. The Company has not incurred cash losses in the current financial year.
  - 11) The Company does not have any borrowings from any financial institutions or Banks. The Company has not issued any debenture.
  - 12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities .
  - 13) The provisions of any Special Statue applicable to Chit Funds, Nidhis or Mutual Funds / Societies are not applicable to the Company .
  - 14) The Company is not dealing in or trading in shares, securities, debentures, or other investments and hence , requirement of paragraph 4 (xiv) are not applicable to the Company .
  - 15) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from the Banks and Financial Institutions .
  - 16) The Company has not taken any Term Loans during the year .
  - 17) On the basis of an overall examination of the Balance Sheet of the company and according to the Cash Flow Statement and other records examined by us and on the basis of information and explanation given to us, on an overall basis, funds raised on Short Term basis have, prima facie, not being used during the year for Long Term investment and vice versa .
  - 18) During the year, the Company has not issued and allotted any shares .
  - 19) Since the Company does not have any debentures, the question of creation of



securities for debentures does not arise.

- 20) Since the Company does not raised money by public Issue, this clause is not applicable .
- 21) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year .

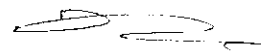
For K. R. Manik & Co.  
Chartered Accountants

Place : Mumbai

Date :

1 SEP 2010

MANO 9550

  
K. R. Manik  
(Proprietor)

MIRCH TECHNOLOGIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010.

	Schedule No.	31st March 2010 Rupees	31st March 2009 Rupees
<b>I. SOURCES OF FUNDS :</b>			
Shareholders Fund :			
Share Capital	1	89,11,000	89,11,000
<b>LOANS FUNDS :</b>			
Unsecured Loans		1,27,63,730	1,25,35,387
<b>TOTAL :</b>		<u>2,16,74,730</u>	<u>2,14,46,387</u>
<b>II. APPLICATION OF FUNDS :</b>			
<b>Fixed Assets :</b>			
Gross Block	2	73,364	73,364
Less : Depreciation		<u>61,819</u>	<u>59,953</u>
		<u>11,545</u>	<u>13,411</u>
<b>Current Assets, Loans &amp; Advances :</b>			
<b>A) Current Assets</b>			
Inventories	3	Nil	Nil
Sundry Debtors		6,40,366	23,112
Cash & Bank Balances		<u>9,725</u>	<u>7,978</u>
		6,50,091	31,090
<b>B) Loans and Advances</b>			
	4	<u>35,86,058</u>	<u>32,30,815</u>
		42,36,149	32,61,905
<b>Less : Current Liabilities &amp; Provisions</b>			
Current Liabilities	5	<u>65,70,798</u>	<u>63,72,589</u>
<b>Net Current Assets</b>		<u>(23,34,649)</u>	<u>(31,10,684)</u>
Profit & Loss Account		<u>2,39,97,834</u>	<u>2,45,43,660</u>
<b>TOTAL :</b>		<u>2,16,74,730</u>	<u>2,14,46,387</u>

Notes on Accounts

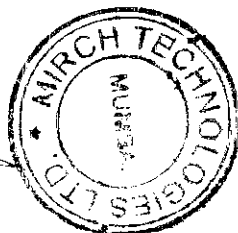
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Schedules attached herewith form part of the accounts as per report attached  
FOR MIRCH TECHNOLOGIES LIMITED

Place : Mumbai

Date :

M. No: 9550



DIRECTOR

Director

# MIRCH TECHNOLOGIES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31- 03 - 2010.

	Schedule No.	31st March 2010 Rupees	31st March 2009 Rupees
<b><u>INCOME :</u></b>			
Sales		755,732	1,13,597
Other Income	6	1,809,606	11,18,389
Increase / (Decrease) in Stock	7	Nil	Nil
		<u>25,65,338</u>	<u>12,31,986</u>
<b><u>EXPENDITURE :</u></b>			
Purchases (Finished Goods )		Nil	Nil
Material & Other Manufacturing Expenses	8	340,714	81,442
Employees	9	5,78,628	5,84,456
Other Expenses	10	10,98,304	12,40,630
Depreciation		1,866	2,167
Misc. expenditure written off		Nil	Nil
		<u>20,19,512</u>	<u>19,08,695</u>
Net Profit / (Loss) before Taxation		5,45,826	(6,76,709)
Net Profit /(Loss) for the year		<u>5,45,826</u>	<u>(6,76,709)</u>
Add : Balance B/f from Previous year		(2,45,43,660)	(2,38,66,951)
Balance Carried to Balance Sheet		<u>(2,39,97,834)</u>	<u>(2,45,43,660)</u>

Notes on Accounts

11

Schedules attached herewith form part of the accounts as per report attached

For MIRCH TECHNOLOGIES LIMITED



DIRECTOR

Director

Place : Mumbai

Date :

N. No. 9550

	31 <sup>st</sup> March 2010 Rupees	31 <sup>st</sup> March 2009 Rupees
<b>1. <u>SHARE CAPITAL</u></b>		
<b><u>AUTHORISED :</u></b>		
8,00,000 Equity Shares of Rs.10/- each	80,00,000	80,00,000
20,000 Redeemable Cumulative Preference Shares of Rs. 100/- each	20,00,000	20,00,000
<b>TOTAL :</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>
<b><u>ISSUED AND SUBSCRIBED :</u></b>		
8,00,000 Equity Shares of Rs.10/- each fully paid called up	80,00,000	80,00,000
10,00,000/- 9.5% Redeemable Cumulative Preference shares of Rs. 100 /- each (Subject to deduction of tax )	10,00,000	10,00,000
	90,00,000	90,00,000
Less : Equity Calls unpaid (Other than Directors)	89,000	89,000
<b>TOTAL :</b>	<b>89,11,000</b>	<b>89,11,000</b>

**NOTE :**

Redeemable Cumulative Preference Shares are redeemable at par after 12 years subject to three months notice but not later than 15 years from the date of allotment.

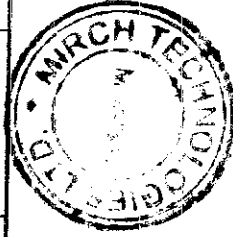


SCHEDULE NO. ' 2 ' :

MIRCH TECHNOLOGIES LIMITED

FIXED ASSETS SCHEDULE AS ON 31ST MARCH 2010.  
DEPRECIATION AS PER COMPANIES ACT 1956 SCHEDULE XIV OF THE ACT ON WDV BASIS

ASSETS	GROSS BLOCK (AT COST)						DEPRECIATION		NET E AS ON 31.3.10	
	AS ON 01.04.09	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL GROSS BLOCK AS ON 31.03.2010	UPTO 31.03.10	ADDITION FOR THE YEAR	DEDUCTION FOR THE YEAR	TOTAL UPTO 31.03.10		RATE %
Electrical Fittings	73364	----	----	73364	59953	1866	----	61819	13.91	11545
TOTAL	73364			73364	59953	1866		61819		11545
PREVIOUS YEAR :	73364	----	----	73364	57786	2167	----	59953		13411



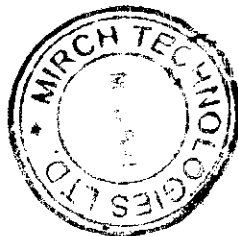
	31 <sup>st</sup> March 2010 Rupees	31 <sup>st</sup> March 2009 Rupees
<b>3. CURRENT ASSETS</b>		
<b>a) <u>Inventories as taken , valued &amp; certified by the Director</u></b>		
Raw Material ( At cost )	NIL	NIL
	-----	-----
	NIL	NIL
	-----	-----
<b>b) <u>Sundry Debtors</u> (Unsecured &amp; considered Good)</b>		
Over six months	11,556	11,556
Others	6,28,810	11,556
	-----	-----
	6,40,366	23,112
	=====	=====
<b>c) <u>Cash and Bank Balance :</u></b>		
Cash in Hand	686	396
With Scheduled bank in current account	9,039	7,582
	-----	-----
	9,725	7,978
	=====	=====

**4. LOANS AND ADVANCE & DEPOSITS****Advance**

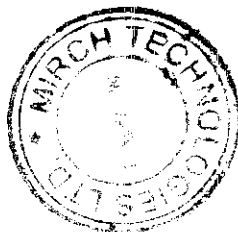
( Unsecured considered good )

Advances recoverable in cash or in kind or  
For value to be received )

i) Other advances	34,88,323	31,65,323
<b><u>Deposits</u></b>	97,735	65,492
	-----	-----
	35,86,058	32,30,815
	=====	=====

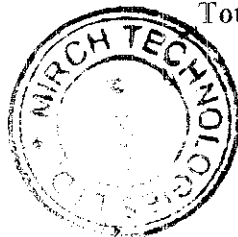


	31 <sup>st</sup> March 2010 Rupees	31 <sup>st</sup> March 2009 Rupees
<b>5. CURRENT LIABILITIES AND PROVISIONS:</b>		
i) <u>Current Liabilities</u> :		
<u>Sundry Creditors</u> :		
a) For Goods	8,17,677	8,17,677
b) For Expenses & Others	7,55,608	7,51,943
c) Statutory Dues	11,55,547	11,10,718
ii) <u>Advances</u> :		
Other Advances	38,41,966	36,92,251
iii) <u>Provisions</u> :		
Provision for Taxation	----	----
	----- 65,70,798 =====	----- 63,72,589 =====
<b>6. OTHER INCOME</b>		
Miscellaneous Receipts	18,09,606	11,18,389
	----- 18,09,606 =====	----- 11,18,389 =====
<b>7. INCREASE / (DECREASE) IN STOCK</b>		
Closing Stock	<u>Nil</u>	<u>Nil</u>
Less: Opening Stock	<u>Nil</u>	<u>Nil</u>
	<u>Nil</u>	<u>Nil</u>
	<u>Nil</u>	<u>Nil</u>





	31 <sup>st</sup> March 2011 Rupees	31 <sup>st</sup> March 2010 Rupees
<b>8. MATERIAL &amp; OTHER MANUFACTURING EXPENSES</b>		
Raw Materials, components and Stores consumed :		
Opening Stock	Nil	Nil
Add: Purchases	35,909	3,40,714
	-----	-----
	35,909	3,40,714
Less : Closing Stock	Nil	Nil
	-----	-----
	35,909	3,40,714
Labour Charges	17,500	Nil
Packing Charges	2,335	Nil
	-----	-----
	55,744	3,40,714
	=====	=====
<b>9. EMPLOYEES</b>		
Salaries , wages, bonus	6,63,567	5,41,150
Welfare Expenses	38,323	37,478
	-----	-----
	7,01,890	5,78,628
	=====	=====
<b>10. OTHER EXPENSES</b>		
Rent – Factory	71,000	54,400
Rates & Taxes	15,407	14,070
Professional & Legal Charges	68,483	93,695
Postage, Telephone	92,448	1,13,907
Traveling & Conveyance	2,09,873	3,01,714
Bank Charges	6,222	3,491
Auditor's Remuneration as Auditor	-----	-----
Miscellaneous Expenses	2,88,865	4,56,503
Design & Technical Charges	-----	5,000
Repairs & Maintenance	11,705	55,524
	-----	-----
Total :	7,64,003	10,98,304
	=====	=====



**MIRCH TECHNOLOGIES LIMITED 2009-2010**

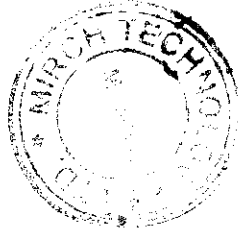
**SUPPORTING SCHEDULE TO SCHEDULE NO. 1 (a)**

<b><u>Unsecured Loans</u></b>	<b>Rs. Ps.</b>
Golden Valley Finance & Investments Pvt Ltd	5,189,695.78
Shri.S.K.Ladha	6,457,186.84
Golden Valley Food Products Pvt Ltd	40,000.00
Mrs.Usha Ladha	1,076,847.65
<b>Total :</b>	<b><u>12,763,730.27</u></b>

**SUPPORTING SCHEDULE TO SCHEDULE NO. 3 (c)**

<b>i) <u>Bank Balance with Scheduled on Current A/c</u></b>	<b>Rs. Ps.</b>
Bank of Baroda	9,038.97
<b>Total :</b>	<b><u>9,038.97</u></b>

<b>ii) <u>Cash Balance :</u></b>	<b>Rs. Ps.</b>
Cash in Hand	685.15
<b>Total :</b>	<b><u>685.15</u></b>



**SUPPORTING SCHEDULE TO SCHEDULE NO. 4 (II)**

<u>ADVANCE (OTHERS) :</u>	Rs.	Ps.
TDS - Rent	504,658.00	
TDS - Commission	1,000.00	
TDS - Interest	2,540.00	
Income Tax : A.Y:1998-99	5,820.25	
Total :	<u>514,018.25</u>	

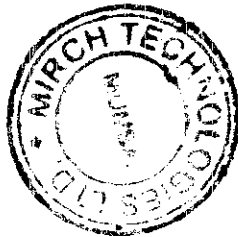
**SUPPORTING SCHEDULE TO SCHEDULE NO. 4**

<u>Deposits :</u>	Rs.	Ps.
Reliance Deposit	1000.00	
Naina Wadhaw	50000.00	
Electricity	4,610.00	
Gas	2,550.00	
Earnest Money	14,900.00	
Sales Tax (Cuddapah )	24,675.00	
Total :	<u>97,735.00</u>	

<u>Others</u>	Rs.	Ps.
Sandbox - (Electricity)	11762.00	
MML Engineers & Consultants Pvt Ltd	19843.00	
Arjan Watumulla Charity Trust	2750000.00	
Antar Sengupta	122956.00	
Ramjatan - Loan	3750.00	
Jaydeep Tubes P Ltd	393.62	
Four Dees Engineers	10935.00	
Other Advances	514018.25	
FD with Bank of Baroda	42700.00	
Plastic Mold & Engineers	11965.00	
Total :	<u>3,488,322.87</u>	

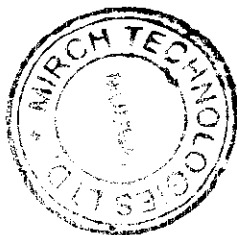
**SUPPORTING SCHEDULE TO SCHEDULE NO. 5 (i) a :**

<u>Sundry Creditors for Goods :</u>	Rs.	Ps.
G.H.C.Ltd	752,176.00	
Shafi Minerals	<u>65,500.60</u>	
Total :	<u>817,676.60</u>	



SUPPORTING SCHEDULE TO SCHEDULE NO. 5 (i) b :

<u>Sundry Creditors for Expenses :</u>	<u>Rs. Ps.</u>
Anil Prabhakar Naik	30,000.00
V.P.Pinto	3,777.00
Vijay Gift & Stationery	1,171.00
Vipul B.Joshi	15,000.00
The Stock Exchange ,Mumbai	23,214.00
U.S.Tanwar & Company	100,851.00
Arjan Watumall Chairty Trust - Expensese	9,702.00
Delstar Premises Co-op	162,883.00
Sadashiv Salian	24,068.00
Purva Share Registry (I) P.Ltd	124,550.00
Unpaid Salary	98,625.00
Outstanding Liabilities	92,211.00
Rajan V.Malkar	12,385.00
Sadanand Refrigerators	1,600.00
Brijesh Dube	4,484.00
Central Depository Services	15,607.00
MTNL	2,980.00
National Securities Depository	17,136.00
Rajguru Enterprises	364.00
S.K.Jain	15,000.00



**Total : 755,608.00**

**SUPPORTING SCHEDULE TO SCHEDULE NO. 5 (i) c :**

<u>STATUTORY DUES :</u>	Rs.	Ps.
Mumbai Sales Tax		52,536.00
Central Sales Tax		738,313.85
Profession Tax for Employees		575.00
VAT Payable		64,394.95
C.S.T. - Cuddapah		233,362.00
A.P.G.S.T		66,366.00
Total :		<u>1,155,547.80</u>

**SUPPORTING SCHEDULE TO SCHEDULE NO. 5 (ii) a :**

<u>OTHER ADVANCES :</u>	Rs.	Ps.
M/s.Sandbox - Deposit		600,000.00
Mrs.Shalini Ladha		642,100.00
M/s. Sambhaw Impex Pvt Ltd		438,438.00
Mr.K.S.Ladha		168,500.00
Kumar.Vaibhav Ladha		244,969.00
M/s.Ultraviolet Water Technology(Bom) Pvt Ltd		1,747,958.97
Total :		<u>3,841,965.97</u>



**SUPPORTING SCHEDULE TO SCHEDULE NO. 7 :**

<b>I. MISCELLANEOUS RECEIPTS :</b>	<b>Rs.</b>	<b>Ps.</b>
Set Off (Purchase)		7363.15
Interest		2,243.00
Sandbox - Rent Received		1,800,000.00
	<b>Total :</b>	<b><u>1,809,606.15</u></b>

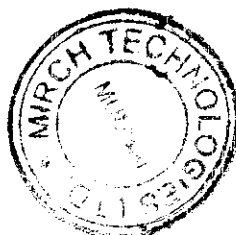
**SUPPORTING SCHEDULE TO SCHEDULE NO. 9 :**

<b>I. A) EMPLOYEES :</b>	<b>Rs.</b>	<b>Ps.</b>	
Salary		539,685.00	
Incentives		1,465.00	
	<b>Total :</b>	<b><u>541,150.00</u></b>	
<b>II. WELFARE EXPENSES :</b>		<b>Rs.</b>	<b>Ps.</b>
Staff Welfare			37,478.50
	<b>Total :</b>		<b><u>37,478.50</u></b>



## SUPPORTING SCHEDULE TO SCHEDULE NO. 10 :

<b>I. RENT :</b>		Rs.	Ps.
Rent - Factory			54,400.00
	<b>Total :</b>		<u>54,400.00</u>
<b>II. POSTAGE , TELEPHONE &amp; TELEX :</b>		Rs.	Ps.
Telephone			101,260.00
Postage & Telegram			1,860.00
Mobile Charges			5,362.00
Fax Charges			170.00
Courier Charges			5,255.00
	<b>Total :</b>		<u>113,907.00</u>
<b>III. TRAVELLING &amp; CONVEYANCE :</b>			
Travelling Expenses			21,762.00
Car Expenses			223,061.30
Conveyance Expenses			56,891.00
	<b>Total :</b>		<u>301,714.30</u>
<b>IV. PROFESSIONAL FEES :</b>		Rs.	Ps.
Consultancy Charges			7721.00
Legal & Professional Charges			85,974.00
	<b>Total :</b>		<u>93,695.00</u>
<b>V. MISCELLANEOUS EXPENSES :</b>		Rs.	Ps.
Commission Charges			107,000.00
Books & Periodicals			1,759.00
Electricity Charges (Office)			71,735.00
Office Expenses			41,297.00
Printing & Stationery			12,098.00
Electricity Charges (Factory)			1,490.00
BMC Charges			19,572.00
Water Charges			9,702.00
Donation			1,602.00
Carriage Inward			3,157.00
Damages Charges			1,165.00
Sales Promtion Expensese			33,189.44
Listing Fees			11,030.00
Membership & Subscription			2,469.00
Pooja Expenses			11,377.00
Testing Charges			5,445.00
Major Bldg Repairs			36,846.00
Miscellaneous Expenses			120.00
Sundry Balance W/Off			13,000.12
Factory Expenses			3,087.00
Carriage Outward			6,692.00
Xerox Charges			4,857.50
Society Charges			57,813.00
	<b>Total :</b>		<u>456,503.06</u>
<b>VI. RATES &amp; TAXES</b>		Rs.	Ps.
Profession Tax			12,500.00
Filing Fees			270.00
Rates & Taxes			1,300.00
	<b>Total :</b>		<u>14,070.00</u>



**MIRCH TECHNOLOGIES LIMITED**  
**THIRTY SEVENTH ANNUAL REPORT 2009-10**

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**Schedule No.11**

Statement of significant Account Policies adopted by the Company and Notes forming parts of the Accounts for the year ended 31<sup>st</sup> March , 2010.

**A) Significant Accounting Policies**

**a) Basis of Accounting :**

Financial Statements are prepared under historical cost convention on Accrual basis and in accordance with the Companies Act, 1956 .

**b) Revenue Recognition :**

All revenue and expenses are accounted for on accrual basis.

**c) Fixed Assets :**

Fixed Assets have been stated at cost of acquisition as reduced by the accumulated depreciation.

**d) Depreciation :**

Depreciation on Fixed Assets has been provided as per schedule XIV of the Companies Act, 1956 on W.D.V . basis.

**e) Inventories :**

Usually Company Follows the following method :

- i) Raw material - At cost
- ii) Finished goods - At cost or market value whichever is lower

**f) Sales :**

Sales excludes Excise duty and Sales Taxes.

**g) Liability in respect of gratuity is accounted on cash basis.**

**h) Contingent Liabilities :**

Contingent liabilities are not provided and are disclosed in Notes on Accounts.





8. The Company do not have any information with regard to creditors whether they possesses any S.S.I Units.

9. As per the terms and conditions , the company had to redeemed the Redeembale Preference Shares at par after 12 years, that is in the year 1985 – 86 subject to three months notice , but not later than 15 years from the date of allotment that is 27.09.1973 but the company has not redeemed the same so far . As the maturity period of same shares is over, the company is liable to pay dividend on these shares @ 9.50% p.a., that is Rs.95,000/- p.a. and aggregate to Rs.14,25,000/- liable to be paid to the shareholders of those shares , however , Rs.14,25,000/- as not been provided in the Balance sheet . Hence the debit balance of profit & Loss Account has appearing in the Balance Sheet would have been higher to the extent of Rs.14,25,000/- and the loss for the current year would have been higher to the same extent.

10. **Segment Reporting :**

The Company has one segment of activity namely “ Engineering goods “ during the year .

11. **Deferred Tax :**

The Company has unabsorbed depreciation and carried forward losses available for set – off under the Income Tax Act,1961 . However in view of present uncertainty regarding generation of sufficient future taxable income , net deferred tax assets at the year end including related credit for the year have not been recognized in these accounts on prudent basis.

12. Discloser of related parties / related party transactions :

<u>Name of the Parties / Relations</u>	<u>Nature of transactions</u>	<u>Rs.(Lacs)</u> (O/s. as on 31.3.10)
1. Golden Valley Fin & Invest P.Ltd – Assct Concern	Unsecured Loan	51.90
2. Golden Valley Food Prods P.Ltd – Assct Concern	Unsecured loan	0.40
3. Shri.S.K.Ladha – Director	Unsecured Loan	64.57
4. Smt. Usha Ladha – Wife of a Director	Unsecured Loan	10.77
5. Sambhaw Enterprsiies – Associate Concern	Unsecured Loan	NIL
6. Sambhaw Impex P.Ltd – Associate Concern	Other Advance	4.38
7. Ultraviolet Water Technology(Bom) P.Ltd – Assct	Other Advance	17.48
8. Mrs Shalini K Ladha – Wife of a Director	Other Advance	6.42
9. Shri. Kumar S Ladha – Director	Other Advance	1.69
10.Master Vaibhav K Ladha – Son of a Director	Other Advance	2.45
11. MML Engineers & Consultants Pvt Ltd	Loans & Advance (Assets) (other)	0.20

13. **Earning Per Share :**

Net Profit /(Loss) for the period attributable to equity share holders	Rs. 5,45,826
Numbers of Equity Shares	Nos.8,00,000
Earning Per Share	Rs. 0.68



**B. NOTES ON ACCOUNTS**

**1. Contingent Liabilities not provided in respect of :**

- (a) Claim against the company not acknowledged as debt Rs.3,18,811/- toward Bombay Sales Tax, Central Sales Tax Assessment dues.
2. No Provision has been made for the present liabilities for future payment of gratuity . Valuation of gratuity not done for the current financial year, the same will be accounted as and when paid.
3. Arrears of Dividend on 9.5% Redeemable Cumulative Preference Shares of Rs.100/- each, Rs.14,25,000/- has neither been paid nor provided.
4. Balance due to / due from various parties are subject to confirmation .
5. Interest on unsecured loan has not been provided as Directors are pursuing with unsecured loan creditors to waive the interest .
6. Depreciation on Fixed Assets has been provided as per schedule XIV of Companies Act, 1956 on a W.D.V . basis.
7. The Company has not disclosed separately the expenses aggregating 4,39,957/-(Rs.4,09,333/-) as required by Part II of schedule VI of Companies Act,1956 . However , this non compliance does not have any effect on either the result already reflected in the Profit and Loss A/c or state of affairs already reflected in the Balance Sheet.



**14. QUANTITATIVE INFORMATION :**

**(a) Particulars in respect of stocks, purchases and sales .**

**1. Industrial Equipments :**

<u>Opening Stock</u>		<u>Closing Stock</u>		<u>Purchases</u>		<u>Sales</u>	
<u>Qty</u>	<u>Value</u>	<u>Qty</u>	<u>Value</u>	<u>Qty</u>	<u>Value</u>	<u>Qty</u>	<u>Value</u>
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)

2. Spares 7,55,732  
(NIL)

**(b) Raw Material Consumed :**

	<u>Qty</u>	<u>Value</u>
Plates	Nil	Nil
	(Nil)	(Nil)
Others		3,40,714
		(Nil)
15. Value of Imports on C.I.F. Basis In respect of Raw Materials		Nil (Nil)
16. Expenditure in foreign currency in respect of Traveling		Nil (Nil)
17. Consumption in respect of		%
a) Imported Raw Materials, Spares and Components	Nil (Nil)	Nil (Nil)
b) Indigenous Raw Material Spares parts and components	Nil	Nil

18. Previous year figures have been regrouped and re – arranged wherever necessary.

Note : Previous year figures are given in the brackets .  
As per our report of even date .

For  
CHARTERED ACCOUNTANTS

PARTNER *M.No. 9550*

Place : Mumbai

Date :



For MIRCH TECHNOLOGIES LIMITED

*S.K.LADHA*  
CHAIRMAN

*Director*  
DIRECTOR

**MIRCH TECHNOLOGIES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2010.**

(RS.IN LACS)  
As at 31.03.2010

(RS.IN LACS)  
As at 31.03.2009

<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>			
(A) Net Profit /Loss after tax		5.46	(6.76)
Adjustment for :			
Miscellaneous Exp. Written Off	---		---
Depreciation	0.02		0.02
Income Tax	---	<u>0.02</u>	<u>0.02</u>
Operating Profit/(Loss) before Working capital Charges		5.48	(6.74)
Adjustment for :			
Trade & Other receivable	(9.72)		(3.39)
Inventories	---		---
Current Liabilities	1.98		8.45
		<u>(7.74)</u>	<u>5.06</u>
(B) Net Cash Flow from Operating Activities (A)		(2.26)	(1.68)
<b><u>CASH FLOW FROM INVESTING ACTIVITIES :</u></b>			
Net Cash used in Investment Activities (B)	---	---	---
<b><u>(C) CASH FLOW FROM FINANCING ACTIVITIES :</u></b>			
Increase in short term borrowings	2.28		1.71
Net Cash used in financing activities (C)		<u>2.28</u>	<u>1.71</u>
<b>Net changes in Cash &amp; Cash Equivalent (A+B+C)</b>		<u>0.02</u>	<u>0.03</u>
Cash and Cash Equivalent at the beginning of the year		0.08	0.05
Cash and Cash Equivalent at the end of the year		0.10	0.08

**NOTE :**

Cash and Cash Equivalents include Cash in Hand , Cash at Bank and Short term inter corporation deposits.

FOR  
CHARTERED ACCOUNTANTS



FOR MIRCH TECHNOLOGIES LIMITED

S.K.LADHA  
CHAIRMAN

Director

Place : Mumbai  
Date :

M. NO. 9550

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILEI. Registration Details

Registration No. 16127  
Balance Sheet Date 31.03.2010

State Code : 11

II. Capital raised during the year

Public Issue  
NIL  
Bonus Issue  
NIL

Rights Issue  
NIL  
Private Placement  
NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Lacs )

Total Liabilities  
216.75

Total Assets  
216.75

Sources of Funds

Paid up Capital  
89.11  
Secured Loans  
NIL

Reserves & Surplus  
Nil  
Unsecured Loans  
127.64

Application of Funds

Net Fixed Assets  
00.12  
Net Current Assets  
(23.35)  
Accumulated Losses  
239.98

Investments  
NIL  
Misc. Expenditure  
NIL

IV. Performance of Company ( Amount in Rs. Lacs )

Turnover ( Gross Revenue )  
25.65  
Profit (Loss) Before Tax  
5.46  
Earning per Share in Rs.  
0.68

Total Expenditure  
20.19  
Profit (Loss) After Tax  
5.46  
Dividend  
NIL

V. Generic names of three Principal Products / Services of the Company

Item Code No. (ITC Code )  
Product Description  
Item Code No. (ITC Code )  
Product Description  
Item Code No.(ITC Code )  
Product Description



-----  
Heat Exchanger

-----  
Air Drying Plant

-----  
Pressure Leaf Filter  
FOR MIRCH TECHNOLOGIES LIMITED

*[Signature]*  
*[Signature]*  
Director