

# Swan Energy Limited

(Formerly Swan Mills Limited)

6, Feltham House, 2nd Floor, 10, J. N. Heredia Marg, Ballard Estate, Mumbai 400001.

Tel.: 022-4058 7300 • Fax: +91-22-4058 7360 • Email: swan@swan.co.in

Dept. of Corporate Service,  
Bombay Stock Exchange Limited,  
P.J. Tower, Dalal Street, Fort,  
Mumbai - 400 001.

September 24, 2009

Ref: Company code 50 3310

Dear Sir/Madam

## Sub: Outcome of 101<sup>st</sup> Annual General Meeting

Pursuant to the provisions of Clause 31 of the Listing Agreement, this is to inform you that the members of the Company, at 101<sup>st</sup> Annual General Meeting (AGM) of the Company held today, i.e., Thursday, 24<sup>th</sup> September, 2009, have approved all the following resolutions unanimously, placed before them in terms of Notice dated 11<sup>th</sup> August, 2009, convening the said AGM:-

- 1- Adoption of Audited Balance Sheet as at March 31<sup>st</sup>, 2009 and the Profit & Loss Account of the Company for the year ended as on that date, together with Directors' Report and Auditors' Report thereon.
- 2- Re-appointment of Mr. Navinbhai C. Dave, as a Director of the Company.
- 3- Re-appointment of Mr. Pitamber S. Teckchandani, as a Director of the Company.
- 4- Re-appointment of Mr. Shobhan I. Diwanji as a Director of the Company.
- 5- Re-appointment of M/s V.R. Renuka & Co., Chartered Accountants, as Statutory Auditors of the Company, to hold office from the conclusion of this AGM until the conclusion of the next AGM, on such remuneration, to be fixed by the Board of Directors of the Company.
- 6- Re-appointment of Mr. Nikhil V. Merchant, as Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> September, 2009, on the remuneration not exceeding Rs. 24 lakhs per annum and other benefits as per the Rules of the Company.
- 7- Appointment of Mr. Paresh V. Merchant, as Executive Director of the Company for a period of five years with effect from 1<sup>st</sup> September, 2009, on the remuneration not exceeding Rs. 24 lakhs per annum and other benefits as per the Rules of the Company.

This is for your information and record please.

Thanking you,

Yours faithfully,  
For Swan Energy Limited

*Arun S. Agarwal*

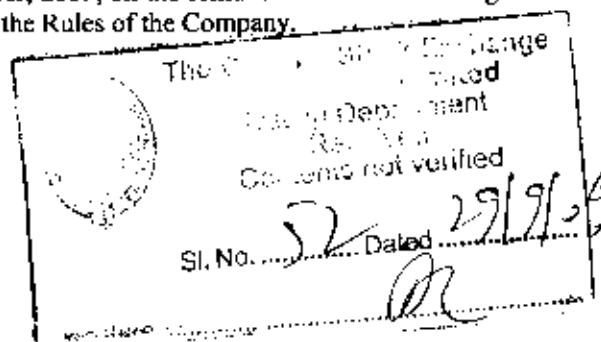
(Arun S. Agarwal)  
Company Secretary

C.C.: (i) The Calcutta Stock Exchange Association Ltd.,

ii) National Security Depository Ltd. (NSDL), Mumbai

iii) Central Depository Services (India) Ltd. (CDSL), Mumbai

iv) Purva Share Registry (India) Pvt Ltd., Mumbai



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September 24, 2009

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Bombay Stock Exchange Limited,  
P.J. Tower, Dalal Street, Fort,  
Mumbai - 400 001.

Ref: Company code 50 3310

Dear Sir/Madam

Sub: Submission of copies of Annual Reports ,

Pursuant to Clause 31 of the Listing Agreement, please find enclosed six printed copies of the 101<sup>st</sup> Annual Report of the Company for the year 2008-2009.

This is for your information and record please.

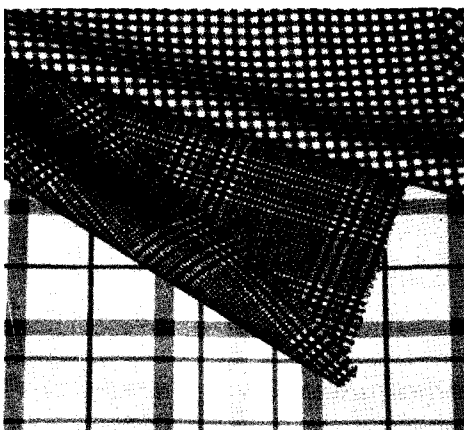
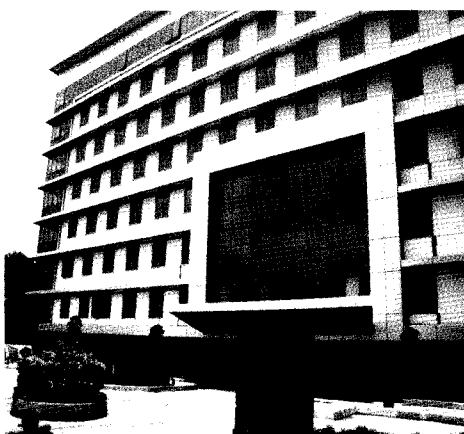
Thanking you,

Yours faithfully,  
For Swan Energy Limited

*Arun S. Agarwal*  
(Arun S. Agarwal)  
Company Secretary

Encl: As above

5 C.C.: The Calcutta Stock Exchange Association Ltd.



**Swan Energy Ltd.**

**101st**  
**ANNUAL REPORT 2008-2009**



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## Board of Directors

### CHAIRMAN

NAVINBHAI C. DAVE

### DIRECTORS

NAGARDAS H. PANCHAL  
SHOBHAN I. DIWANJI  
RAJAT KUMAR DASGUPTA  
PITAMBER S. TECKCHANDANI  
DHIREN M. DESAI  
GOPAL N. DAVE  
PARESH V. MERCHANT  
NIKHIL V. MERCHANT, Managing Director.

### COMPANY SECRETARY

ARUN S. AGARWAL

### AUDITORS

V. R. RENUKA & CO.

### REGISTERED OFFICE

6, FELTHAM HOUSE, 2<sup>ND</sup> FLOOR,  
10, J. N. HEREDIA MARG,  
BALLARD ESTATE, MUMBAI - 400 001.  
Tel.: 022-40587350.  
Fax: +91-22-40587360.  
Email: swan@swan.co.in

### **101<sup>st</sup> ANNUAL GENERAL MEETING**

on Thursday, the 24th September, 2009  
at 11-30 A.M. at Walchand Hirachand Hall,  
Indian Merchant Chamber Building,  
4<sup>th</sup> Floor, IMC Marg, Churchgate,  
Mumbai - 400 020.

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## NOTICE

Notice is hereby given that the One Hundred and First Annual General Meeting of the Company will be held at Walchand Hirachand Hall, 4<sup>th</sup> Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai 400 020 on Thursday, 24<sup>th</sup> September, 2009 at 11.30 A.M. to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31<sup>st</sup> 2009 and Profit and Loss Account for the year ended on March 31<sup>st</sup> 2009 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. *Navinbhai C. Dave*, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. *Pitamber S. Teckchandani*, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. *Shobhan I. Diwanji*, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. V. R. Renuka & Company, Chartered Accountants, Mumbai as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration for the year ending 31<sup>st</sup> March, 2010.

### **SPECIAL BUSINESS**

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

**“RESOLVED THAT** in terms of Article 125 of the Articles of Association of the Company and pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions of the Companies Act, 1956 (the Act), read with Schedule XIII of the Act and subject to such approvals, permissions and sanctions, as may be required, approval of the Company be and is hereby accorded to the re-appointment of Mr. Nikhil V. Merchant as Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> September, 2009 on the remuneration not exceeding Rs. 24 Lakhs per annum and other benefits as per the Rules of the Company, as may be agreed to between the Board of Directors and Mr. Nikhil V. Merchant.

RESOLVED FURTHER THAT notwithstanding anything herein above stated, where in any financial year closing on and after March 31, 2010, the Company has no profits or its profits are inadequate, the Company



shall pay to Mr. Nikhil V. Merchant the remuneration as mentioned above, as per the provisions of Section II of part II of Schedule XIII of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to vary, alter or modify the different components of the stated remuneration as may be agreed to by the Board of Directors and Mr. Nikhil V. Merchant.

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

**"RESOLVED THAT** in terms of Article 125 of the Articles of Association of the Company and pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions of the Companies Act, 1956 (the Act), read with Schedule XIII of the Act and subject to such approvals, permissions and sanctions, as may be required, approval of the Company be and is hereby accorded to the appointment of Mr. Paresh V. Merchant as Executive Director of the Company for a period of five years with effect from 1<sup>st</sup> September, 2009 on the remuneration not exceeding Rs. 24 Lakhs per annum and other benefits as per the Rules of the Company, as may be agreed to between the Board of Directors and Mr. Paresh V. Merchant.

RESOLVED FURTHER THAT notwithstanding anything herein above stated, where in any financial year closing on and after March 31, 2010, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Paresh V. Merchant the remuneration as mentioned above, as per the provisions of Section II of part II of Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to vary, alter or modify the different components of the stated remuneration as may be agreed to by the Board of Directors and Mr. Paresh V. Merchant.

By Order of the Board of Directors  
For Swan Energy Limited

**Arun S. Agarwal**  
Company Secretary

Mumbai, 11<sup>th</sup> August, 2009

**NOTES:**

1. The Register of Members and Share Transfer books of the Company will be closed from 19-09-2009 to 24-09-2009 (both days inclusive).
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business as per Item No. 6 and 7 herein above is annexed hereto.
3. MEMBERS ENTITLED TO ATTEND AND VOTE ARE ENTITLED TO APPOINT A PROXY TO VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER.
4. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than forty-eight hours before the Annual General Meeting.
5. Members/Proxies should bring the attendance slip sent herewith, duly filled in, for attending the meeting.
6. Only Registered Members carrying the Attendance Slip and the holders of valid proxies registered with the Company will be permitted to attend the meeting.
7. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., M/s Purva Sharegistry (India) Pvt. Ltd., Unit: Swan Energy Limited, 9, Shiv Shakti Ind Estate, J.R. Boricha Marg, Lower Parel, Mumbai – 400 011, changes, if any, in their Bank details, registered address, etc. along with their Pin Code. Members holding shares in electronic form may update such details with their respective Depository Participants.
8. Members are requested to quote Ledger Folio No. in all their correspondence.
9. Re-appointment of Directors:

Mr. Navinbhai C. Dave, Mr. Pitamber S. Teckchandani and Mr. Shobhan I. Diwanji retire by rotation and being eligible, offer themselves for re-appointment.

The information required to be provided under the Listing Agreement in respect of Directors being re-appointed is given herein below:

| <b>Name of the Director</b>  | <b>Brief resume and nature of expertise in functional area</b>  | <b>Other Directorships</b> | <b>Shareholding</b> |
|------------------------------|---|----------------------------|---------------------|
| Mr. Navinbhai C. Dave        | Eminent industrialist and public personality, social oriented philanthropist and Educationist                                     | Nil                        | Nil                 |
| Mr. Pitamber S. Teckchandani | A graduate in Mechanical Engineering with experience of 45 years in the Oil and Gas industry, both in public and private sectors. | Nil                        | Nil                 |
| Mr. Shobhan I. Diwanji       | B.A. in Economics and MBA in Finance from USA with wide experience in financing and structuring.                                  | Nil                        | Nil                 |

By Order of the Board of Directors  
For Swan Energy Limited

**Arun S. Agarwal**  
Company Secretary

Mumbai, 11<sup>th</sup> August, 2009



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**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:-**

**Item No. 6:**

Mr. Nikhil V. Merchant was appointed as Managing Director of the Company and since then, under his leadership, experience and expertise, the Company has attained its glory to a great extent and commands a respectable position in the industrial circle today.

The Board of Directors of the Company has unanimously approved his re-appointment as Managing Director and payment of remuneration to him, subject to approval of the shareholders of the Company. The Resolution at item no. 6 of the Notice is being proposed for the consideration of the Members of the Company.

Your Directors recommend the said resolution for your approval.

None of the Directors, except, Shri Navinbhai C. Dave, Shri Gopal N. Dave, Shri Nikhil V. Merchant and Shri Paresh V. Merchant, are, in any way, concerned or interested in the said resolution.

This may also be treated as an abstract of the terms of the Agreement between the Company and Mr. Nikhil V. Merchant, when executed, and memorandum of interest pursuant to Section 302 of the Companies Act, 1956.

**Item No. 7:**

Mr. Paresh V. Merchant was appointed as a Director of the Company and since then, he has been actively involved in the affairs of the Company. He has, with his experience and expertise, contributed immensely towards the turnaround of the Company.

The Board of Directors of the Company has unanimously approved his appointment as Executive Director and payment of remuneration to him, subject to approval of the shareholders of the Company. The Resolution at item no. 7 of the Notice is being proposed for the consideration of the Members of the Company.

Your Directors recommend the said resolution for your approval.

None of the Directors, except, Shri Navinbhai C. Dave, Shri Gopal N. Dave, Shri Nikhil V. Merchant and Shri Paresh V. Merchant, are, in any way, concerned or interested in the said resolution.

This may also be treated as an abstract of the terms of the Agreement between the Company and Mr. Paresh V. Merchant, when executed, and memorandum of interest pursuant to Section 302 of the Companies Act, 1956.

By Order of the Board of Directors  
For Swan Energy Limited

**Arun S. Agarwal**  
*Company Secretary*

Mumbai, 11<sup>th</sup> August, 2009



**DIRECTORS' REPORT**

Your Directors have the pleasure to present herewith their 101st Annual Report with Audited Statement of Accounts for the year ended on 31.3.2009. The operating results are as under:

|                                       | For the year<br>ended on<br>31.3.2009<br>Rs. in lacs | For the year<br>ended on<br>31.3.2008<br>Rs. in lacs |
|---------------------------------------|--|--|
| <b><u>Financial Results</u></b>       |  |  |
| Profit before interest & depreciation | 4443.21  | 2451.41  |
| Less : Interest                       | 672.05   | 0.91   |
| : Depreciation                        | 20.28  | 41.13  |
| Profit before Tax                     | 3750.88  | 2409.37  |
| Less : Provision for Taxation         | 588.38   | 282.91   |
| Net Profit for the year               | 3162.50  | 2126.46  |

**Dividend**

With a view to ensure timely completion of the ongoing development projects and conserve the resources for future business plans, no dividend is recommended for the year.

**Operations**

During the year, your Company has carried out business activities of trading in fabrics. Development activities at Sewree and Kurla are also well under progress. The Mega residential complex is under construction at Sewree under the name 'Ashok Garden, comprising of two towers, is 70% complete. At Kurla, Commercial complex are under construction, having four buildings under the name 'Peninsula Techno-park'. Possession of two out of four buildings have been handed over on completion of the construction. The Company expects to complete the construction at both the sites by the end of financial year 2010-11.

**FUTURE PLANS****A) ENERGY SECTOR**

The proposed plan of partnership/joint venture with Gujarat Government for CDM power project is at advanced stage and is likely to be finalized before 3<sup>rd</sup> quarter of current financial year 2009-10.

**B) REAL ESTATE DEVELOPMENT**

In addition to the on going real estate development activities in Mumbai, the acquisition of land at Goa has been completed and your Company is considering development of the said property shortly.

**C) TEXTILE**

Setting up of textile manufacturing unit at Ahmedabad, Gujarat is under process and the unit is expected to start functioning commercially by the end of the financial year 2009-10.

**Directors**

Shri Navinbhai C.Dave, Shri Pitamber S. Teckchandani and Shri Shobhan I. Diwanji, retire by rotation and being eligible, have offered themselves for re-appointment.

It is proposed to re-appoint Shri Nikhil V. Merchant as a Managing Director of the Company, for a period of five years from 1<sup>st</sup> September, 2009, subject to approval of the shareholders at the ensuing Annual General Meeting.

It is proposed to appoint Shri Paresh V. Merchant as a Executive Director of the Company, for a period of five years from 1<sup>st</sup> September, 2009, subject to approval of the shareholders at the ensuing Annual General Meeting.

**Auditors**

The Members are requested to appoint Auditors for the current year and authorize the Board of Directors to fix their remuneration. The retiring Auditors M/s. V. R. Renuka & Co., Chartered Accountants, being eligible, offers themselves for re-appointment.



**Auditors' Report**

Report of the auditors read with the notes on accounts is self-explanatory and need no elaboration.

**Particulars of Employees**

There are no employees drawing remuneration in excess of limits prescribed under the amended Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975

**Corporate Governance**

A report on the Corporate Governance along with a certificate from the Auditors of the Company regarding the compliance of the conditions of the Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to this report.

**Directors' Responsibility Statement**

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000, on the basis of information placed before them, the Directors confirm that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. Appropriate accounting policies have been selected and applied consistently, and the judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2009 and of the profit of the Company for the said year;
- iii. Proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- iv. The annual accounts have been prepared on a going concern basis.

**Conservation of energy, technology absorption and foreign exchange earnings and outgo:**

The Company is now engaged in only trading and service activities and consequently information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 regarding Conservation of Energy, Technology absorption are not being applicable

**Foreign Exchange Earnings and Outgo.**

|                              |   |          |   |               |
|------------------------------|---|----------|---|---------------|
| During the year under review | - | Earnings | - | -             |
|                              |   | Outgo    | - | Rs. 3.70 Lakh |

**Subsidiary**

The Company does not have any subsidiary.

**Appreciation**

The Directors place on record their appreciation of support and timely assistance from Financial Institutions, Banks, Government Authorities as well as Shareholders who have extended their valuable support to the Company. The Directors also wish to appreciate sincere and dedicated efforts and services by all the employees/staff.

For and On behalf of the Board of Directors

Registered Office:  
6, Feltham House, 2<sup>nd</sup> Floor,  
10, J. N. Heredia Marg,  
Ballard Estate,  
Mumbai - 400 001.

**Navinbhai C. Dave**  
Chairman

Mumbai, 11<sup>th</sup> August, 2009

**REPORT ON CORPORATE GOVERNANCE:****1 A BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Corporate Governance is the system by which Companies are directed and controlled by the management in the best interest of the Shareholders and others, thereby ensuring greater transparency, better and timely financial reporting, generating long term economic value for its Shareholders.

Your Company has incorporated the sound Corporate Governance practices by laying emphasis on transparency, accountability and integrity in all its operations and dealings with outsiders.

**2 BOARD OF DIRECTORS:**

As on 31<sup>st</sup> March, 2009, the Company's Board comprised nine members, consisting of five Non-Executive/ independent Directors. The composition of the Board meets with the requirements of the Clause 49 of the Listing Agreement.

Your Company held five Board meetings during the year on 30-04-2008, 31-07-2008, 08-08-2008, 31-10-2008 and 30-01-2009.

The required details of the Board of Directors as on 31<sup>st</sup> March, 2009 are as under:-

| Name of the Director     | Category                    | No. of meetings held | No. of meetings attended | Whether attended last AGM | No. of outside directorships held (*) | Member ship in Committees (**) | Chairman ship in Committees (**) |
|--------------------------|-----------------------------|----------------------|--------------------------|---------------------------|---------------------------------------|--------------------------------|----------------------------------|
| Navinbhai C. Dave        | Non-Executive Chairman      | 5                    | 5                        | Yes                       | —                                     | 1                              | —                                |
| Nikhil V. Merchant       | Managing Director           | 5                    | 5                        | Yes                       | —                                     | —                              | —                                |
| Pareesh V. Merchant      | Non-Executive               | 5                    | 5                        | Yes                       | —                                     | 1                              | —                                |
| Gopal N. Dave            | Non-Executive               | 5                    | 5                        | Yes                       | —                                     | 1                              | —                                |
| Nagardas H. Panchal      | Non- Executive/ Independent | 5                    | 5                        | Yes                       | —                                     | 3                              | 3                                |
| Shobhan I. Diwanji       | Non- Executive/ Independent | 5                    | 5                        | No                        | —                                     | 2                              | —                                |
| Rajat kumar Das Gupta    | Non- Executive/ Independent | 5                    | 5                        | No                        | —                                     | —                              | —                                |
| Pitamber S. Teckchandani | Non-Executive/ Independent  | 5                    | 5                        | Yes                       | —                                     | —                              | —                                |
| Dhiren M. Desai          | Non-Executive/ Independent  | 5                    | 5                        | No                        | —                                     | 1                              | —                                |

\* (Excluding alternate Directorship and Directorship in private limited companies, foreign companies and section 25 companies)

\*\* Committees considered are Audit Committee and Shareholders' Grievance Committee including that of Swan Energy Limited.

**3 BOARD - LEVEL COMMITTEES:**

The Company has three Board level committees, namely;

- Audit Committee.
- Shareholders'/Investors' Grievances Committee.
- Remuneration Committee.

**a) Audit Committee:**

The Audit Committee of the Company consists of qualified and non-executive Directors. It comprises of Mr. N. H. Panchal, (Chairman & independent Director), Mr. G. N. Dave and Mr. Shobhan I. Diwanji. The Committee met five times during the year 2008-09 on 30-04-2008, 31-07-2008, 08-08-2008, 31-10-2008 and 30-01-2009.



The Audit Committee held discussions with the statutory auditors on the "Limited Review" of the quarterly and half-yearly accounts, final accounts, matters relating to compliance of accounting standards, their observations arising from the annual audit of the Company's accounts and other related matters.

**b) Shareholders'/Investors' Grievances Committee:**

The Shareholders'/Investors' Grievances Committee comprising Mr. N. H. Panchal (Chairman & independent Director), Mr. P. V. Merchant, and Mr. N. C. Dave has been constituted for redressing shareholders and investors' complaints. Mr. Arun S. Agarwal, Company Secretary has been designated as Compliance Officer. During the year, company has received 42 complaints from the shareholders, which were duly resolved/replied.

Delivery of equity shares of the company by all investors/shareholders is now mandatory in the dematerialized form in the Stock Exchange.

**c) Remuneration Committee:**

The Remuneration Committee comprises of three independent Directors, namely, Mr. N. H. Panchal (Chairman), Mr. Shobhan I. Dewahji, and Mr. Dhiren M. Desai. The terms of reference of Remuneration Committee, inter-alia, consists of recommendation for appointment/re-appointment of Managing Director, Executive Director/s, determination and recommendation of terms of remuneration payable to Executive Director. The Committee did not meet during the financial year 2008-09.

**4 REMUNERATION OF DIRECTORS**

During the year under review, no remuneration was paid to Directors. However, as recommended by the Remuneration Committee in its meeting held on 11-08-2009, the Board of Directors have proposed resolution for re-appointment of Mr. Nikhil V. Merchant as Managing Director and appointment of Mr. Paresh V. Merchant as Executive Director with effect from 1<sup>st</sup> September, 2009.

**5 GENERAL BODY MEETING**

Date, Time and Venue for the last three Annual General Meetings are given below:

| Financial Year ended | Date       | Time       | Venue  |
|----------------------|------------|------------|--|
| 31 March 2006        | 19.09.2006 | 10.00 A.M. | Ashoka Hall, Arcadia, NCPA Marg, Nariman Point, Mumbai – 400 021.    |
| 31 March 2007        | 24.09.2007 | 12.15 P.M. | Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020. |
| 31 March 2008        | 24.09.2008 | 12.15 P.M. | Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020. |

**6 DISCLOSURE BY MANAGEMENT TO THE BOARD**

All disclosures relating to financial and commercial transactions where directors may have a potential interest are provided to the Board, and the interested Directors do not participate in the discussion nor do they vote on such matters.

**7 CEO/CFO CERTIFICATION**

As required under Clause 49 V of the Listing Agreement with the Stock Exchange, the Managing Director of the Company have certified to the Board regarding their review on the Financial Statements, Cash flow statements and matters related to internal controls etc. in the prescribed format for the year ended 31<sup>st</sup> March, 2009.

**8 MEANS OF COMMUNICATION**

The quarterly results are published in the newspapers. The company currently does not have a website. Official news releases are sent to the Stock Exchange.

**9 SHAREHOLDER INFORMATION**

**a) Annual General Meeting**

Date : 24<sup>th</sup> September, 2009  
Time : 11.30 A.M.  
Venue : Walchand Hirachand Hall, 4<sup>th</sup> Floor, IMC Building, Churchgate, Mumbai – 400 020.

**b) Financial Calendar**  
Financial reporting for



- Quarter ending Sept 30 2009 : End of October 2009  
 Quarter ending Dec 31 2009 : End of January 2010  
 Quarter ending March 31 2010 : End of April 2010  
 Annual General Meeting for the year ended March 31 2010 : End of September 2010
- c) Dates of Book closure : 19-09-2009 to 24-09-2009 (both days inclusive)  
 d) Dividend payment date : Not Applicable  
 e) Listing on Stock Exchange at : Bombay Stock Exchange Limited  
 The Calcutta Stock Exchange Asso. Ltd.  
 f) Demat ISIN Number : INE665A01020  
 g) Stock Market Data :

| Year 2008-09  | Bombay Stock Exchange* |                   |
|---------------|------------------------|-------------------|
|               | Month's High Price     | Month's Low Price |
| April, 08     | 73.50                  | 49.45             |
| May, 08       | 65.95                  | 50.00             |
| June, 08      | 52.60                  | 35.05             |
| July, 08      | 43.10                  | 29.00             |
| August, 08    | 69.80                  | 45.25             |
| September, 08 | 63.50                  | 43.30             |
| October, 08   | 51.45                  | 34.45             |
| November, 08  | 50.65                  | 34.25             |
| December, 08  | 54.70                  | 32.10             |
| January, 09   | 53.75                  | 41.90             |
| February, 09  | 53.00                  | 42.05             |
| March, 09     | 54.40                  | 37.10             |

\* Source: Website of Bombay Stock Exchange Limited ([www.bseindia.com](http://www.bseindia.com))

#### 10 Registrar and Share Transfer Agent

Purva Sharegistry (India) Limited, Gala No. 9, J.R. Boricha Marg, Shivshakti Industrial Estate, Lower Parel, Mumbai – 400 011. Tel.: 23016761/23018261. Fax: 2301 2517

#### 11 Share Transfer Systems

Share Transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. The power to approve transfer of securities has been delegated by the Board of Directors to the Shareholders'/ Investor Grievance and Share Transfer Committee.

#### 12 Distribution of Shareholding (as on 31.03.2009)

| Category           | No. of shareholders | % of Shareholders | No. of Shares held | % of shareholding |
|--------------------|---------------------|-------------------|--------------------|-------------------|
| 1-5,000            | 9,612               | 96.84             | 25,38,481          | 2.67              |
| 5,001-10,000       | 155                 | 1.56              | 5,74,785           | 0.61              |
| 10,001-20,000      | 78                  | 0.79              | 5,79,284           | 0.61              |
| 20,001-30,000      | 21                  | 0.21              | 2,62,964           | 0.28              |
| 30,001-40,000      | 10                  | 0.10              | 1,73,326           | 0.18              |
| 40,001-50,000      | 8                   | 0.08              | 1,80,571           | 0.19              |
| 50,001– 1,00,000   | 11                  | 0.11              | 3,96,212           | 0.42              |
| 1,00,001 and above | 31                  | 0.31              | 9,02,94,377        | 95.04             |
| Total              | 9,926               | 100.00            | 9,50,00,000        | 100.00            |

**13 Categories of Shareholders (as on 31.03.2009)**

|                                 | No. of Shares held | % of Shareholdings |
|---------------------------------|--------------------|--------------------|
| Promoters & Associates          | 7,68,75,429        | 80.92              |
| Mutual funds and UTI            | 0                  | 0.00               |
| Banks, Fin. Institutions        | 54,650             | 0.06               |
| Insurance Companies             | 7,11,150           | 0.75               |
| Foreign Institutional Investors | 30,26,785          | 3.18               |
| Bodies Corporate                | 97,53,020          | 10.27              |
| Indian Public                   | 44,64,984          | 4.70               |
| NRIs                            | 1,12,532           | 0.12               |
| Trusts                          | 1,450              | 0.00               |
| Total                           | 9,50,00,000        | 100.00             |

The stock code on BSE is 50 3310

**14 Dematerialisation of shares and liquidity**

Your Company's shares are traded compulsorily in dematerialized form at Bombay Stock Exchange. Approximately, 98.80% of the equity shares of your Company have been dematerialized upto 31st March 2009.

**15 Address of the correspondence**

Swan Energy Limited : 6, Feltham House, 2<sup>nd</sup> Floor, 10, J.N. Heredia Marg, Ballard Estate, Mumbai 400 001.  
Phone: 022-40587350. Fax: +91-22-40587360. Email: swan@swan.co.in

**16 Management Discussion and Analysis:****TEXTILE BUSINESS**

The entire Textile industry, in general, was severally affected by the global slowdown and fierce price competition. However, the scenario is improving and now the domestic market is expected to deliver a modest level of growth.

Your Company is setting up textile processing unit at Ahmedabad, Gujarat, which is expected to start by end of current fiscal year. Once operational, it is expected to contribute significantly to the future growth of the Company.

The key risks and concerns of the sector in the domestic market are competition from unorganized sector, duty concessions to importers etc.

**REAL ESTATE BUSINESS**

The real estate industry across the country witnessed a slow down during the last year. Major users of the office space sectors like, IT, BPO, Banking, Finance etc. witnessed impact and postponed expansion plans. However, prices appear to have bottomed out and are expected to remain stable with an upward movement steadily. It is expected that infrastructure sector will offer exciting opportunities in future.

The developmental activities of the property of your Company have yielded good results. At Kurla, possession of two commercial buildings have been handed over during the year. Remaining construction at both sites, viz, Kurla and Sewree is expected to be completed by the year 2010-11.

The company also has plans for commercial development of land acquired in Goa.

The key risks and concerns of the sector are uncertain regulatory environment, frequent changes in the policies, price escalation of key construction inputs etc.

**ENERGY SECTOR BUSINESS**

Your Company has changed its name last year from Swan Mills Ltd. to Swan Energy Ltd. in order to reflect the change of main focus of the Company towards energy sector. There is huge shortage of the power across the country and sky is the limit of the opportunities in this sector.

The whole world is concerned about the ill effects of the global warming and climate change. As a part of its social responsibilities towards reduction in pollution and protection of green environment, your company is



contemplating conversion of existing power projects from coal based to gas based. In this process, your Company has made significant advances for joint venture with the Gujarat Government for CDM power project, which once commissioned, will generate substantial Carbon Credit, offering sizable revenue prospects for the Company.

The key risks and concerns of the sector are huge funds requirements, longer gestation periods, changes in the policies etc.

**GENERAL**

The Company has adequate and appropriate internal audit controls and checks to ensure that all transactions are adequately authorized, accounted and disclosed properly. Audit Committee of the Board regularly reviews all such controls.

**DECLARATION BY THE CEO**

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, I, Nikhil V. Merchant, Managing Director of the Company declare that all the Board Members and the senior Management Employees of the Company have affirmed compliance with the code of conduct for the year ended 31<sup>st</sup> March, 2009.

For and on behalf of Board of Directors

Nikhil V. Merchant  
Managing Director

Mumbai, 11<sup>th</sup> August, 2009

**Auditors Certificate on Corporate Governance**

To the members of Swan Energy Limited,

We have examined the records concerning the Company's compliance of the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement entered into by the Company with the Stock Exchange of India for the financial year ended on March 31, 2009.

The objective of our examinations is to give our opinion on whether the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of clause 49 of the Listing Agreement entered into by the Company with the Stock Exchange of India.

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.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for examination and the information and explanations given to us by the Company.

Based on such examination, in our opinion, the Company has complied with Clause 49 of the Listing Agreement of the Stock Exchange.

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

For V. R. Renuka & Co.  
Chartered Accountants

V.R.Renuka  
Proprietor  
M. No. 32263

Mumbai, 11<sup>th</sup> August, 2009



### Auditors' Report to the Members of Swan Energy Limited

We have audited the attached Balance Sheet of SWAN ENERGY LIMITED as at 31<sup>st</sup> March 2009 and the Profit and Loss Account and also the Cash Flow Statement of the Company for the year ended 31<sup>st</sup> March 2009, 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.

1. 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.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956 and on the basis of such checks of the books and records as we consider necessary and appropriate and according to the information and explanations given to us during the course of audit, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to above, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books.
  - c. The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and returns;
  - d. In our opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards (AS) referred to in Section 211 (3C) of the Companies Act, 1956.
  - e. On the basis of information and explanations given to us and representations received from the directors of the Company 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.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with note No. B-6 of Schedule 12, relating to disclosure of the amount payable to small scale industrial undertakings, 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:
  - (a) in the case of the Balance Sheet, of the state of the Company's affairs as at 31<sup>st</sup> March, 2009;
  - (b) in the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date, and
  - (c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **V. R. Renuka & Co.**  
Chartered Accountants

**V. R. Renuka**  
Proprietor  
M. No. 32263

Mumbai, 11<sup>th</sup> August 2009





### Annexure to the Auditors' Report

(Referred to in Paragraph (3) of our Report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, the Company has formulated the regular programme of verification by which all the assets of the company shall be verified in a phase manner, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets.
- (ii) (a) As explained to us the management has conducted physical verification of traded items at reasonable intervals during the year. In respect of land as stock in trade, we are informed that verification has been conducted as to the area and title of the land.
- (b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of traded items and stock in trade followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) On the basis of examination of inventory records, in our opinion, the Company has maintained proper records of inventory, the discrepancies noticed on verification between the physical stock and book records were not material and the same has been properly dealt with in the books of accounts.
- (iii) (a) During the year, the Company has availed unsecured loan amounting to Rs. 2670.00 lacs from a Company covered in the register maintained U/s. 301 of the Companies Act 1956.
- (b) The rate of interest and other terms and conditions of loan taken by the Company are not prima facie prejudicial to the interest of the Company, repayment is regular.
- (c) The Company has not granted any loans secured or unsecured to Companies, firms or other parties listed in the register maintained U/s. 301 of the Companies Act 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory/material, fixed assets and for the sale of goods/flats/offices and services. Further on the basis of our examination of books and records of the Company and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- (v) In our opinion and according to the information and explanations given to us, there are no transactions of purchase of goods and materials and sale of goods, materials and services aggregating during the period to Rs. 5, 00,000 or more in respect of each party, in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the Public to which the directives issued by the Reserve Bank of India and provisions of Section 58A and Section 58AA of the Companies Act 1956 and the rules made there under are applicable.
- (vii) In our opinion, the Company has an Internal Audit System commensurate with the size and nature of its business.
- (viii) As informed to us, for the present business activities of the Company, the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, is not required.



- (ix) According to the information and explanation provided to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund Investor Education and Protection Fund, Income Tax, Value Added Tax, Wealth Tax, Excise Duty, Cess and other material statutory dues applicable to it.
- (x) As at the Balance Sheet date, the Company does not have any accumulated losses. The Company has not incurred cash losses during the year under report, and has also not incurred cash loss in the preceeding financial year.
- (xi) According to the information and explanations given to us the Company has not defaulted in repayment of dues to banks and financial institutions during the year.
- (xii) According to the information and explanations given to us the Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
- (xiii) According to the information and explanations given to us and in our opinion, the Company is not a chit fund or Nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the order are not applicable to the Company.
- (xiv) According to the information and explanations given to us the Company has dealt in or traded in shares, securities, debentures and other investments during the year. The amount invested in the earlier year has been realized and proper records have been maintained of the transactions and timely entries have been made therein. The investments have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from bank or financial institution.
- (xvi) In our opinion and according to the information and explanation given to us, the Company had applied the terms loans for the purpose for which the loan was obtained.
- (xvii) In our opinion and according to the information and explanation given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on the short term basis have been utilized for long term investment and vice-versa.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained U/s. 301 of the Companies act 1956
- (xix) According to the information and explanations given to us, the Company has not issued any secured debentures, therefore the provision of clause (xix) of the order are not applicable to the Company.
- (xx) During the period covered by our audit report, the Company has not raised any money by way of public issue, therefore the provision of clause (xx) of the order are not applicable to the Company.
- (xxi) To the best our knowledge and belief, according to the information and explanation given to us and based on the audit procedures performed, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For V. R. Renuka & Co.**  
Chartered Accountants

**V. R. Renuka**  
Proprietor  
M. No. 32263

Mumbai, 11<sup>th</sup> August 2009



**Balance Sheet as at 31st March, 2009**

|  |          |                   | As at<br>31.3.2008<br>Rupees<br>in lacs |
|--|----------|-------------------|---|
|  | Schedule | Rupees<br>in lacs | Rupees<br>in lacs                       |
| <b>I. SOURCES OF FUNDS</b>                               |          |                   |   |
| <b>1. Shareholders' Funds</b>                            |          |                   |   |
| Share Capital  | 1        | 1,914.25          | 1,914.25                                |
| Reserves & Surplus                                       | 2        | 6,769.18          | 3,606.68                                |
|  |          |                   | 8,683.43                                |
| <b>2. Loan Funds</b>                                     |          |                   |   |
| Secured  | 3        |                   | 4,754.61                                |
|  |          |                   | 15,132.57                               |
| <b>Total</b>   |          |                   | 13,438.04                               |
| <b>II. APPLICATION OF FUNDS</b>                          |          |                   |   |
| <b>1. Fixed Assets</b>                                   | 4        |                   |   |
| Gross Block  |          | 3,305.68          | 1,188.03                                |
| Less : Depreciation                                      |          | 138.08            | 117.80                                  |
| Net Block  |          | 3,167.60          | 1,070.23                                |
| Add : Capital Work-in-Progress & Advances                |          | 745.64            | 942.16                                  |
|  |          |                   | 3,913.24                                |
| <b>2. Investments</b>                                    | 5        |                   | 2,769.42                                |
|  |          |                   | 1,014.00                                |
| <b>3. Net Current Assets</b>                             |          |                   |   |
| Current Assets, Loans & Advances                         | 6        | 42,381.38         | 44,267.45                               |
| Less : Current Liabilities & Provisions                  | 7        | 35,604.09         | 26,619.85                               |
|  |          |                   | 6,777.29                                |
| <b>4. Miscellaneous Expenditure</b>                      |          |                   |   |
| Deferred Tax Assets/(Liabilities)                        |          |                   | (21.91)                                 |
|  |          |                   | (20.49)                                 |
| <b>Total</b>   |          |                   | 13,438.04                               |
| <b>Accounting Policies and<br/>Notes to the Accounts</b> | 12       |                   |   |

As per our Report of even date attached

On behalf of Board of Directors

**For V. R. RENUKA & CO.**  
Chartered Accountants

**NAVINBHAI C. DAVE**  
Chairman

**NIKHIL V. MERCHANT**  
Managing Director

**V. R. RENUKA**  
Proprietor  
M. No. 32263

**ARUN S. AGARWAL**  
Company Secretary

Mumbai, 11th August, 2009

Mumbai, 11th August, 2009

**Profit & Loss Account**  
**For the Year Ended 31st March, 2009**

|   |          |                   |                   | Year ended<br>31.3.2008<br>Rupees<br>in lacs |
|---|----------|-------------------|-------------------|--|
|   | Schedule | Rupees<br>in lacs | Rupees<br>in lacs |  |
| <b>INCOME :</b>   |          |                   |                   |  |
| Sale of Products and Other Income                         | 8        | 21,963.56         |                   | 7,295.69                                     |
| Add : Variation in Stock in Trade                         | 9        | 1,399.62          |                   | 7,417.05                                     |
|   |          |                   | 23,363.18         | 14,712.74                                    |
| <b>EXPENDITURE :</b>                                      |          |                   |                   |  |
| Purchase and Other Expenses                               | 10       | 18,919.97         |                   | 12,261.33                                    |
| Depreciation  |          | 20.28             |                   | 41.13  |
| Interest and Financial Charges                            | 11       | 672.05            |                   | 0.91   |
|   |          |                   | 19,612.30         | 12,303.37                                    |
| <b>Profit for the year before Tax</b>                     |          |                   | 3,750.88          | 2,409.37                                     |
| Provision for Taxation                                    |          |                   | 588.38            | 282.91                                       |
| <b>Transferred to</b>                                     |          |                   |                   |  |
| <b>Reserves &amp; Surplus account (Profit &amp; Loss)</b> |          |                   | 3,162.50          | 2,126.46                                     |
| <b>Accounting Policies and</b>                            | 12       |                   |                   |  |
| <b>Notes to the Accounts</b>                              |          |                   |                   |  |

As per our Report of even date attached

On behalf of Board of Directors

**For V. R. RENUKA & CO.**  
Chartered Accountants**NAVINBHAI C. DAVE**  
Chairman**NIKHIL V. MERCHANT**  
Managing Director**V. R. RENUKA**  
Proprietor  
M. No. 32263**ARUN S. AGARWAL**  
Company Secretary

Mumbai, 11th August, 2009

Mumbai, 11th August, 2009



**Schedules forming part of the Balance Sheet**  
**As at 31st March, 2009**

|   | Rupees<br>in lacs | As at<br>31.03.2008<br>Rupees<br>in lacs |
|---|-------------------|--|
| <b>SCHEDULE "1"</b>   |                   |  |
| <b>SHARE CAPITAL :</b>  |                   |  |
| <b>AUTHORISED</b>   |                   |  |
| 15,000 11% Cumulative Redeemable Preference Shares of Rs.100 each   | 15.00             | 15.00                                    |
| 10,000 11% Cumulative Preference Shares of Rs. 100 each   | 10.00             | 10.00                                    |
| 9,50,00,000 Equity Shares of Rs. 2 each   | 1900.00           | 1900.00                                  |
|   | <u>1925.00</u>    | <u>1925.00</u>                           |
| <b>ISSUED AND SUBSCRIBED</b>  |                   |  |
| 9,250 11% Cumulative Redeemable Preference Shares of Rs.100 each fully paid up. Redeemable at par after giving three month's notice.  | 9.25*             | 9.25*                                    |
| 5,000 11% Cumulative Preference Shares of Rs.100 each fully paid up.  | 5.00              | 5.00                                     |
| 9,50,00,000 Equity Shares of Rs. 2 each fully paid up.  | 1900.00           | 1900.00                                  |
| Of the above, the following Shares were allotted for consideration other than cash :  |                   |  |
| 1) 2,00,000 Equity Shares of Rs. 2 each fully paid up pursuant to a contract.   |                   |  |
| 2) 66,20,000 Equity Shares allotted as fully paid up Bonus Shares by way of Capitalisation of Reserves.   |                   |  |
| 3) 9,250 11% Cumulative Redeemable Preference Shares of Rs. 100 each fully paid up and 20,00,000 Equity Shares of Rs. 2 each fully paid up in terms of the Scheme of Amalgamation of the Jubilee Mills Ltd. with the Company. |                   |  |
| 4) 24,80,000 Equity Shares of Rs. 2 each fully paid up in terms of the Scheme of Amalgamation of The Coorla Spg. & Wvg. Co. Ltd. with the Company.  |                   |  |
| 5) 5,000 11% Cumulative Preference Shares of Rs. 100 each fully paid up shares and 4,50,000 Equity Shares of Rs. 2 each fully paid up in terms of the Scheme of Amalgamation of Basanti Cotton Mills Ltd. with the Company.   |                   |  |
| 6) 8,29,20,000 Equity Shares of Rs. 2 each fully paid up issued in lieu of conversion of Subordinated Unsecured Loans brought in by Promoters & Associates in terms of BIFR Orders.   |                   |  |
| <b>Total</b>  | <u>1914.25</u>    | <u>1914.25</u>                           |
| (*) 9250 11% Cumulative Preference Shares of Rs. 100 each fully paid up of the face value of Rs. 9.25 lacs were to be redeemed not later than 15 years from the date of issue i.e. 6th October, 1991.                         |                   |  |



|   | <u>Rupees<br/>in lacs</u> | <u>Rupees<br/>in lacs</u> | <i>As at<br/>31.03.2008<br/>Rupees<br/>in lacs</i> |
|---|---------------------------|---------------------------|--|
| <b>SCHEDULE "2"</b>                           |                           |                           |  |
| <b>RESERVES AND SURPLUS :</b>                 |                           |                           |  |
| <b>Capital Reserve</b>                        |                           |                           |  |
| Per last Balance Sheet                        | 8,528.71                  |                           | 8,528.71   |
| Less: Remission of Interest (Ref Sch 12 B 18) | <u>2,718.07</u>           |                           | -  |
|   |                           | 5,810.64                  | 8,528.71   |
| <b>Share Premium</b>                          |                           |                           |  |
| Per last Balance Sheet                        |                           | 0.43                      | 0.43   |
| <b>Workmen's Welfare Reserve</b>              |                           |                           |  |
| Per last Balance Sheet                        |                           | 0.25                      | 0.25   |
| <b>Profit &amp; Loss Account</b>              |                           |                           |  |
| Per last Balance Sheet                        | (4,922.71)                |                           | (7,049.17)   |
| Add: Profit for the year                      | 3,162.50                  |                           | 2,126.46   |
| Add: Remission of Interest (Ref Sch 12B 18)   | <u>2,718.07</u>           |                           | -  |
|   |                           | 957.86                    | (4,922.71)   |
| <b>TOTAL</b>                                  |                           | <u><u>6,769.18</u></u>    | <u><u>3,606.68</u></u>                             |

**SCHEDULE "3"**

|  | <u>Rupees<br/>in lacs</u> | <i>As at<br/>31.03.2008<br/>Rupees<br/>in lacs</i> |
|--|---------------------------|--|
| <b>SECURED LOANS :</b>                     |                           |  |
| From banks and others :                    |                           |  |
| (a) ICICI Bank & Associates                | 2,500.00                  | 12,900.00  |
| (b) Non Banking Finance Co.                | 2,200.00                  | 2,200.00   |
| (c) Vehicle Loans                          | 54.61                     | 32.57  |
| (Repayable within one year Rs. 31.99 Lacs) |                           |  |
| <b>TOTAL</b>                               | <u><u>4,754.61</u></u>    | <u><u>15,132.57</u></u>                            |

**Notes :**

- Secured by mortgage of properties financed i.e. receivables and land at Sewri and Kurla and present and future construction there on.
- Secured by pledge of part of the Equity Shares of the Company held by the promoters.
- Secured by hypothecation of Vehicle.



**SCHEDULE "4"**

**FIXED ASSETS :**

(Rupees in Lacs)

| DESCRIPTION<br>OF ASSETS | GROSS BLOCK (At cost or valuation) |                 |                 |                     |     | DEPRECIATION        |                 |                    |                     | NET BLOCK           |                     |
|--------------------------|------------------------------------|-----------------|-----------------|---------------------|-----|---------------------|-----------------|--------------------|---------------------|---------------------|---------------------|
|                          | As at<br>01.04.2008                | Addi-<br>tions  | Deduc-<br>tions | As at<br>31.03.2009 |     | As at<br>01.04.2008 | For the<br>Year | On Deduc-<br>tions | As at<br>31.03.2009 | As at<br>31.03.2009 | As at<br>31.03.2008 |
| Land                     | 960.37                             | 2,065.46        | -               | 3,025.83            |     | -                   | -               | -                  | -                   | 3,025.83            | 960.37              |
| Plant and Machinery      | 18.26                              | 1.25            | -               | 19.51               |     | 15.66               | 1.05            | -                  | 16.71               | 2.80                | 2.60                |
| Furniture and Equipment  | 72.76                              | 2.60            | -               | 75.36               |     | 23.64               | 4.66            | -                  | 28.30               | 47.06               | 49.12               |
| Motor Vehicles           | 136.64                             | 48.34           | -               | 184.98              | (a) | 78.50               | 14.57           | -                  | 93.07               | 91.91               | 58.14               |
| <b>TOTAL</b>             | <b>1,188.03</b>                    | <b>2,117.65</b> | <b>-</b>        | <b>3,305.68</b>     |     | <b>117.80</b>       | <b>20.28</b>    | <b>-</b>           | <b>138.08</b>       | <b>3,167.60</b>     | <b>1,070.23</b>     |
| <i>Previous Year</i>     | 170.66                             | 1,020.54        | 3.17            | 1,188.03            |     | 78.97               | 41.13           | 2.30               | 117.80              | 1,070.23            | 91.69               |

Notes :

(a) Includes Rs. 49.70 lacs (Previous year Rs. 55.93 lacs) being cash value of assets taken on hire purchase.

**SCHEDULE "5"**

**INVESTMENTS :**

**At Cost or Realisable Value**

|   |                        |                        |
|---|------------------------|------------------------|
| Mutual Funds (Liquid)                                       | <b>2,505.42</b>        | <b>750.00</b>          |
| 26,40,000 Eq. Share of Rs. 10 each in Shaan Leisure Limited | <b>264.00</b>          | <b>264.00</b>          |
| <b>TOTAL</b>  | <b><u>2,769.42</u></b> | <b><u>1,014.00</u></b> |

**Rupees  
in lacs**

**As at  
31.03.2008  
Rupees  
in lacs**



|   |                           |                           | As at<br>31.03.2008       |
|---|---------------------------|---------------------------|---------------------------|
|   | <u>Rupees<br/>in lacs</u> | <u>Rupees<br/>in lacs</u> | <u>Rupees<br/>in lacs</u> |
| <b>SCHEDULE "6"</b>   |                           |                           |                           |
| <b>CURRENT ASSETS, LOANS AND ADVANCES :</b>   |                           |                           |                           |
| <b>A. Current Assets</b>  |                           |                           |                           |
| <i>Inventories</i>  |                           |                           |                           |
| (as verified, valued and certified by<br>the Management)  |                           |                           |                           |
| Property under Development :  |                           |                           |                           |
| Value of Land converted into Stock-in-trade<br>at conversion cost and development<br>expenses at cost | 30,450.27                 |                           | 29,038.00                 |
| Others  | <u>22.57</u>              |                           | <u>35.22</u>              |
|   |                           | 30,472.84                 | 29,073.22                 |
| <i>Sundry Debtors (unsecured, considered good)</i>  |                           |                           |                           |
| Receivables from the Debtors  |                           | 1,008.02                  | 4,589.04                  |
| <i>Cash and Bank Balances :</i>   |                           |                           |                           |
| Cash in hand  | 1.60                      |                           | 0.36                      |
| With Scheduled Banks :  |                           |                           |                           |
| Current Accounts  | 2,217.54                  |                           | 3,103.26                  |
| Fixed Deposits with accrued interest  | <u>3,553.62</u>           |                           | <u>2,188.75</u>           |
| <b>TOTAL</b>  |                           | <u>5,772.76</u>           | <u>5,292.37</u>           |
|   |                           | 37,253.62                 | 38,954.63                 |
| <b>B. Loans, Advances &amp; Deposits (Unsecured)</b>  |                           |                           |                           |
| Advances Recoverable in cash or in kind or for<br>value to be received                                |                           |                           |                           |
| Considered good   | 4,597.26                  |                           | 4,956.49                  |
| Considered doubt full   | -                         |                           | -                         |
| Income tax paid and TDS   | <u>530.50</u>             |                           | <u>356.33</u>             |
|   |                           | 5,127.76                  | 5,312.82                  |
| <b>TOTAL</b>  |                           | <u>42,381.38</u>          | <u>44,267.45</u>          |
| <b>SCHEDULE "7"</b>   |                           |                           |                           |
| <b>CURRENT LIABILITIES &amp; PROVISIONS :</b>   |                           |                           |                           |
| Provision for Taxations   | 586.97                    |                           | 274.96                    |
| Sundry Creditors  | 2,333.97                  |                           | 2,741.12                  |
| Project Advances  | 32,665.16                 |                           | 23,507.35                 |
| Interest  | <u>17.99</u>              |                           | <u>96.42</u>              |
| <b>TOTAL</b>  |                           | <u>35,604.09</u>          | <u>26,619.85</u>          |





*Year Ended*  
*31.03.2008*

| <b>Rupees</b>  | <b>Rupees</b>  |
|----------------|----------------|
| <b>in lacs</b> | <b>in lacs</b> |

**SCHEDULE "8"****SALE OF PRODUCTS AND OTHER INCOME :**

|              |                  |                 |
|--------------|------------------|-----------------|
| Sales        | 17,497.07        | 4,556.74        |
| Other Income | 4,466.49         | 2,738.95        |
| <b>TOTAL</b> | <b>21,963.56</b> | <b>7,295.69</b> |

*Year Ended*  
*31.03.2008*

| <b>Rupees</b>  | <b>Rupees</b>  |
|----------------|----------------|
| <b>in lacs</b> | <b>in lacs</b> |

**SCHEDULE "9"****VARIATION IN VALUE OF STOCK IN TRADE :**

|                               |                 |                 |
|-------------------------------|-----------------|-----------------|
| Closing stock in trade        | 30,472.84       | 29,073.22       |
| Less : Opening stock in trade | 29,073.22       | 21,656.17       |
| <b>TOTAL</b>                  | <b>1,399.62</b> | <b>7,417.05</b> |



|   |                           | <i>Year Ended<br/>31.03.2008</i> |
|---|---------------------------|----------------------------------|
|   | <b>Rupees<br/>in lacs</b> | <b>Rupees<br/>in lacs</b>        |
|   |                           | <i>Rupees<br/>in lacs</i>        |
| <b>SCHEDULE "10"</b>                                  |                           |                                  |
| <b>PURCHASE &amp; OTHER EXPENSES :</b>                |                           |                                  |
| <i>A. Purchase of Materials</i>                       |                           | 45.50      4,475.91              |
| <i>B. Expenditure towards construction activities</i> |                           |                                  |
| Architect Fees & Consultancy Charges                  | 363.43                    | 382.49                           |
| Interest on Loans                                     | 830.75                    | 2,042.19                         |
| Rates, Taxes & Charges                                | 1,297.74                  | 412.49                           |
| Security Charges                                      | 58.48                     | 32.59                            |
| Construction Materials                                | 8,570.95                  | 4,003.46                         |
| Construction Expenses                                 | 7,433.06                  | 594.18                           |
|   | <b>18,554.41</b>          | <b>7,467.40</b>                  |
| <i>C. Operating and Other Expenses :</i>              |                           |                                  |
| Power and Fuel  | 4.77                      | 3.39                             |
| Rent  | 2.03                      | 5.49                             |
| Rates and Taxes                                       | 1.54                      | 1.40                             |
| Insurance   | 2.15                      | 0.91                             |
| Salary expenses                                       | 12.36                     | 7.34                             |
| Consultancy Charges                                   | 81.88                     | 133.41                           |
| Vehicle Expenses                                      | 12.84                     | 12.04                            |
| Miscellaneous Expenses                                | 202.49                    | 154.04                           |
|   | <b>320.06</b>             | <b>318.02</b>                    |
| <b>TOTAL</b>  | <b>18,919.97</b>          | <b>12,261.33</b>                 |

**SCHEDULE "11"**

**INTEREST AND FINANCIAL CHARGES :**

|                              |               |             |
|------------------------------|---------------|-------------|
| Interest & Financial Charges | 892.30        | 1.75        |
| Less : Interest Received     | 220.25        | 0.84        |
| <b>TOTAL</b>                 | <b>672.05</b> | <b>0.91</b> |



## **SCHEDULE "12"**

### **ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS :**

#### **(A) SIGNIFICANT ACCOUNTING POLICIES**

##### **1 GENERAL**

The accounts of the Company are prepared under the historical cost convention using accrual method of accounting with generally accepted accounting principles. Development rights as stock-in-trade is considered at conversion cost.

##### **2 FIXED ASSETS**

Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the assets to its working condition for its intended use/sale/development, less accumulated depreciation.

##### **3 DEPRECIATION**

Depreciation is provided on Straight Line Method at the rates given in Schedule XIV of the Companies act, 1956.

##### **4 INVESTMENTS**

Investments classified as short term investment is valued at cost.

##### **5 INVENTORIES**

Inventory representing project work-in-progress is valued at cost, which includes expenditure incurred for development, other related cost and cost of land.

Other inventories are valued at Cost.

##### **6 SALES & REVENUE RECOGNISATION**

- a) Sales/Other income are net of taxes, if any
- b) Company is engaged in the business of development of property and textile. In consonance with the practice followed, the profit/Loss, if any, in respect of project under work-in-progress will be accounted on completion and / or sale. The sale will be treated only when peaceful possession of the flats/commercial area is given to the buyer. All expenses incurred, including interest and selling and distribution expenses, on project will be shown under Work-In-Progress and amount received from customers towards booking of the area will be shown as Project advances.

##### **7 FOREIGN CURRENCY TRANSACTION**

Transaction in Foreign Exchange are accounted at the exchange rate prevailing on the date the transaction has taken place. Unrealised/Payable balance in the form of current assets, current liabilities & loans at the year end are converted at closing Bank Exchange rate prevailing at the Balance Sheet date.

##### **8 RETIREMENT BENEFITS**

As the entire work force of the Company has accepted VRS, no liabilities towards Retirement benefit is due for the year and hence no provision for the year

##### **9 CONSTRUCTION ACTIVITIES**

Construction cost incurred are considered as W.I.P and shown as Current Assets under Inventories.

The initial amount received as sale of units are considered as Project Advances reduced to the extent it is paid/payable to the developer.

##### **10 TAXATION**

Tax comprises both current and deferred tax. Current Income Tax, including FBT, is determined on the basis of tax payable on taxable income for the year. In compliance with Accounting Standard-22, deferred tax is calculated at current income tax rate and is recognised on timing difference between taxable income and accounting income subject to consideration of prudence and to the extent there is a virtual certainty.

#### **(B) NOTES TO THE ACCOUNTS**

- 1 The Company has given possession of completed premises at Kurla and net sales & revenue thereon have been recognised during the year. As at Balance Sheet date, Stock in trade of Rs. 30,450.27 lacs includes conversion cost of land and development expenses.

**SCHEDULE "12"**

- 2 The Company has fulfilled its obligations as required under the consent terms arrived with the Peerless General Finance & Investment Co. Ltd.

| 3 Earning per Share | Current<br>Year | Previous<br>Year |
|---------------------|-----------------|------------------|
|---------------------|-----------------|------------------|

Numerator used for calculating basic and diluted earnings per

|                                      |          |          |
|--------------------------------------|----------|----------|
| Share - Profit as per P & L Rs. lacs | 3,162.50 | 2,126.46 |
|--------------------------------------|----------|----------|

Weighted average number of shares used as denominator for

|   |            |            |
|---|------------|------------|
| calculating basic and diluted earning per share | 95,000,000 | 95,000,000 |
|---|------------|------------|

|                                       |   |   |
|---------------------------------------|---|---|
| Normal Value of share (Rs. per share) | 2 | 2 |
|---------------------------------------|---|---|

|                                     |      |      |
|-------------------------------------|------|------|
| Basic/Diluted earning per share Rs. | 3.33 | 2.24 |
|-------------------------------------|------|------|

- 4 Contingent Liabilities :

|   |       |       |
|---|-------|-------|
| a) Arrears of cumulative Pref. Share dividend | 15.69 | 14.12 |
|---|-------|-------|

- 5 Miscellaneous Expenses includes payments to Auditors towards.

|            |      |      |
|------------|------|------|
| Audit Fees | 0.80 | 0.80 |
|------------|------|------|

|                |      |      |
|----------------|------|------|
| Tax Audit Fees | 0.40 | 0.40 |
|----------------|------|------|

|                |      |   |
|----------------|------|---|
| Other capacity | 0.03 | - |
|----------------|------|---|

- 6 In terms of Notification No.GSR (129 E) dated 22.02.1999 issued

by the Department of Company affairs, the Company is required to

furnish the details of outstanding to Small Scale Industrial

undertakings under the head Current Liabilities and Provisions.

The Creditors have been requested to furnish requisite information along

with SSI Registration Number. Due to lack of feedback, the Company

is unable to provide such information in its accounts



**SCHEDULE "12"**

|           |   | Current<br>Year | Previous<br>Year |
|-----------|---|-----------------|------------------|
| <b>7</b>  | <i>Raw Material Consumed</i>  | N.A.            | N.A.             |
| <b>8</b>  | Licensed Capacity   | N.A.            | N.A.             |
| <b>9</b>  | Capacity and Production   | N.A.            | N.A.             |
| <b>10</b> | <i>Sale of Products</i>   |                 |                  |
|           | Cloth   |                 |                  |
|           | Qty in lac Mtrs   | 1.12            | 63.41            |
|           | Value in Rs. Lacs   | 52.37           | 4,556.74         |
| <b>11</b> | Purchase of Cloth   |                 |                  |
|           | Qty in lac Mtrs   | 0.86            | 62.61            |
|           | Value in Rs. Lacs   | 45.50           | 4,475.91         |
| <b>12</b> | <i>C. I. F. Value of Imports :</i>  | -               | 0.58             |
| <b>13</b> | Stock in trade and Construction   |                 |                  |
|           | Work-in-progress - Construction   |                 |                  |
|           | Plot Area/Sq. Mtrs.   | 48,927          | 71,133           |
|           | Value in Rs. Lacs   | 30,450.27       | 29,038.00        |
|           | Cloth / Textile materials   |                 |                  |
|           | Qty in lac Mtrs   | 0.42            | 0.68             |
|           | Value in Rs. Lacs   | 22.57           | 35.22            |
| <b>14</b> | Related Party Disclosure(As identified by management)                       |                 |                  |
|           | a) Related party Relationship during the year & previous year               |                 |                  |
|           | Ami Industries (India) Pvt. Ltd.  |                 |                  |
|           | b) Transaction with related parties   |                 |                  |
|           | Key Management Personnel- Managerial Remuneration                           | -               | -                |
|           | Receivable/(Payable)  | -               | -                |
|           | Unsecured Inter Corporate Deposit - Rs. In Lacs                             | 2,670.00        | 2,711.89         |
|           | Interest paid/payable - Rs. In Lacs   | 447.47          | 21.21            |
| <b>15</b> | Expenditure in foreign currency   | 3.70            | 0.58             |
| <b>16</b> | The Managerial remuneration under<br>Section 198 of the Companies Act, 1956 | -               | -                |

**17 Segment Information :**

The company has identified business segments as primary segments.

The reportable business segments are Textile and Property Development (Rupees in Lacs)

|                     | Textiles | Property<br>development | Total     |
|---------------------|----------|-------------------------|-----------|
| Revenue             | 52.37    | 21,911.19               | 21,963.56 |
| Segment Results     | (5.77)   | 3,168.27                | 3,162.50  |
| Segment Assets      | 1,121.03 | 47,921.10               | 49,042.13 |
| Segment Liabilities | 66.53    | 48,975.60               | 49,042.13 |

**Geographical Segments**

All development and Trading activity have been undertaken in India only, hence Geographical segment reporting is *not required*.

- 18** All items of income and expenses in the year are included in the determination of net profit for the year. There are no changes in the accounting policies from that of the previous year. The amount of remission of interest added to Capital Reserve in earlier year, now transferred to revenue account.
- 19** Quarterly financial results are published in accordance with the guidelines issued by SEBI. The recognition and measurement principles as laid down in the standards are followed with respect to such results. The half yearly results are also subjected to limited review by the Auditors as required by SEBI.
- 20** At the Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the fixed assets. No impairment loss is determined.
- 21** The Miscellaneous expenses includes donation of Rs. 24.00 lacs and Prior Period Expenses of Rs. 15 lacs.
- 22** The Company had entered into Development Agreement with Peninsula Land Ltd (Formerly Piramal Holdings Ltd) to develop and sale properties at Mumbai and they are entitled to 22% of the gross receipt. The transactions and effect thereof are already given in this accounts.
- 23** The Company has not redeemed 9250 11 % Cumulative Redeemable Preference Shares of Rs. 100 each fully paid up during the year.
- 24** The Company is entitled to claim deduction in case of income from its project U/s 80 IB with reference to the built-up area having individual flat size smaller than 1000 sq. ft. The profit will be computed on proportionate basis based on ratio of the built-up area of the eligible sized flats to the total area of the projects.
- 25** Previous Year's figures are regrouped/rearranged wherever necessary.

**26. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :**

Statement pursuant to Part IV of Schedule VI to the Companies Act., 1956

**I. Registration Details**

|                    |                                  |            |                                 |
|--------------------|----------------------------------|------------|---------------------------------|
| Registration No.   | <input type="text" value="294"/> | State Code | <input type="text" value="11"/> |
| Balance Sheet Date | 31.03.2009                       |            |                                 |

**II. Capital raised during the year (Amount Rs. In Thousand)**

|              |                                  |                   |                                  |
|--------------|----------------------------------|-------------------|----------------------------------|
| Public Issue | <input type="text" value="NIL"/> | Bonus Issue       | <input type="text" value="NIL"/> |
| Right Issue  | <input type="text" value="NIL"/> | Private Placement | <input type="text" value="NIL"/> |

**III. Position of Mobilisation and Deployment of Funds (Amount Rs. In Thousand)**

|                      |  |                   |  |
|----------------------|--|-------------------|--|
| Total Liabilities    | <input type="text" value="1,343,804"/> | Total Assets      | <input type="text" value="1,343,804"/> |
| Source of Funds      |  |                   |  |
| Paid up Capital      | <input type="text" value="191,425"/>   | Reserve & Surplus | <input type="text" value="676,918"/>   |
| Secured Loans        | <input type="text" value="475,461"/>   | Unsecured Loans   | <input type="text" value="NIL"/>       |
| Application of Funds |  |                   |  |
| Net Fixed Assets     | <input type="text" value="391,324"/>   | Investments       | <input type="text" value="276,942"/>   |
| Net Current Assets   | <input type="text" value="677,729"/>   | Misc. Expenditure | <input type="text" value="(2,191)"/>   |
| Accumulated Losses   | <input type="text" value="NIL"/>       |                   |  |

**IV. Performance of Company (Amount Rs. In Thousands)**

|   |  |                        |  |
|---|--|------------------------|--|
| Turn over   | <input type="text" value="2,196,356"/> | Total Expenditure      | <input type="text" value="1,961,230"/> |
| - Profit before Tax                                   | <input type="text" value="375,088"/>   | + / - Profit after Tax | <input type="text" value="316,250"/>   |
| (Please tick Appropriate box + for Profit - for Loss) |  |                        |  |
| Earning Per Share in Rs.                              | <input type="text" value="3.33"/>      | Dividend Rate %        | <input type="text" value="NIL"/>       |

**V. Generic names of three Principal Products/Services of the Company (as per monetary items)**

|                          |      |
|--------------------------|------|
| Item Code No. (ITC Code) | N.A. |
|--------------------------|------|

As per our Report of even date attached

On behalf of Board of Directors

**For V. R. RENUKA & CO.**  
Chartered Accountants

**NAVINBHAI C. DAVE**  
Chairman

**NIKHIL V. MERCHANT**  
Managing Director

**V. R. RENUKA**  
Proprietor  
M. No. 32263

**ARUN S. AGARWAL**  
Company Secretary

Mumbai, 11th August, 2009

Mumbai, 11th August, 2009


**Cash Flow Statement  
for the Year Ended 31.3.2009**

Year ended

31.03.2008

|  | Rupees<br>in lacs | Rupees<br>in lacs  | Rupees<br>in lacs |
|--|-------------------|--------------------|-------------------|
| <b>A Cash Flow from Operating Activities</b>                 |                   |                    |                   |
| Net Profit   |                   | 3,162.50           | 2,126.46          |
| Adjustment for :   |                   |                    |                   |
| Depreciation   | 20.28             |                    | 41.13             |
| Interest Received  | 220.25            |                    | 0.84              |
| Interest Paid  | 892.30            |                    | 1.75              |
| Provision for Taxation(Deferred Tax)                         | 1.41              |                    | 7.94              |
|  |                   | <u>1,134.24</u>    | <u>51.66</u>      |
| Operating Profit/(Loss) before Working Capital Changes       |                   | 4,296.74           | 2,178.12          |
| Adjustment for :   |                   |                    |                   |
| Trade & Other Receivables/Advances                           | 3,940.25          |                    | (7,248.74)        |
| Inventories  | (1,399.62)        |                    | (7,467.40)        |
| Trade Payables   | 8,984.24          |                    | 16,198.35         |
|  |                   | <u>11,524.87</u>   | <u>1,482.21</u>   |
| Cash generated from operations                               |                   | 15,821.61          | 3,660.33          |
| Interest Paid  |                   | (892.30)           | (1.75)            |
| Direct Taxes (Paid)/Refund Received                          |                   | (174.17)           | 846.12            |
| <b>Cash Flow from Operating Activities</b>                   |                   | <u>14,755.15</u>   | <u>4,504.70</u>   |
| <b>B Cash Flow from Investing Activities</b>                 |                   |                    |                   |
| (Purchase)/disposal of Fixed Assets                          | (1,921.13)        |                    | (1,961.83)        |
| Disposal of / (New) Investments                              | (1,755.42)        |                    | (1,014.00)        |
| Interest Income  | (220.25)          |                    | (0.84)            |
| <b>Cash Flow from Investing Activities</b>                   |                   | <u>(3,896.80)</u>  | <u>(2,976.67)</u> |
| <b>C Cash Flow from Financing Activities</b>                 |                   |                    |                   |
| Proceeds/(Repayment)from Long Term & Short Borrowings        | (10,377.96)       |                    | 3,658.11          |
| Inter corporate Deposits/Unsecured Loans                     | -                 |                    | (1,500.00)        |
| <b>Cash Flow from Financing Activities</b>                   |                   | <u>(10,377.96)</u> | <u>2,158.11</u>   |
| <b>D Net increase in Cash &amp; Cash Equivalents (A+B+C)</b> |                   | <u>480.39</u>      | <u>3,686.14</u>   |
| <b>E Cash &amp; Cash Equivalents : Opening Balance</b>       |                   | 5,292.37           | 1,606.23          |
| <b>F Cash &amp; Cash Equivalents : Closing Balance</b>       |                   | 5,772.76           | 5,292.37          |

As per our Report of even date attached

On behalf of Board of Directors

For V. R. RENUKA & CO.  
Chartered Accountants

NAVINBHAI C. DAVE  
Chairman

NIKHIL V. MERCHANT  
Managing Director

V. R. RENUKA  
Proprietor  
M. No. 32263

ARUN S. AGARWAL  
Company Secretary

Mumbai, 11th August, 2009

Mumbai, 11th August, 2009





## Swan Energy Limited

Registered Office : 6, Feltham House, 2nd Floor, 10, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001.

### ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Venue

Member's Folio No.

Name of the Member  
attending Meeting

In case of Proxy, Name of Proxy

I hereby record my presence at the 101<sup>st</sup> ANNUAL GENERAL MEETING at Walchand Hirachand Hall, 4<sup>th</sup> Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai – 400 020 on Thursday, 24<sup>th</sup> September, 2009 at 11.30 A.M.

Member's/Proxy's Signature

#### Note :

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
2. NO GIFTS/COMPANY PRODUCTS SHALL BE GIVEN AT THE MEETING.
3. The Shareholding stated above is subject to change for transfers upto book closure. THIS ATTENDANCE IS VALID ONLY IN CASE SHARES ARE HELD ON DATE OF MEETING.



## Swan Energy Limited

Registered Office : 6, Feltham House, 2nd Floor, 10, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001.

### PROXY FORM

I/We \_\_\_\_\_

of \_\_\_\_\_

being a Member/Members of SWAN ENERGY LTD. hereby appoint \_\_\_\_\_

of \_\_\_\_\_

or failing him \_\_\_\_\_

of \_\_\_\_\_

or failing him \_\_\_\_\_

of \_\_\_\_\_

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 101<sup>st</sup> Annual General Meeting of the Company to be held at Mumbai on September 24, 2009 at 11.30 A.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009

Signed by the said.....

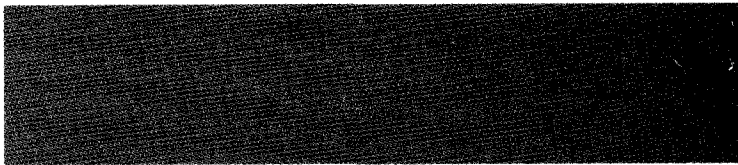
Of \_\_\_\_\_

Affix Rs. 1  
Revenue  
Stamp

**Note :** If a Member is unable to attend the Meeting, he may sign this form and send it to the Company's Registered Office so as to reach not less than 48 hours before the Meeting.



**Swan Energy Ltd.**



**Regd. Office : 6, Feltham House, 2<sup>nd</sup> Floor, 10, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001.**