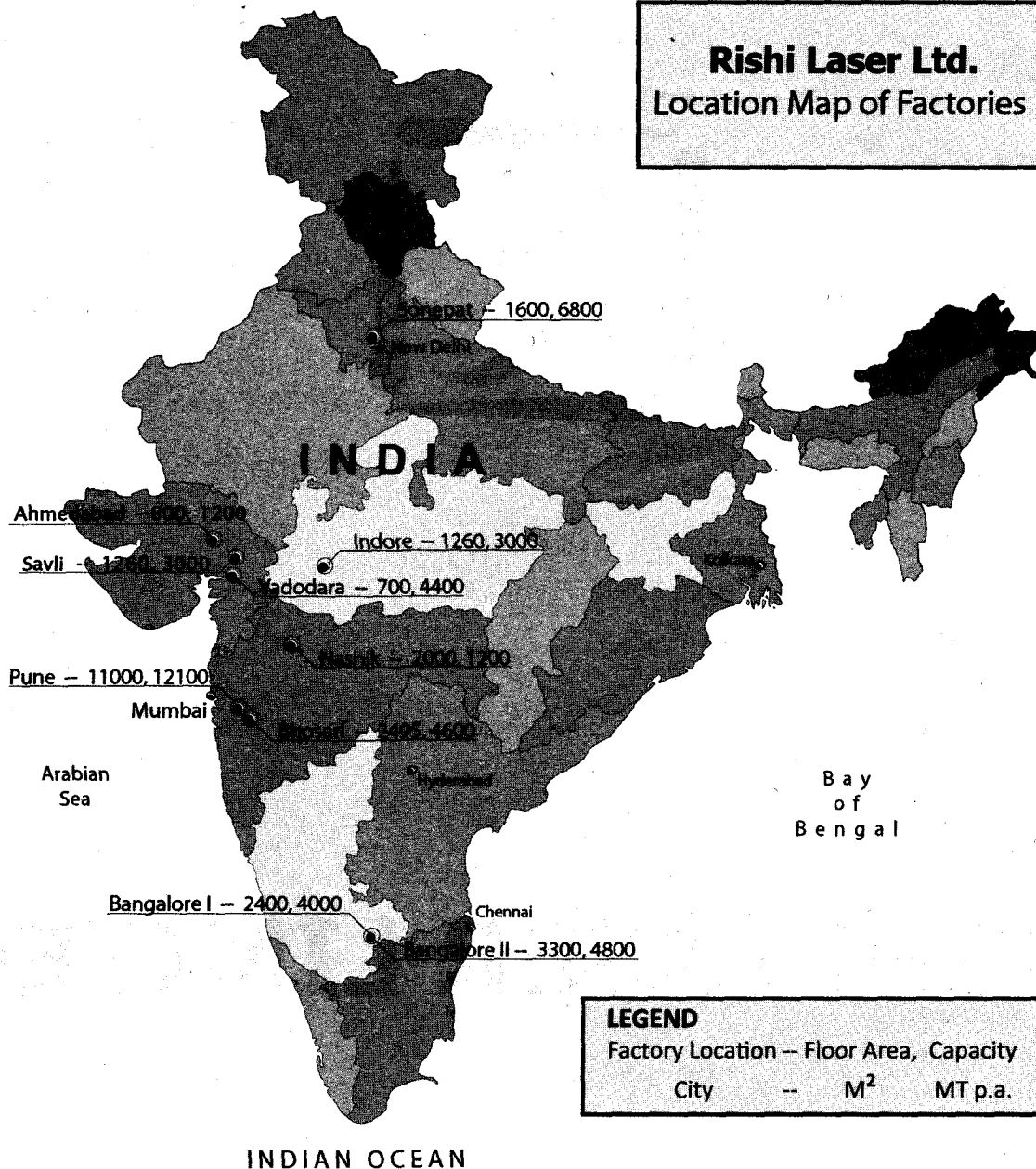


# **RISHI LASER LIMITED**

**17<sup>TH</sup> ANNUAL REPORT**  
**2008-09**

# Rishi Laser Ltd.

## Location Map of Factories



### LEGEND

Factory Location -- Floor Area, Capacity  
City -- M<sup>2</sup> MT p.a.

**AHMEDABAD:** Plot No. 4-5, Naroda Industrial Estate, Ahmedabad - 382330.

**BANGALORE:** **Unit - I :** Plot No.145-146, 4<sup>th</sup> Phase, Bommasandra Industrial Area, Tal. Anekal, Bangalore - 560099, Karnataka.  
Tel.: (080) 2783 6319 / 2783 6366 • Fax : (080) 2783 6367  
**Unit - II :** Survey No. 54/3, Majara Hossahalli Village, Kasaba Hobli, Doddballapur Taluka, Bangalore, Rural Dist.

**BHOSARI:** **Unit - I :** J-266, MIDC Industrial Estate, Bhosari, Dist. Pune - 411026.  
Tel.: (020) 2747 4283 / 2744 2027 / 3096 3782  
**Unit - II :** Plot No. 303, Sector-7, PCNDA, Bhosari, Pune - 411026.

**NASIK:** Plot No. D/43, MIDC, Nasik - 422010 • Tel.: (0253) 238 0751 / 238 3163.

**PITHAMPUR (INDORE) :** Plot No. 661,662,663 Sector-3, Near Indorama Ram Mandir, Pithampur, Dist. - Dhar (M.P.) - 454775.

**PUNE:** **Unit - I :** Gat No. 1236/1+2+3 **Unit - II :** Gat No. 218/219 **Unit - III :** Gat No. 229  
Alandi Markal Road, Village Markal, Tal. Khed, Pune - 412105. • Tel.: (02135) 308071 / 308072

**SAVLI:** Plot No. 578 to 587, GIDC, Savli, Savli - 391770.

**SONEPAT:** 428, E.P.I.P. HSIDC Industrial Estate, Kundli, Dist.: Sonapat - 131001, State-Haryana.  
Tel.: (0130) 645 0159 / 645 0428

**VADODARA:** Plot No. A/2 - 620, G.I.D.C. Makarpura Ind. Estate, Makarpura, Vadodara - 390010.  
Tel.: (0265) 263 8011 / 265 6128



## NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of Rishi Laser Limited will be held on Wednesday, the 23<sup>rd</sup> Day of September, 2009 at 3.00 p.m. at Indian Merchant's Chamber, Killachand Conference Room, 2<sup>nd</sup> Floor, IMC Marg, Churchgate, Mumbai - 400020 to transact the following business:

### AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2009 and the Profit & Loss Account for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dinesh Mehta who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

### Registered Office:

611, Veena Killedar Industrial Estate,  
10-14, Pais Street, Byculla (W),  
Mumbai - 400011.  
Dated: 29<sup>th</sup> June, 2009

**By Order of the Board  
For Rishi Laser Ltd.**

**Supriya Joshi**  
Company Secretary

### NOTES:

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
- b) Register of members and share transfer books of the company will remain closed from 18th September, 2009 to 23rd September, 2009 (both days inclusive).
- c) Reappointment of Directors retiring by rotation:  
Mr. Dinesh Mehta was appointed as Director in the Annual General Meeting held on 27<sup>th</sup> September, 2006. He is a commerce graduate with a degree in Law. He has over 29 years experience in accounts, audit and finance. He is an independent Director. He holds 3000 shares in the Company. Except Mr. Dinesh Mehta, no Director is interested in the Resolution.

**BOARD OF DIRECTORS**

Mr. H. B. Patel – Chairman  
Mr. J. K. Sheth – Director  
Mr. V. S. Shah – Director  
Mr. V. D. Goray – Director  
Mr. D. C. Mehta – Director

**COMPANY SECRETARY**

Ms. Supriya Joshi

**AUDITORS**

Alladi Krishnan & Kumar  
4, Marshal, Mogal Lane,  
Mahim, Mumbai - 400 016.

**BANKERS**

**State Bank of India**  
Industrial Finance Branch,  
Malad (W), Mumbai.

**Canara Bank**  
Tamarind Lane Branch, Mumbai.

**Axis Bank**  
Atlanta, Ground Floor,  
209 Nariman Point, Mumbai.

**REGISTRARS AND TRANSFER AGENTS**

Adroit Corporate Services Pvt. Ltd.,  
19/20, Jaferbhoy Industrial Estate,  
1<sup>st</sup> Floor, Makwana Road,  
Marol Naka, Andheri (E),  
Mumbai – 400 059.

**REGISTERED OFFICE**

611, Veena Killedar Industrial Estate,  
10/14, Pais Street, Byculla (W),  
Mumbai – 400 011.



## CONTENTS

	Page No.
Directors' Report .....	3
Corporate Governance Report .....	7
Stock Market Data for the year 2008-09 .....	11
Declaration of Managing Director .....	13
Auditor's Certificate .....	13
Management Discussion & Analysis .....	14
Financials at a Glance .....	18
Auditor's Report .....	21
Balance Sheet .....	24
Profit & Loss Account .....	25
Cash Flow Statement .....	26
Schedule Forming Part of Accounts .....	28
Notes to Accounts .....	33
Balance Sheet Abstract .....	37
212 Statement .....	38
<b>Consolidated Accounts</b>	
Auditor's Report .....	39
Balance Sheet .....	40
Profit & Loss Account .....	40
Cash Flow Statement .....	41
Schedules .....	42
Note to accounts .....	44
<b>Subsidiary Accounts</b>	
Directors' Report .....	47
Auditor's Report .....	47
Balance Sheet .....	48
Balance Sheet Abstract .....	48

## DIRECTORS' REPORT

It is with sense of failure that the Annual Report and Audited Accounts for F.Y. 2008-09 are being presented.

### FINANCIAL RESULTS:

(Rs. In Lacs)

	2008-09	2007-08
Total Income	12737.78	11788.79
Profit before Interest and Dep. & Tax	1541.68	1927.95
Interest	1047.61	663.69
Depreciation	675.10	549.45
Tax	(25.73)	249.07
Profit/Loss After Tax	(155.30)	465.74

### DIVIDEND:

In view of the Losses suffered by the Company, the Directors regret their inability to declare dividend.

### OPERATING RESULTS:

The slowdown in certain sections of the Engineering Industry that we serve, has caught us completely unaware. This was especially so in the Construction Equipment (CE) sector which saw a sales drop of 60% in the last two quarters of F.Y. 2008-09. CE Industry is the largest market segment at 45%, served by the Company.

After starting the year in the right manner with 100% growth in sales in the first quarter, sales declined quarter on quarter for remaining three quarters. Company ended up with sales growth of 9% over the previous year, but this was inadequate to cover the additional costs of expanded capacity and Company incurred its first ever loss.

We were also incorrect in judging the severity and speed of the slowdown due to incorrect information from our customers. It was only in later part of the third quarter that we reacted to the situation by cutting down on operations drastically at certain plants, to cut costs.

The momentum of growth that the Company had acquired over the past two years has been severely impacted. The slowdown has set us back by two years in our plans.

The Return on Capital Employed (ROCE) has decreased from 9.71% in 2007-08 to 4.74% in 2008-09. Our Fixed Asset turnover ratio has also decreased from 1.81 in 2007-08 to 1.46 in 2008-09. Significant portion of our assets geared for the CE industry was underutilized. New assets also could not be deployed at good levels. We expect to correct this decline in the coming year and get back on track by the third quarter of next year.

### EXPANSION:

The expansion at Bangalore was completed during the year. The capacity remained unutilized due to lack of orders from the customer.

The new unit at Savli went into production in September '08 a few months behind schedule. It took longer for the business to stabilize as the prototyping efforts went on for longer time and certain certifications required prior to commercial supplies, also took longer than anticipated. The Company started a new plant at Ahmedabad as a Plant-in-Plant (PIP), in premises provided by our customer **Ingersol Rand India Ltd.**

### CURRENT YEAR:

Nett Sales during the first two months of the current year are Rs.16.35 Crores as compared to Rs.22.27 Crores during the first two months of the previous year.

### MARKETS:

The addressed market received a major set back during the year. The CE industry which was growing at 40% compounded for the past 3 years, had a negative growth in 2008-09. During the second half this industry was operating at levels of 2005-06.



Our Company had decided to focus on two sectors, namely the **CE** industry and the Power Generation and Distribution (**PGD**) sector. These two sectors are linked to the infrastructure building of India and it was felt that there was unlimited potential in these sectors. These two sectors contributed to 56% of Sales in 2007-08 and to 56% in 2008-09.

**PGD** sector continues to grow rapidly and will continue to provide very good opportunities. **CE** sector has been set back by two years due to last years debacle. If the targets set in the 11<sup>th</sup> Plan for infrastructure building are to be met, then **CE** sector will come back strongly.

The other area which provides large opportunity to us is the Rail Transportation (**RT**) sector. This sector is undergoing a transformational change with the introduction of Stainless Steel (**SS**) cars and wagons. The modernization and expansion of the **RT** offers very good opportunities and is a focus area for the Company. In 2008-09 this was 4% of our business and this is expected to grow to 20% in 2009-10. The metro coach building business is expected to grow substantially in India due to the building of metros in all major cities.

Our Company has secured a large order from Bombardier Transportation (**BT**) for supply of **SS** assemblies for their order from Delhi Metro. To cater to this business the Company has set up a dedicated shop at Pune for **RT** business.

**INSURANCE:**

All the properties of the Company have been adequately insured against fire, riot, earthquake, and various other risks.

**FIXED DEPOSITS:**

During the year under report, the Company has not accepted deposits from public.

**DIRECTORS:**

Mr. Dinesh Mehta retires by rotation and being eligible offer himself for reappointment.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Your Directors hereby Report:

- A That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any.
- B That the directors have selected such Accounting Policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company as at March 31, 2009 and of Profit and Loss Account for the year ended March 31, 2009.
- C That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- D That the Directors have prepared the Accounts on a going concern basis.

**PARTICULARS OF EMPLOYEES:**

The statement of particulars required pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 2002, forms part of this Report and is set out in Annexure-A.

**THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:**

The information is set out in Annexure – B.

**EMPLOYEES STOCK OPTION PLAN:**

During the year no employee exercised options under the Stock Option Scheme. The information required to be disclosed under SEBI (ESOS & ESPS) Guidelines is given in Annexure C to the Directors' Report.

**AUDITORS:**

M/s. Alladi Krishnan & Kumar, Chartered Accountants, Statutory Auditors of the Company retire and offer themselves for re-appointment.

The Company has obtained the requisite certificate required under section 224 of the Companies Act, 1956 to the effect that their re-appointment, if made, will be in conformity with the limits specified in the said section.

**On behalf of Board of Directors**

Place: Mumbai  
Date: 29th June, 2009

**Harshad B. Patel**  
Chairman

**ANNEXURE-A TO THE DIRECTORS' REPORT**

Sr. No.	Name	Nature of Duties	Gross Remuneration (Rs. In Lacs)	Qualification	Experience (Yrs.)	Date of Commencement of Employment	Particulars of Previous Employment	Age Yrs.
1.	Mr. Harshad B. Patel	Managing Director	37.87	A.C.A. I.C.W.A.	26	20/01/1993	8 Years	52

**Notes :**

1. The above employment is on contractual basis.
2. Gross Remuneration includes Salary, Reimbursement of expenses and all other monetary benefits.

**ANNEXURE-B TO THE DIRECTORS' REPORT**

(THE COMPANIES DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS RULES, 1988.)

**A) CONSERVATION OF ENERGY:**

The Company has implemented energy conservation measures at all plants and offices.

The Company is operating latest Laser Cutting Machine which consumes less electricity in its operations as compared to similar machines of earlier generation. The Form 'A' prescribed under the rules is not applicable to the Company since the Company does not fall in the industries, specified in Schedule to the Rules.

**B) TECHNOLOGY ABSORPTION:****FORM B**

The Company is not carrying out any R & D Operations but is assisting its customers in prototyping and developing import substitute items.

**TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION**

The Company has not imported any Technology.

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The earning in foreign exchange amounts to Rs.16.43 lacs. Expenditure in foreign currency on account of traveling Rs.3.46 lacs., on account of import of components & spares Rs.104.03 lacs and on account of import of Capital Goods Rs.307.34 lacs.





## ANNEXURE-C TO THE DIRECTORS' REPORT

The information required to be disclosed under SEBI (ESOS & ESPS) Guidelines

	ESOP 2006
(a) options granted	3,44,250
(b) the pricing formula	Rs.30/- per option
(c) options vested	3,44,250
(d) options exercised	56060
(e) the total number of shares arising as a result of exercise of option	56060
(f) options lapsed	1,50,490
(g) variations of terms of options	N/A
(h) money realised by exercise of options	Rs.16,81,800/-
(i) total number of options in force	1,37,700
(j) employee wise details of options granted to	
(i) senior managerial personnel	
Vandan Shah	20000
Dinesh Mehta	20000
Vasant Goray	20000
Ashok Kurtkoti	10000
Vinod Sharma	10000
M. K. Pandya	3700
Abhay Thosar	3200
(ii) any other employee who receives a grant in any one year of option amounting to 5 per cent or more of option granted during that year;	NIL
(iii) identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	NIL
(k) diluted earnings per share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share)	-2.00
(l) where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed	N/A
(m) weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock on the grant date	Rs.30 and Rs.116.06
(n) A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	
a. risk-free interest rate,	8%
b. expected life,	1Year
c. expected volatility,	60%
d. expected dividends,	(20%)
e. the price of the underlying share in market at the time of option grant.	Rs.90.20

## CORPORATE GOVERNANCE REPORT

### STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company has always attached a lot of importance to corporate governance. It believes in promoting corporate fairness, transparency and accountability.

The Company recognizes its responsibility towards its stakeholders including shareholders, employees, the government and lenders and follows high standards of professionalism, honesty and integrity. The Company believes in monitoring its performance regularly and with utmost transparency so as to enable the optimum utilization of its resources.

The Company has fully complied with the requirements of Corporate Governance under the revised clause 49 of the listing agreement.

### BOARD OF DIRECTORS (as on 31.3.2009):

As on the date of Balance sheet, the Board of Directors of the Company consisted of Five Directors.

Out of the Five Directors, One is Promoter, one is non-independent and three are independent. The Company has complied with the requirement of having atleast half of the Board comprising of Independent Directors as the Chairman of the Board is an Executive Director.

There is no Nominee Director on the Board of the Company.

No Director of the Company is either member of more than ten committees and/ or Chairman of more than five committees across all Companies in which he is Director and necessary disclosures to this effect has been received by the Company from all the Directors.

During the year, in all Five Board meetings were held i.e. on 30<sup>th</sup> June 2008; 29<sup>th</sup> July 2008; 31<sup>st</sup> October 2008; 29<sup>th</sup> January 2009 and 20<sup>th</sup> March 2009. The time gap between any two meetings was not more than 4 months.

The details of Directors and their attendance record at Board Meetings held during the year, at last Annual General Meeting and number of other directorships and chairmanships/memberships of committees is given below:

Name	Category	Other Directorships in Public Cos.	Committee Memberships/ Chairmanships # (incl. RLL)	Attendance At Board Meetings	Attendance at AGM	Share holding of Non-Executive Directors
Mr. H. B. Patel	Promoter/Executive	1	2	5	Yes	—
Mr. J. K. Sheth	Non-Promoter/Non Independent	Nil	-	5	No	3,62,755
Mr. V. S. Shah	Non-Promoter/Independent	Nil	2	5	No	6,000
Mr. V. D. Goray	Non-Promoter/Independent	Nil	2	5	Yes	10,210
Mr. D. C. Mehta	Non-Promoter/Independent	Nil	2	4	No	3,000

# While considering the memberships/chairmanships only Audit Committee and Shareholders and Investor Grievance Committee are considered.

### CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which has been posted on the website of the Company [www.rishilaser.com](http://www.rishilaser.com).

All Board members and senior management personnel have affirmed compliance with the code for the year ended on 31st March, 2009. Declaration to this effect signed by the Managing Director of the Company for the year ended on 31st March, 2009 has been included elsewhere in this report.



**COMMITTEES:**

**Audit Committee:**

As required by Section 292(A) of the Companies Act, 1956 and provisions of Clause 49 of the Listing Agreement, the Company has a qualified Audit Committee comprising of three Directors out of which two-third are independent directors. Mr. Dinesh Mehta, having sound financial background and financial expertise is a Chairman of the Committee with the other members being Mr. Harshad Patel and Mr. Vasant Goray.

The committee met on 29.6.2008 to review the Annual Accounts for the year ended 31.3.2008; on 29.7.2008 to review quarterly unaudited results for the quarter ended 30.6.2008; on 31.10.2008 to review the half yearly results and on 28.1.2009 to review the nine month's Financial results.

The main functions of the Audit Committee were:

- a. Reviewing Financial Statements before submission to the Board.
- b. Reviewing internal control system and recommending improvement.
- c. Recommending appointment of Statutory Auditors and fixing Audit fees.
- d. Discussing with statutory Auditors the scope of Audit, conducting post audit discussions to ascertain area of concern.

While reviewing the financial statements the committee focused on:

1. changes in accounting policies and reasons thereon.
2. compliance with accounting standards.
3. compliance with listing and other regulations.
4. related party transactions.

The Meetings were attended by all the Members of the Committee.

**Remuneration Committee:**

The committee consists of three Directors, Mr. Vandan Shah and Mr. Vasant Goray and Mr. Dinesh Mehta.

The Remuneration Committee recommends the remuneration payable to Executive Director and also to senior executives.

Non-Executive Directors are paid Rs.2500/- per Board Meeting attended.

Remuneration received by the executive Director for the year 2008-09:

Mr. Harshad Patel - Rs. 37.87 Lacs

**Shareholders/ Investors Grievance Committee:**

The Committee consists of three Directors Mr. Vandan Shah, Mr. Vasant Goray and Mr. Dinesh Mehta.

The Committee has been constituted to look into Redressal of Shareholders Complaints and correspondence with SEBI and the Stock Exchange.

There are no complaints pending with the Company.

**Compensation Committee:**

The Company has a Compensation Committee of Directors comprising of three Directors viz. Mr. Jayesh Sheth, Mr. Vasant Goray and Mr. Vandan Shah for implementation of Employee Stock Option Scheme-2006.

**Finance Committee:**

The Company has a Finance Committee comprising of three Directors viz. Mr. Harshad Patel, Mr. Vasant Goray and Mr. Jayesh Sheth for looking after the expansion and finance of the Company. During the year, the Committee met on 16.06.2008, 22.07.2008, 05.09.2008, 15.11.2008 and 23.12.2008 to consider finance proposals and to avail loan facilities.

**GENERAL MEETINGS:****Day, Time and Venue of Last Three Annual General Meetings:**

**14<sup>th</sup> AGM** – Wednesday at 11.30 a.m. on 27.9.2006 at IMC, 2<sup>nd</sup> Floor, Killachand Conference Room, Churchgate, Mumbai 400020.

**15<sup>th</sup> AGM**– Tuesday at 11.30 a.m. on 25.9.2007 at IMC, 2<sup>nd</sup> Floor, Killachand Conference Room, Churchgate, Mumbai 400020.

**16<sup>th</sup> AGM** – Tuesday at 11.30 a.m. on 16.9.2008 at IMC, 2<sup>nd</sup> Floor, Killachand Conference Room, Churchgate, Mumbai 400020.

**17<sup>th</sup> AGM** – Wednesday at 3.00 p.m. on 23.9.2009 at IMC, 2<sup>nd</sup> floor, Killachand Conference Room, Churchgate, Mumbai 400020.

**Special Resolutions:**

During the three previous Annual General meetings following Special Resolutions were passed:

- 1) In the 14<sup>th</sup> Annual general Meeting of the Company held on 27.9.2006 following Special Resolutions were passed:
  - i) For Change of Name of the Company from Rishi Laser Cutting Limited to Rishi Laser Limited.
  - ii) For Issue of shares under Employee Stock Option Scheme 2006.
  - iii) For revision of remuneration of Whole time Director.
- 2) In the 15<sup>th</sup> Annual General Meeting of the Company held on 25.9.2007 following Special Resolution was passed:
  - i) For amendment to the Employee Stock Option Scheme 2006 approved in the Annual General Meeting of the Company held on 27.9.2006.
- 3) In the 16<sup>th</sup> Annual General Meeting of the Company held on 16.09.2008 following Special Resolutions were passed:
  - i) For re-appointment of Mr. Harshad Patel as Managing Director of the Company for a period of three years w.e.f. 1<sup>st</sup> April 2008.
  - ii) For amendment in the Articles of Association of the Company pursuant to the provisions of Section 31 of the Companies Act, 1956.

**Postal Ballot:**

During the year the Company passed an Ordinary Resolution for sale and or dispose off of the Dodaballapur unit of the Company under Section 293 (1) (a) of the Companies Act, 1956 by way of Postal Ballot Voting Procedure. Mr. Ajit Datar, Chartered Accountant was appointed as Scrutinizer for the purpose of the said Postal Ballot. The result of postal ballot was declared on 17<sup>th</sup> September 2008. The said ordinary resolution was passed with more than 51% majority.

**DISCLOSURES:**

During the year under review, besides the transactions mentioned elsewhere in the Annual Report, (Related party transactions) there are no transactions of material nature with the Promoters, the Directors or the Management, their Subsidiaries or Relatives etc that had any potential conflict with the interest of the Company at large.

There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or by any statutory authority, on any matter relating to Capital Market.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the company has not adopted a treatment different from that prescribed in any Accounting Standard.

The Managing Director and the Finance Officer have certified to the Board in accordance with clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March, 2009.



A Certificate from the Auditors of the Company regarding compliance of the Corporate Governance Clause 49 of the Listing Agreement is annexed herewith.

During the year, the Company has not raised any amount by way of issue of shares or conversion of warrants issued to the promoters and others on preferential basis. However, 2,50,000 warrants which were issued to Promoters and others on preferential basis on 25.07.2007 and were due for conversion on 25.01.2009 were lapsed and the 10% upfront amount received was forfeited.

The statement of uses/application of funds by major category certified by the Statutory Auditors were disclosed at the relative Audit Committee meetings. There was no use/application of funds for purpose other than those stated in the relative notice of issue of warrants/shares.

A Management Discussion and Analysis report forming part of this Directors' report is attached herewith.

**MEANS OF COMMUNICATION:**

The Company has been publishing the Unaudited Quarterly and Audited Annual results in Free Press Journal and Navshakti.

The Company has been displaying the Quarterly and Half Yearly Results on the website of the Company viz. [www.rishilaser.com](http://www.rishilaser.com).

The Company has not made any presentations to institutional investors or to the analysts.

**GENERAL SHAREHOLDER INFORMATION:**

**17<sup>th</sup> Annual General Meeting:**

Date: 23.9.2009

Time: 3.00 p.m.

Venue: IMC, 2<sup>nd</sup> Floor, Killachand Conference Room, Churchgate, Mumbai - 400020.

**Financial Year:**

The financial year of the Company is from April 1 to March 31, each year.

**Financial Calendar:**

Publication of Unaudited Results

Quarter Ending

June, 30th 2009                      July, 2009

September, 30th 2009              October, 2009

December, 31st 2009                January, 2010

March, 31st 2010                    April, 2010 or June 2010 in case of Audited Results

**Book Closure Date:**

18.09.2009 to 23.9.2009 (both days inclusive).

**Listing on Stock Exchange:**

The shares of the Company are listed on the Mumbai Stock Exchange.

**Stock Code:**

Physical Segment                      526861

CDSL/NSDL ISIN NO                INE988D01012

**STOCK MARKET DATA FOR THE YEAR 2008-09**

Month	BSE SENSEX			
	High	Low	High	Low
April 08	107.25	77.80	17378.46	15343.12
May 08	91.50	78.80	17600.12	16275.59
June 08	80.05	56.95	16063.18	13461.60
July 08	74.00	51.60	14942.28	12575.80
August 08	71.15	62.90	15503.92	14048.34
September 08	70.40	45.35	15049.86	12595.75
October 08	47.60	31.50	13055.67	8509.56
November 08	34.30	21.65	10631.12	8451.01
December 08	24.75	18.90	10099.91	8739.24
January 09	31.80	21.65	10335.93	8674.35
February 09	24.50	19.50	9647.47	8822.06
March 09	23.60	19.95	10048.49	8160.40

**Compliance Officer:**

Ms. Supriya Joshi, Company Secretary is the Compliance Officer of the Company.

**Registrar and Transfer Agents (for Physical as well as for Electronic Transfers):**

Adroit Corporate Services Private Limited,  
19/20, Jaferbhoy Industrial Estate, 1<sup>st</sup> Floor,  
Makwana Road, Marol Naka, Mumbai 400059  
Phone No. 28596060 / 28594060 Fax No. 28590942

**Share Transfer System:**

The Company's equity shares are compulsorily traded on in dematerialised form as per the SEBI guidelines.

Physical shares transfers are registered and returned within a period of 15 days from the date of receipt if the documents are correct and valid in all respects.

Pursuant to clause 47 (c) of the listing Agreement, certificates on half yearly basis have been issued by a company secretary in practice for due compliance of share transfer formalities by the Company. Certificates have also been received from a company secretary in practice for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company

As on March 31, 2009; 65,38,800 Equity Shares representing 82.25% of the total paid-up capital of the Company are held in dematerialised form.

**Shareholding Pattern as at March 31, 2009**

Category	No. of Shares Held	% to paid up capital
Promoters	17,34,027	21.81
Bodies Corporate	7,42,626	9.34
Non Resident Indians	13,80,315	17.37
Public	40,92,692	51.48
<b>Total</b>	<b>79,49,660</b>	<b>100.00</b>


**Distribution of Shareholding:**

No. of Shares	No. of Shareholders	% of Total	No. of Shares	% of Total
0-500	3,616	77.71	6,35,310	7.99
501-1000	434	9.33	3,73,837	4.70
1001-2000	215	4.62	3,41,969	4.30
2001-3000	105	2.26	2,76,381	3.48
3001-4000	51	1.10	1,85,881	2.34
4001-5000	55	1.18	2,64,093	3.32
5001-10000	91	1.95	7,22,327	9.09
10001 and above	86	1.85	51,49,862	64.78
	<b>4,653</b>	<b>100.00</b>	<b>79,49,660</b>	<b>100.00</b>

**Outstanding GDRs/ADRs/Warrants:**

Convertible Warrants detailed below issued in accordance with the SEBI Guidelines on Preferential Issue were outstanding as on March 31, 2009.

6,70,000 warrants carrying an option to apply for 6,70,000 Equity Shares of Rs.10/- each in the Company; Allotted to the Promoters and others on March 7, 2008, on preferential basis as approved by Shareholders in their meeting held on November 30, 2007.

**Plant Locations:**

**Pune** Unit - I Gat No. 1236/1+2+3

Unit - II Gat No. 218/219

Unit - III Gat No. 229

Alandi Markal Road, Village Markal, Tal. Khed, Pune - 412105.

**Bangalore** Unit I- Plot No.145-146, 4<sup>th</sup> Phase, Bommasandra Industrial Area, Bangalore - 560099, Karnataka

Unit II - Survey No.54/3, Majara Hossahalli Village, Kasaba Hobli, Doddballapur Taluka, Bangalore, Rural Dist.

**Vadodara** Plot No. A/2 – 620, GIDC Estate, Makarpura, Vadodara – 390010

**Savli** Plot No. 578 to 587, GIDC, Savli, Savli - 391770

**Bhosari** J-266, MIDC, Bhosari Industrial Estate, Pune - 411026

Plot No. 303, Sector-7, PCNDTA, Bhosari, Pune - 411026

**Nasik** Plot No. D/43, MIDC, Nasik - 422010

**Sonepat** 428, E.P.I.P. Hsidc Industrial Estate, Kundli, Dist. - Sonepat - 131001, State-Haryana

**Pithampur** Plot No. 661,662,663 Sector-3, Near Indorama Ram Mandir, Pithampur, Dist. - Dhar (M.P.)

**Ahmedabad** Plot No. 4-5, Naroda Industrial Estate, Ahmedabad - 382330.

**Address for Correspondence:**

The Compliance Officer,

Rishi Laser Ltd.,

611, Veena Killedar Industrial Estate,

10-14, Pais Street, Byculla (W),

Mumbai - 400011.

### DECLARATION OF THE MANAGING DIRECTOR

This is to certify that the Company has laid down Code of Conduct for all Board members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended March 31, 2009.

**By Order of the Board**

Place: Mumbai  
Date: 29th June 2009

**Harshad B. Patel**  
Managing Director

### AUDITORS CERTIFICATE

The Shareholders of,  
Rishi Laser Ltd.,  
Mumbai - 400011.

We have reviewed the records and documents concerning implementation of corporate governance procedure set by the Company during the financial year ended March 31, 2009 and furnish to us for our review.

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 review on the basis of the relevant records and documents maintained by the company and furnished to us for review and the information and explanations given to us by the company.

Based on such a review, in our opinion, the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the listing Agreement entered into with the Stock Exchange.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

**For ALLADI KRISHNAN & KUMAR**  
Chartered Accountants

Place : Mumbai  
Dated : 29th June 2009

**AJIT DATAR**  
Partner  
Membership No. 036274





## MANAGEMENT DISCUSSION AND ANALYSIS 2008-09

### I. Business Overview

Market conditions changed very substantially during 2008-09. Most of the Construction Equipment (**CE**) majors like JCB, L&T Komatsu, L&T Case and TELCON were expanding their capacities to meet the growing demand. New Companies like Hyundai, Volvo, Liugong, Kobelco were entering the market. Instead of an expected growth of 30% in the year there was negative growth in the sector. This was a major set back to us as we had 50% of our sales coming from this sector during the beginning of the year. Our units at Pune and Bangalore which cater largely to this industry were hit due to lack of orders. Our major customers from this sector were forced to cut back production drastically in second half of the year due to lack of demand. This severely impacted our business. **CE** industry is likely to have no growth in 2009-10. With this our business from this sector will go down from 43% of sales in 2008-09 to 36% of sales in 2009-10. This industry should start growing in 2010-11. India's infrastructure cannot be built without **CE**. Therefore once spending on infrastructure picks up this sector will bounce back strongly.

The third largest segment of our business is the supply to the Power Generation and Distribution (**PGD**) industry. The challenge for us is to grow in the Power Generation equipment sector, as we need to acquire the expertise to take up Heavy fabrications needed by this sector. Beginning was made in 2008-09 by supplying large fabrications upto 20 Tons in weight to the Hydro Power sector. **PGD** sector is being catered to from our Pune, Nasik and Savli units. We have one fabrication shop each at Pune and Savli which are made to take up Heavy fabrications upto 30 Tons weight. Small orders have been executed at these plants and efforts are being made to get more business from this sector. An exclusive line has been built at Savli plant, to supply **SS** tanks to Areva T&D. This is expected to generate good business in 2009-10. The **PGD** sector which generated 10% of sales in 2007-08 and grew to 12% of sales in 2008-09 is expected to grow to 15% of sales in 2009-10.

The sales to Automotive Industry which was 14% of sales in 2008-09 will go down to 12% of sales in 2009-10.

The largest area of opportunity we see is in the supply of the Railway transportation (**RT**) sector. This sector is undergoing a transformational change with the introduction of Stainless Steel (**SS**) cars and wagons. The modernization and expansion of the **RT** offers very good opportunities and is a focus area for the Company. In 2008-09 this was 3% of our business and this is expected to grow to 15% in 2009-10. The metro coach building business is expected to grow substantially in India due to the building of metros in all major cities.

Our Company has secured a large order from **Bombardier Transportation** for supply of **SS** assemblies for their order from Delhi Metro.

Huge progress has been made in acquiring the expertise to take up work for **RT** sector. With the setting up of a dedicated facility at Pune, to cater to this sector, large quantity of work can be taken up. We hope to make a major break through in this sector and make this sector as one of our major growth segments.

Exports received a major set back in 2008-09. With European Industries facing recession our customers cut back on orders to us. We expect the revival in export business from third quarter of 2009-10.

### II. Industry Structure and Development

The flat steel processing industry, of which we form a part, is very small by global standards. There is huge potential for growth but this will depend on growth infrastructure and capital goods sectors.

#### Industry Potential:

Overall the potential of the Industry remains very good. Large investments are being planned in areas of the economy which will bring back the demand for equipments and plants being made by our customers.

This is especially so with investments in  
Power plants – Thermal & Hydel  
Roads  
Railways and Metros

In the Power sector we cater mainly to the T&D sector. The turnover of the organized sector in T&D equipment should be in the range of Rs.10,000 crs / annum. However since last year we have started supplying to the generation sector as well. The supply to this sector will be increased in the coming years.

With building of roads demand for C.E will increase and will generate more business for us.

In case of Railways and Metros the requirement of SS fabrication is going up substantially. The metro coaches and the fast trains are made from S.S. material. The Company has got the certification for S.S welding for Railways from TUV Germany. So far work has been done only for Bombardier Transportation. We expect to start S.S welding work for another Metro coach builder during the next financial year.

As in most sectors China has made substantial progress in this industry. We estimate the size of their industry to be more than 10 times bigger than ours. With the expected growth in infrastructure spending the flat steel processing industry should grow substantially in the coming years.

The business model of the Company has been to set up steel conversion facilities in different parts of the country and to service the Engineering Industry in that area.

In this regard the Company has set up 12 plants in different parts of the country. Large infrastructure has been built to service the Engineering Industry. The customer base of the Company includes the largest Companies in diverse areas like Construction Equipment, Power T&D, Automotive, Pollution Control equipment, Textile machinery, Machine Tools, etc.

This strategy has helped the Company grow fast in the years 2006-07 and 2007-08. However there was virtually no growth in 2008-09.

The Company's over reliance on the growth of the CE sector has hurt the Company severely. Demand from the CE sector dropped by 50% from September '08 onwards. The demand in the second half of 2008-09 was at year 2005-06 levels. This at a time when every Company in this sector was expanding capacity and new players were entering the market.

The sales to the CE sector which constitutes over 45% of sales was drastically hit. Our endeavor is to reduce the proportion of sales to CE sector to 30% of the Company's sales. This will be done by increasing sales to the Power sector and the Railway sector.

The demand from both these sectors will grow substantially over the next decade and will be more stable.

Keeping this in mind one of our facilities has been converted to carry out work only for the Railway sector. Similarly one of our facilities has been dedicated to work only for the Power sector.

Over a period of two to three years the Company will sell about 25% each, of its production to CE sector, Railways and Power sector. This will help the Company to have a more steady and surer growth.

The other major change in strategy will be to go up the value chain in supplies. Rather than focusing on increasing volumes we will work towards improving value addition in the jobs. In this way the profitability of the Company will grow faster than the sales.

This will entail two big changes within the Company. Investment in capacity creation will go down substantially except for Buildings. Larger investment will have to be made in people and skill building. This of course is a reasonably slow and difficult process.

Work on both the strategic changes has been started in late 2008-09 and some results will be seen in 2009-10. However this will start bearing fruit in 2010-11. Sales to Power sector should go up from 14% of sales in 2008-09 to 18% in 2009-10.

Sales to Railway sector should go up from 4% of sales in 2008-09 to 20% in 2009-10.



To go up the value chain and be able to take up more complex and difficult jobs the Company's Engineering capabilities will have to be improved.

This will entail improvement in skills for first piece development, design of fixtures, welding, handling of large and heavy jobs, planning, detailing and execution of project type jobs.

Beginning has been made in each of these areas. In some areas progress is good and in others still slow.

Company has satisfactorily executed the supply of Modules for Automotive paint shops, to a Geramn manufacturer of Paint shops. The customer has placed a repeat order. We will also take up refurbishing job for them at the Tata Nano site.

Expertise in designing and manufacture of welding fixtures for jobs undertaken by the Company, has also been done in many cases. Capabilities of design are also being built so that Company can offer a total solution from design to manufacture.

With the acquisition of these skills the Company is in a position to offer complete solution to its customers. The variety of work that the Company can undertake is also being increased. In this way more work can be done for customers.

The biggest bottleneck to growth in the future is expected to be the lack of technical manpower. There is a dearth of people with required technical skills in machine operation, welding, fabrication. Rishi Laser (RL) is making efforts to fill this gap by having a comprehensive training program for fresh inductees. Also the skills of existing manpower are also being enhanced with training. A technical institute has been set up for this purpose.

### **III. Opportunities and Threats**

#### **a) Opportunities:**

Large spending on infrastructure should provide good growth opportunities in the Construction Equipment, Power and Railways sectors.

#### **Exports :**

Due to the high cost structure of processing in Europe business could move to India once we build sufficient capabilities in India.

#### **b) Threats :**

Growth in steel capacity in India remains very slow and we may have to depend on imports of steel.

Biggest area of concern still remains the availability of technically skilled personnel. Engineering Industry is not making sufficient efforts to develop a pool of talent on the scale required.

### **IV. Operational Performance**

**Turnover, net of excise duty** increased by 9% to Rs.114.40 crs from Rs.104.73 crs in 2007-08. Growth in sales was lower than budgeted due to unprecedented slowdown particularly in the second half of FY 2008-09.

**Employee cost** for the year under review increased by 23% from Rs.11.72 crs to Rs.14.48 crs . Employee cost as a percentage of sales was up by 1.41% i.e., from 10.92% in 2007-08 to 12.33% in 2008-09. Availability of skilled work force continues to be an area of concern. We had ramped up bench strength in view of anticipated increase in business which was negatively hit by the general slowdown. We see this cost stabilizing at around 10% of sales.

**Profit before interest and depreciation** decreased by 20% to Rs.15.42 crs from Rs.19.28 crs in 2007-08. EBITDA margin decreased by 493 basis points. The earning did not increase proportionately with sales and went down by 4.93% primarily due to significant reduction in job work receipts and extreme volatility in input cost which could not be passed onto customers.

**Net profit after tax** for the year under review was down by 581 basis points due to increased provisioning of interest & depreciation by Rs.5.10 crs.

**Balance sheet size** of the company increased to Rs. 126.61crs in 2008-09 from Rs.116.49 crs in 2007-08. This increase was due to capital expenditure at Baroda Savli and Ahmedabad.

**The Gross Fixed assets** have gone up from Rs.89.73 crs in 2007-08 to Rs. 108.51 crs in 2008-09. The fixed assets turnover ratio moved down to 1.46 times in 2008-09 from 1.81 times in 2007-08.

**Ratios:**

The gross income of the company has increased from 16.16 crs in 2003-04 to Rs.127.38 crs in 2008-09 registering a CAGR of 51%.

Return on Capital Employed (ROCE) has decreased from 9.71% in 2007-08 to 4.74% in 2008-09.

The operating profit margin as a percentage of net income has decreased from 18.41% in 2007-08 to 13.48 % in 2008-09.

**V. Risks & Concerns**

Tightening of liquidity position and firming up of interest rates will affect Company's profitability.

Non availability of required technical personnel is a cause of concern.

**VI. Human Resources**

This continues to be a major area of concern, The technical training institutes are too few and are by and large not training for current needs. The number of technicians being trained should be many times more than the number of engineers. However the numbers are nearly the same. The growth of the Engineering Industry will be slowed down by the availability of skilled man power.

RL is investing in training for technical skills required for our industry. More focused effort will be required in this area.

**VII. Internal Control System**

The Company has adequate systems of internal control and procedures covering all financial and operating functions commensurate with the size and nature of operations. The audit Committee looks into all aspects of internal control and advises corrective actions as and when required.

**CAUTIONARY STATEMENT**

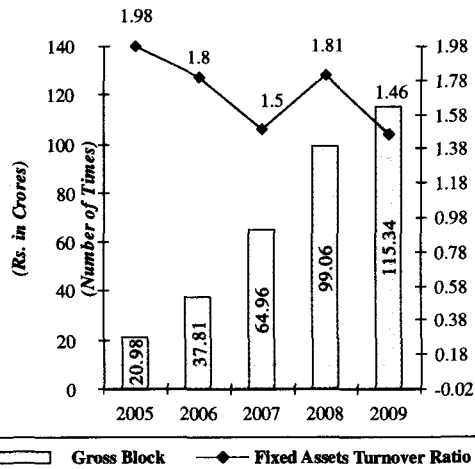
Statements in the management discussion and Analysis describing the Company's objective, projections, estimates, expectations may be "forward - looking statements" with the meaning of applicable securities laws and regulation. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the company operates, change in the government regulations, tax laws and other statutes and incidental factors.



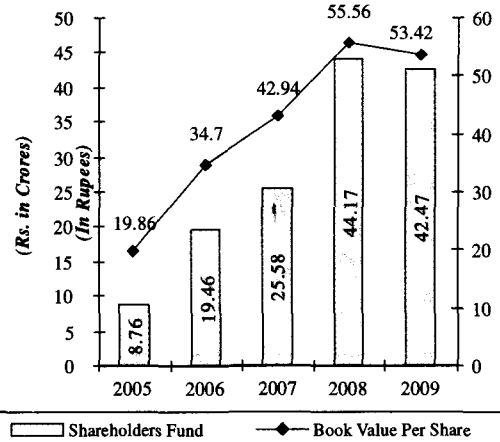
## FINANCIALS AT A GLANCE

Particulars	(Rs. in Lacs)				
	2005	2006	2007	2008	2009
Revenue (Net)	2,364.99	3,398.91	5,068.04	10,473.40	11,439.79
Total Income	2,450.78	3,530.15	5,220.99	10,954.23	11,721.44
EBIDTA	430.80	748.76	1,032.36	1,927.95	1,541.68
PBT	213.97	436.28	422.75	714.81	(181.03)
PAT	135.00	284.49	276.25	465.74	(155.30)
EBIDTA Margin (%)	18.22	22.03	20.37	18.41	13.48
PAT Margin (%)	5.71	8.37	5.45	4.45	(1.36)
Equity Capital	440.86	560.86	595.86	794.97	794.97
Reserves & Surplus	434.80	1,385.12	1,962.55	3,621.78	3,451.83
Networth	875.66	1,945.98	2,558.41	4,416.75	4,246.80
Gross Block Including CWIP	2,098.38	3,780.70	6,495.79	9,849.85	11,534.35
Accumulated Depreciation	696.32	889.43	1,223.16	1,771.05	2,350.70
Net Block Including CWIP	1,402.06	2,891.27	5,272.63	8,078.80	9,183.65
Current Assets	1,480.80	2,142.18	3,114.95	5,576.31	5,092.88
Current Liabilities & Provisions	478.23	785.76	1,222.17	2,106.60	1,707.62
Net Working Capital	1,002.57	1,356.42	1,892.78	3,469.71	3,385.26
Total Assets	2,967.76	5,124.44	8,479.53	13,755.21	14,368.48
Debt-Equity Ratio	1.62	1.12	1.74	1.54	1.89
Current Ratio	3.10	2.73	2.55	2.65	2.98
Total Assets Turnover	0.94	0.84	0.75	0.94	0.81
Fixed Assets Turnover	1.98	1.80	1.50	1.81	1.46
ROCE (%)	8.76	10.67	7.99	9.67	4.73
Earnings Per Share (Rupees)	3.06	5.52	4.95	6.60	(2.00)
Dividend Per Share (Rupees)	1.75	2.00	2.00	2.00	—
Book Value Per Share (Rupees)	19.86	34.70	42.94	55.56	53.42

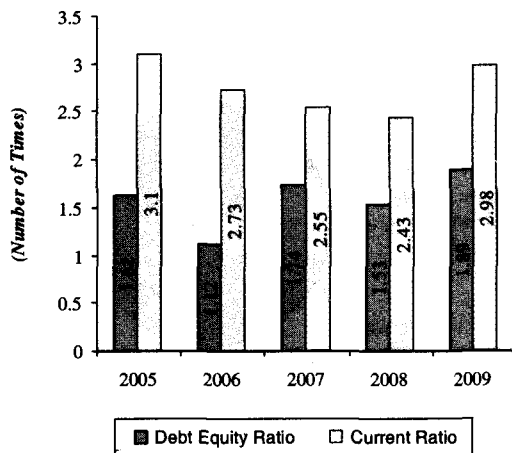
Gross Block &amp; Fixed Assets Turnover Ratio



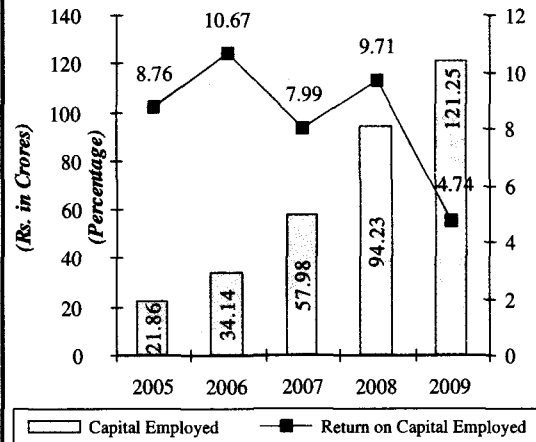
Shareholders Fund &amp; Book Value Per Share



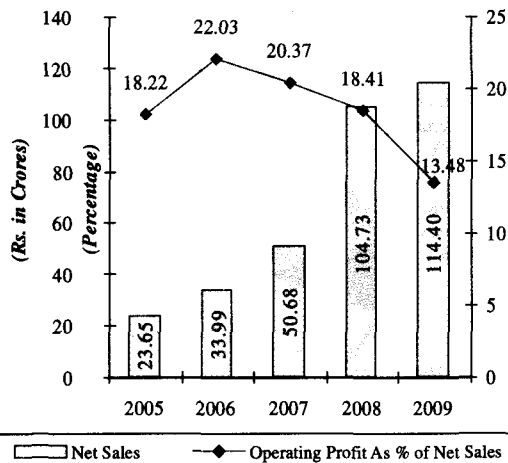
Debt Equity &amp; Current Ratio



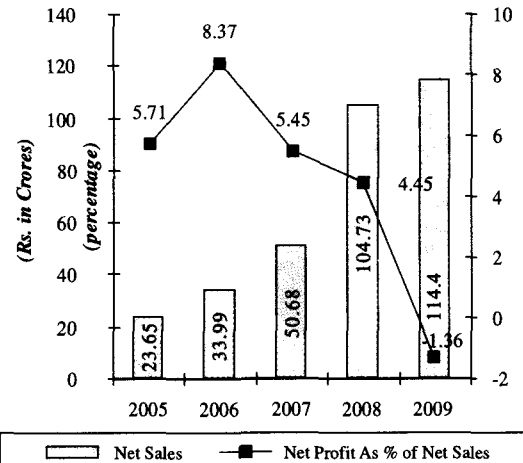
Capital Employed &amp; Return on Capital Employed

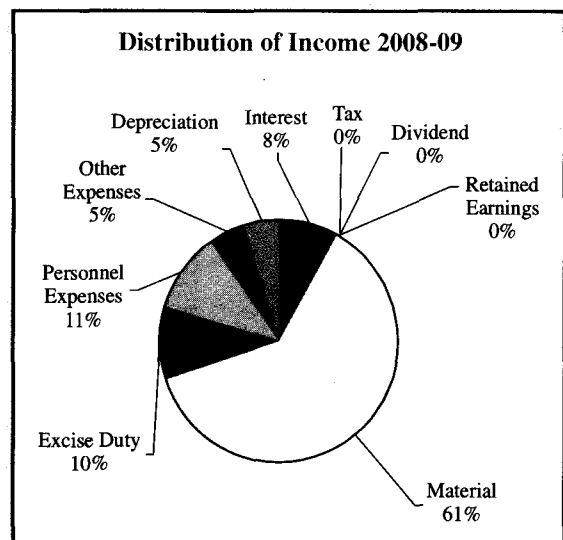
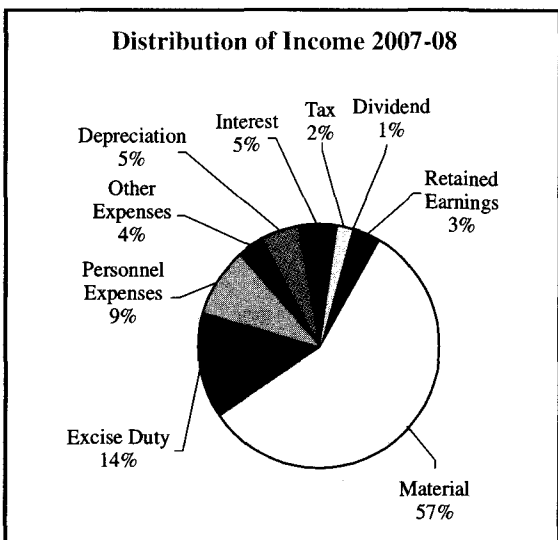
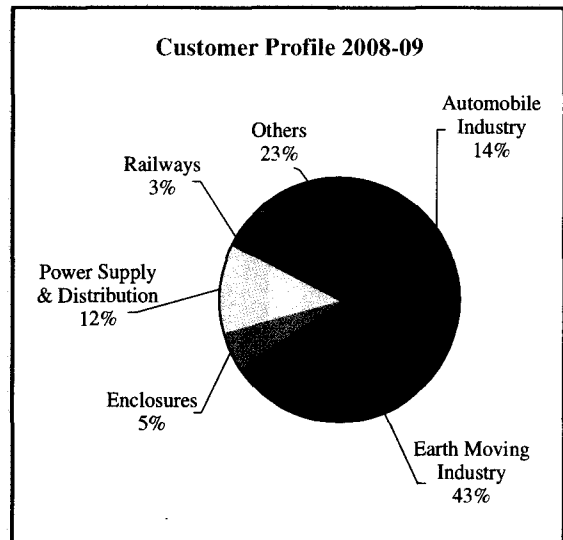
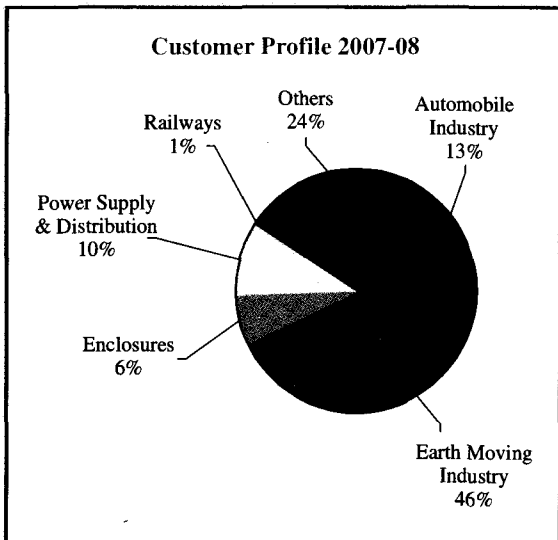
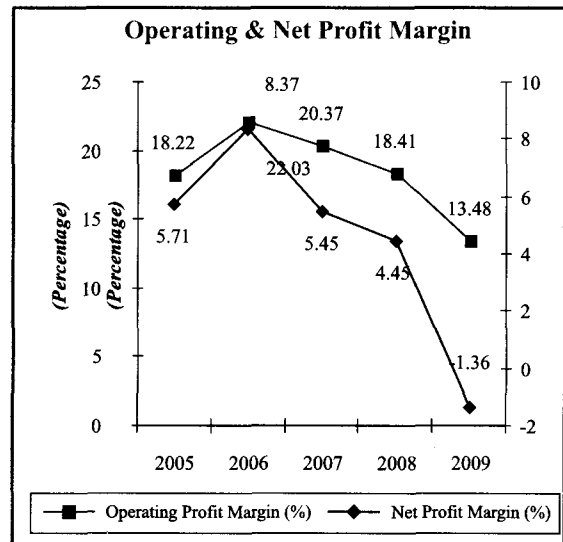
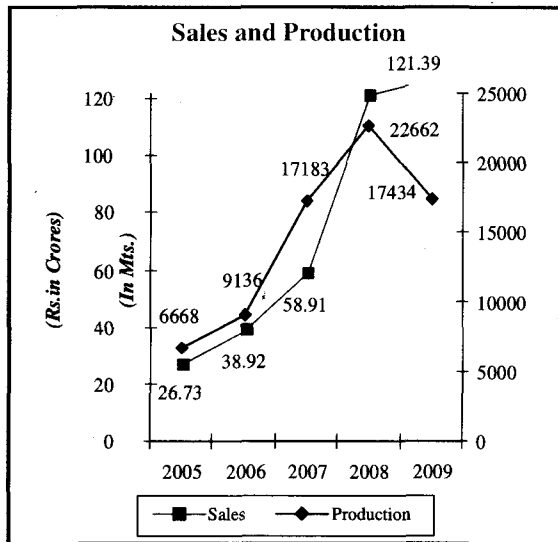


Operating Profit As % of Net Sales



Net Profit As % of Net Sales





## AUDITOR'S REPORT

We have audited the attached Balance sheet of Rishi Laser Limited as at 31<sup>st</sup> March 2009, and also the Profit and Loss Account and the Cash flow statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure 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 of our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.

Further to our comments in the Annexure referred to in paragraph 3 above, we state 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 account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement referred to in this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of Companies Act, 1956.
- e) On the basis of the written representation received from the Directors, and taken on record by Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and as per the information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
  - (i) In the case of Balance Sheet, of the state of affairs of the Company as on 31<sup>st</sup> March 2009.
  - (ii) In the case of Profit and Loss Account, of the Loss of the company for the year ended on that date; and
  - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For ALLADI KRISHNAN AND KUMAR**  
(Chartered Accountants)

Place: Mumbai  
Date: 29<sup>th</sup> June, 2009

**AJIT S. DATAR**  
(PARTNER)  
Membership No. 036274





**ANNEXURE TO AUDITOR'S REPORT**

(Referred to in paragraph 3 of the Auditor's Report to the members of Rishi Laser Limited for the year ended 31st March, 2009.)

1.
  - [a] The Company has maintained proper records showing full particulars including quantitative details and location of the Fixed Assets.
  - [b] There is a regular program of physical verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.
  - [c] The Company has not disposed off substantial part of fixed assets during the year.
2.
  - [a] Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - [b] The procedures of physical verification of stocks followed by the management are adequate in relation to the size of the Company and the nature of its business.
  - [c] The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt in the books of accounts.
3.
  - [a] According to the information and explanations given to us the Company has taken/granted unsecured loans, from/to companies, firms or other; listed in the register maintained under Section 301 of the Companies Act, 1956. The details of the same are as per point No. 14 of Notes to Accounts.
  - [b] The terms and conditions including rate of interest are prima facie not prejudicial to the interest of the Company.
  - [c] The Payment of principal amount and interest is as per the terms.
4. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of stores, raw material including components, packing materials, plant and machinery, equipment and other assets and with regard to sale of goods. There is no major weakness in the internal control procedures.
5. In our opinion, and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from public during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956. for the Company.
9.
  - [a] The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Custom Duty, Excise Duty, cess and other statutory dues with the appropriate authorities .
  - [b] There are no disputed statutory dues pending at any forums.

10. Company has neither accumulated losses nor has it incurred cash loss in the financial year under report and in the immediately preceding financial year.
11. According to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to the financial institutions.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. As the Company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4 [xiii] of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
14. As the Company is not dealing or trading in shares, securities, debentures and other investments, the provision of clause 4[xiv] of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
15. The Company has not given any guarantee for loans taken by others.
16. The Company has taken term loan from State Bank of India, Canara Bank and AXIS Bank for purchase of Land, Building and Plant and Machinery and the same has been utilised for the said purpose.
17. According to the information and explanations received, the Company has not applied short-term borrowings for long-term use and vice versa.
18. During the year the Company has not made preferential allotment of shares.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

**For ALLADI KRISHNAN AND KUMAR**  
**(Chartered Accountants)**

Place: Mumbai  
Date: 29<sup>th</sup> June, 2009

**AJIT S. DATAR**  
**(PARTNER)**  
Membership No. 036274

**BALANCE SHEET AS AT 31ST MARCH, 2009**

Particulars	Schedule	Rs. in Lacs	
		31.03.2009	31.03.2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
a) Share Capital	1	794.97	794.97
b) Reserves and Surplus	2	3,451.83	3,621.78
		<b>4,246.80</b>	<b>4,416.75</b>
<b>Loan Funds</b>			
a) Secured Loans	3	7,502.11	6,252.96
b) Unsecured Loans	4	515.05	550.35
		<b>8,017.16</b>	<b>6,803.31</b>
<b>Deferred Tax Liability (Net)</b>		<b>396.90</b>	<b>428.55</b>
		<b>12,660.86</b>	<b>11,648.61</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
	5		
a) Gross Block		10,850.91	8,973.25
b) Less : Depreciation		2,350.70	1,771.05
c) Net Block		8,500.21	7,202.20
Capital Work In Progress		683.44	876.60
		<b>9,183.65</b>	<b>8,078.80</b>
<b>Investments</b>			
	6	<b>88.95</b>	<b>87.46</b>
<b>Current Assets, Loans and Advances</b>			
a) Inventories	7	1,566.46	1,531.46
b) Sundry Debtors	8	2,258.11	2,443.54
c) Cash and Bank Balances	9	147.62	371.94
d) Loans and Advances	10	1,120.69	1,229.37
		5,092.88	5,576.31
<b>Less: Current Liabilities and Provisions</b>			
a) Liabilities		1,721.80	1,910.77
b) Provisions		(14.18)	195.83
		<b>1,707.62</b>	<b>2,106.60</b>
<b>Net Current Assets</b>		<b>3,385.27</b>	<b>3,469.71</b>
Miscellaneous Expenditure	13	<b>3.00</b>	<b>12.64</b>
(to the extent not written-off or adjusted)			
		<b>12,660.86</b>	<b>11,648.61</b>
Notes to Accounts	22		

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date

**For Alladi Krishnan & Kumar**

Chartered Accountants

**Ajit S. Datar**

**Partner**

Membership No.036274

Place: Mumbai

Date : 29th June, 2009

**For Rishi Laser Limited**

**Chairman**  
Harshad B. Patel

**Directors**  
Vasant Goray  
Vandan Shah  
Dinesh Mehta

**Company Secretary**  
Supriya Joshi

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

Particulars	Schedule	Rs. in Lacs	
		31.03.2009	31.03.2008
<b>INCOME</b>			
Turnover (Gross)			
Exports	16.43		50.67
Job Charges	847.03		1,239.69
Domestic	11,874.32		10,498.43
Total	12,737.78		11,788.79
Less : Excise Duty	1,297.99		1,315.39
<b>Turnover (Net)</b>		<b>11,439.79</b>	<b>10,473.40</b>
Other Income	14	85.53	34.50
Increase / (Decrease) in stock	15	196.13	446.33
Total		<b>11,721.44</b>	<b>10,954.23</b>
<b>EXPENDITURE</b>			
Material Consumed / Sold	16	7,041.23	6,239.19
Manufacturing Expenses	17	1,091.90	1,102.13
Personnel Cost	18	1,448.40	1,172.07
Administrative and Other Expenses	19	468.33	369.07
Selling and Distribution Expenses	20	129.90	143.82
Financial Expenses	21	1,047.61	663.69
Depreciation		675.10	549.45
		<b>11,902.47</b>	<b>10,239.42</b>
<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>(181.03)</b>	<b>714.81</b>
Less: Provision for tax			
Current Tax		--	97.90
Deferred Tax		(31.64)	145.07
Fringe Benefit Tax		5.91	6.10
<b>PROFIT / (LOSS) AFTER TAX AND BEFORE EXTRA ORDINARY ITEMS AND PRIOR PERIOD ITEMS</b>		<b>(155.30)</b>	<b>465.74</b>
Less: Prior Period Items		3.48	11.07
<b>Net Profit / (Loss)</b>		<b>(158.78)</b>	<b>454.67</b>
Add : Balance brought forward from previous year		390.58	217.40
<b>Profit Available for Appropriation</b>		<b>231.80</b>	<b>672.07</b>
<b>Appropriations</b>			
Proposed Dividend		--	158.99
Tax on Dividend Distributed		--	22.51
General Reserve		--	100.00
<b>Surplus Carried to Balance Sheet</b>		<b>231.80</b>	<b>390.57</b>
Earnings per share-Basic (Face Value of Rs. 10 each)		(2.00)	6.60
Earnings per share-Diluted (Face Value of Rs. 10 each)		(2.00)	6.28
Notes to Accounts	22		

The schedules referred to above and notes to accounts form an integral part of the Profit & Loss Accounts.

**For Rishi Laser Limited**

As per our report of even date

**For Alladi Krishnan & Kumar**

Chartered Accountants

**Chairman**  
Harshad B. Patel

**Directors**  
Vasant Goray  
Vandan Shah  
Dinesh Mehta

**Ajit S. Datar**  
**Partner**

Membership No.036274  
Place: Mumbai  
Date : 29th June, 2009

**Company Secretary**  
Supriya Joshi

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2009**

Rs. in Lacs

	31.03.2009	31.03.2008
<b>A. Cash Flow From Operating Activities</b>		
Net Profit before Tax and Extraordinary items	(181.02)	714.81
Add:		
1) Depreciation	675.10	549.45
2) Interest Paid	1,047.61	663.69
3) Interest Received	(30.15)	(21.73)
4) Capital Reserve	(1.41)	(1.41)
5) Rent Received	(2.40)	(2.34)
6) (Profit) / Loss on Sale of Assets	(46.05)	(8.41)
7) Dividend	--	(0.76)
8) Extra Ordinary Item	(3.48)	(11.07)
<b>Operating Profit before Working Capital Changes</b>	<u>1,458.21</u>	<u>1,882.23</u>
Adjustments for :		
Decrease / (Increase) in Inventories	(35.00)	(755.91)
Decrease / (Increase) in Trade Receivable	185.46	(1,130.80)
Decrease / (Increase) in Loans and Advances	108.67	(525.60)
(Decrease) / Increase in Trade Payable	(198.52)	975.73
Decrease / (Increase) in Pre-operative expenses	(9.64)	(5.99)
(Increase) / Decrease in Working Capital	50.97	(1,442.57)
<b>Cash Generated from Operation</b>	<u>1,509.17</u>	<u>439.66</u>
Less: Income Taxes Paid	(34.41)	(96.79)
<b>(A) Net Cash Flow from Operating Activities</b>	<u>1,474.76</u>	<u>342.87</u>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(1,126.71)	(2,482.97)
Capital Work in Progress	(683.44)	(875.19)
Sale of Fixed Assets	76.07	25.27
Sale /(Purchase) of Investment	(1.49)	(10.50)
Interest Received	30.15	21.58
Dividend Received	--	0.76
Rent Received	2.40	2.34
<b>(B) Net Cash Flow from Investing Activities</b>	<u>(1,703.02)</u>	<u>(3,318.71)</u>

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2009****Rs. in Lacs**

	<b>31.03.2009</b>	<b>31.03.2008</b>
<b>C. Cash Flow From Financing</b>		
<b>Issue of Shares</b>		
Share Capital	--	199.11
Increase/(Decrease) in working capital loan	707.99	808.92
Share Premium	--	1,432.15
Share Warrant Application Money	--	(36.42)
Share Issue Expenses	--	(9.28)
<b>Secured Loans</b>		
Term Loans (Net of repayment)	546.50	1,540.93
Vehicle Loan (Net of repayment)	(5.35)	14.06
<b>Unsecured Loan</b>		
Deferral Sales Tax	(6.07)	(1.56)
Unsecured Loan	(9.87)	(33.88)
Dividend Payments	(158.99)	(119.17)
Dividend Tax Payments	(22.51)	(20.25)
Interest Paid		
Bank		(461.14)
(184.03)		
Term Loans	(586.47)	(479.66)
<b>(C) Net Cash Flow From Financing</b>	<b>4.09</b>	<b>3,110.92</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>224.17</b>	<b>135.08</b>
<b>Opening Balance</b>	<b>371.79</b>	<b>236.55</b>
<b>Closing Balance</b>	<b>147.62</b>	<b>371.79</b>

As per our report of even date  
**For Alladi Krishnan & Kumar**  
Chartered Accountants

**For Rishi Laser Limited**

**Ajit S.Datar**  
**Partner**  
Membership No.036274  
Place: Mumbai  
Date : 29th June, 2009

**Chairman**  
Harshad B. Patel

**Directors**  
Vasant Goray  
Vandan Shah  
Dinesh Mehta

**Company Secretary**  
Supriya Joshi

**SCHEDULES FORMING PART OF ACCOUNTS AS AT**

**Rs. in Lacs**  
**31.03.2009    31.03.2008**

**SCHEDULE : 1 : SHARE CAPITAL****EQUITY SHARE CAPITAL**Authorised

1,50,00,000 (p.y. : 1,50,00,000) Equity shares of Rs.10/- each

1,500.00    1,500.00

Issued, Subscribed and Paid Up :

79,49,660 (P.Y. 79,49,660) Equity Shares of Rs.10/- each fully paid up

794.97    794.97

794.97    794.97

**SCHEDULE : 2 : RESERVES AND SURPLUS****Capital Reserve**

As per last Balance Sheet

13.99    15.40

Less : Transferred to Profit &amp; Loss account

1.41    1.41

12.58    13.99

**General Reserve**

As per last Balance Sheet

599.97    498.96

Less : Transferred to Gratuity Liability

9.82    --

Add:-Transferred from Share Application Money

14.25    1.01

Add:-Transferred from Profit &amp; Loss Account

--    100.00

604.40    599.97

**Share Premium**

As per last balance sheet

2,535.99    1,116.41

Add : Received during the year

--    1,428.86

2,535.99    2,545.27

Less : Share issue expenses

--    9.28

2,535.99    2,535.99

**Equity Share Warrant**

81.25    81.25

Less : Application Money transferred to General Reserve

14.25    --

67.00    81.25

**Profit and Loss Account**

231.86    390.58

3,451.83    3,621.78

**SCHEDULE : 3 : SECURED LOANS****Term Loan - From Banks**

4,323.89    3,765.10

(Secured by mortgage over Company's specific Land and Building and Hypothecation of specific Plant and Machinery)

**From Gujarat Industrial Development Corporation**

131.60    143.89

(Secured by Plot No.578 to 582 &amp; 583 to 587, Plot No.733 &amp; 735 at Savli Industrial Estate and Plot No.861/2 &amp; 861/3 at Makarpura Industrial Estate Vadodara - Gujarat)

**Term Loan - Vehicle**

27.34    32.68

(Against hypothecation of Vehicles)

**Working Capital Loan**

(Against exclusive hypothecation charge on stocks i.e. Raw-materials, Stock in Process, Finished Goods, Stores and Spares and Book Debts of the Company)

3,019.28    2,311.29

7,502.11    6,252.96

**SCHEDULE : 4 : UNSECURED LOANS**

Short Term Loans & Advances  
Deferred Sales Tax Liabilities

Rs. in Lacs	
31.03.2009	31.03.2008
30.13	59.36
484.92	490.99
<u>515.05</u>	<u>550.35</u>

**SCHEDULE 5 : FIXED ASSETS**

Rs. in Lacs

Particular	Gross Block				Depreciation				Net Block	
	Balance as on 01/04/2008	Additions	Deductions	Balance as on 31/03/2009	Op. Balance	For the Year	On deduction	Balance as on 31/03/2009	As on 31/03/2009	As on 31/03/2008
Free Hold Land	154.62	163.38	-	318.00	-	-	-	-	318.00	154.62
Lease Hold Land	304.81	10.18	-	314.99	-	-	-	-	314.99	304.81
Factory Building	1,564.85	370.21	-	1,935.06	129.36	56.78	-	186.14	1,748.92	1,435.49
Plant & Machinery	6,163.10	1,274.68	125.35	7,312.44	1,483.86	544.75	95.39	1,933.22	5,383.61	4,679.25
Electrical Installations	234.93	71.02	-	305.95	48.53	20.38	-	68.91	237.04	186.40
Tools & Dyes	216.45	46.60	-	263.05	17.30	17.05	-	34.35	228.70	199.15
Furniture	96.76	10.35	-	107.12	13.59	6.71	-	20.30	86.82	83.17
Fixtures	10.01	-	-	10.01	0.55	0.63	-	1.18	8.83	9.46
Office Equipments	33.66	8.70	-	42.36	6.01	2.35	-	8.36	34.00	27.65
Computers	95.77	37.72	-	133.49	48.20	16.37	-	64.57	68.91	47.57
Vehicles	98.29	10.47	0.30	108.46	23.67	10.07	0.07	33.66	74.79	74.62
<b>Grand Total</b>	<b>8,973.25</b>	<b>2,003.31</b>	<b>125.64</b>	<b>10,850.91</b>	<b>1,771.05</b>	<b>675.10</b>	<b>95.46</b>	<b>2,350.70</b>	<b>8,504.61</b>	<b>7,202.20</b>
Previous Year	5,613.22	3,365.54	5.51	8,973.25	1,223.16	549.45	1.56	1,771.05	7,202.20	-

Rs. in Lacs

31.03.2009 31.03.2008

**SCHEDULE : 6 : INVESTMENTS - [Long term-At Cost/Book value]****[Non Trade - Unquoted]**

Lotus Fabrication Pvt. Ltd. - Unquoted [4980 Equity Shares of Rs.10/- each fully paid up]	0.50	0.50
Centennial Finance Limited - Unquoted [ 27000 Equity Shares of Rs.10/- each fully paid up]	2.70	2.70
Cosmos Co-Op. Bank Limited - Unquoted [25 Equity Shares of Rs.100/- each fully paid up]	0.03	0.03
Rishi Consfab Pvt. Ltd. - Unquoted [10000 Equity Shares of Rs.10/- each fully paid up]	1.00	-
Rishi Technical Services Pvt. Ltd. - Unquoted [4900 Equity Shares of Rs.10/- each fully paid up]	0.49	-

**[Non Trade - Quoted]**

Rishi Packers Ltd. - Quoted [201347 (P.Y.203147) Equity Shares fully paid up at cost] [Market Value Rs.10.37 (P.Y.Rs.19.61)]	74.23	74.23
UTI INFRASTRUCTURE FUND - Quoted [100000 (P.Y.100000) Units] [Market Value Rs.6.39 (P.Y.8.67)]	10.00	10.00
	<u>88.95</u>	<u>87.46</u>

1. Aggregate value of unquoted investments
2. Aggregate value of quoted investments.

**Total**

4.72	3.23
84.23	84.23
<u>88.95</u>	<u>87.46</u>





	Rs. in Lacs	
	31.03.2009	31.03.2008
<b>SCHEDULE : 7 : INVENTORIES</b>		
(As Verified, Valued, and Certified by the Management)		
Raw Materials	359.90	557.96
Work in Progress	1,005.79	808.46
Stores and Spares	200.77	165.04
	<u>1,566.46</u>	<u>1,531.46</u>
<b>SCHEDULE : 8 : SUNDRY DEBTORS</b>		
(Unsecured and Considered Good)		
(a) Debts outstanding for a period exceeding six months	255.27	147.06
(b) Other Debts	2,002.84	2,296.48
	<u>2,258.11</u>	<u>2,443.54</u>
<b>SCHEDULE : 9 : CASH AND BANK BALANCES</b>		
Cash on hand	4.31	3.37
Balances with Scheduled Banks		
In Current Account	90.44	20.68
In Margin and Deposit Account	52.87	347.89
	<u>147.62</u>	<u>371.94</u>
<b>SCHEDULE : 10 : LOANS AND ADVANCES</b>		
(Unsecured, Considered Good unless otherwise stated)		
Advances Recoverable in Cash or in Kind or for value to be received	91.12	79.49
Inter Corporate Deposits	352.88	492.50
Balances with Excise and Customs Departments	489.16	499.53
Deposits - others	152.66	136.76
VAT Credit (Input) Receivable	1.99	-
Others	32.89	21.09
	<u>1,120.69</u>	<u>1,229.37</u>
<b>SCHEDULE : 11 : CURRENT LIABILITIES</b>		
Sundry Creditors - Capital Goods	78.71	396.99
Sundry Creditors - Others	1,430.62	1,448.78
Inter Corporate Deposits	13.36	19.36
Other Liabilities	199.11	65.00
	<u>1,721.80</u>	<u>1,930.13</u>
<b>SCHEDULE : 12 : PROVISIONS</b>		
Provision for Taxation (Net of advance tax payments)		
Provision for taxation	189.85	189.85
Less : Advance Tax Payment	121.80	121.80
TDS Receivable	82.22	53.73
Provision for Fringe Benefit Tax	5.91	-
Less : Advance Tax Payment	5.91	-
Proposed Dividend	-	158.99
Tax on proposed dividend	-	22.51
	<u>(14.17)</u>	<u>195.82</u>

	Rs. in Lacs	
	31.03.2009	31.03.2008
<b>SCHEDULE : 13 : MISCELLANEOUS EXPENDITURE</b>		
Deferred Revenue Expenses	3.00	12.64
	<u>3.00</u>	<u>12.64</u>
<b>SCHEDULE : 14 : OTHER INCOME</b>		
Interest [T.D.S. Rs.3.74 (P.Y.Rs.1.37/-)]	30.15	21.73
Dividend Income	—	0.76
Others	55.38	12.01
	<u>85.53</u>	<u>34.50</u>
<b>SCHEDULE : 15 : INCREASE / (DECREASE) IN STOCK</b>		
Closing Stock	1,005.79	809.66
Opening Stock	809.66	363.33
	<u>196.13</u>	<u>446.33</u>
<b>SCHEDULE : 16 : RAW MATERIALS CONSUMED</b>		
Opening Stocks	620.77	320.45
Add: Purchases	6,780.36	6,539.51
Total	<u>7,401.13</u>	<u>6,859.96</u>
Less: Closing Stocks	359.90	620.77
	<u>7,041.23</u>	<u>6,239.19</u>
<b>SCHEDULE : 17 : MANUFACTURING EXPENSES</b>		
Consumable Stores and Spares (Indigenous)	205.57	233.29
Consumable Stores and Spares (Import)	65.92	67.59
Power and Fuel	373.06	355.62
Repairs and Maintenance - P & M	138.05	102.70
Factory Expenses	18.91	19.12
Processing Charges	277.69	313.41
Gas Cylinder Rent	12.70	10.40
	<u>1,091.90</u>	<u>1,102.13</u>
<b>SCHEDULE : 18 : PERSONNEL COST</b>		
Salaries, wages and bonus	1,311.78	1,055.93
Contribution to Provident Fund	37.55	29.97
Gratuity Expenses	8.17	6.69
Other post Employment funds	18.40	16.12
Workmen and staff welfare expenses	34.62	35.47
Managerial Remuneration	37.87	27.89
	<u>1,448.40</u>	<u>1,172.07</u>



	Rs. in Lacs	
	31.03.2009	31.03.2008
<b>SCHEDULE : 19 : ADMINISTRATIVE AND OTHER EXPENSES</b>		
Rent, Rates and Taxes	95.85	57.63
Legal and Professional Charges	45.13	31.48
Insurance Expenses	6.22	10.34
Repairs and Maintenance - Building	21.12	22.30
Repairs and Maintenance - Others	33.19	26.79
Communication Cost	30.16	30.31
Printing and Stationery	21.09	20.85
Travelling Expenses	29.36	24.20
Foreign Exchange (Gain) / Loss	(2.45)	4.77
Directors' Sitting Fees	0.48	1.00
Other - Administrative Expenses	182.70	136.77
Remuneration to Auditors	5.47	2.63
	<u>468.33</u>	<u>369.07</u>
<b>SCHEDULE : 20 : SELLING AND DISTRIBUTION EXPENSES</b>		
Distribution Expenses	117.65	133.40
Selling Expenses	12.25	10.42
	<u>129.90</u>	<u>143.82</u>
<b>SCHEDULE : 21 : FINANCIAL EXPENSES</b>		
Interest on Term Loans	586.47	465.19
Interest on Working Capital Loans	322.98	117.00
Other Interest	99.34	40.11
Bank Charges & Other Financial Charges	38.82	41.39
	<u>1047.61</u>	<u>663.69</u>

**SCHEDULE : 22 : NOTES TO ACCOUNTS****1. Significant Accounting Policies****(i) Basis of Accounting**

The financial statements are prepared under the historical cost convention in accordance with the applicable mandatory accounting standards and relevant provisions of the Companies Act, 1956.

**(ii) Fixed Assets**

Fixed Assets are stated at cost of acquisition (net of recoverable taxes & Government grants wherever availed) or construction or other amounts substituted for historical costs on revaluation less accumulated depreciation. Expenses capitalised also include applicable borrowing cost.

**(iii) Depreciation**

a. Depreciation on fixed assets is provided on the Straight Line Method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

b. All individual items of fixed assets, where the actual cost does not exceed Rs.5,000 each have been written off entirely in the year of acquisition.

**(iv) Inventories**

1. Raw Material, Stores and Spares are valued at cost on Weighted Average

2. Work in Progress is Valued at Cost representing materials, Labour and apportioned overheads.

3. Scrap is Valued at net Relisable Value.

**(v) Foreign Exchange Transactions**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets & liabilities are restated at year end exchange rates. Exchange differences arising on the settlement of foreign currency monetary items or on reporting company's foreign currency monetary items at rates different from those at which they were initially recorded during the year or reported in the previous financial statements, are recognised as income or expenses in the year in which they arise.

**(vi) Retirement Benefits**

The Company has booked gratuity and leave encashment as per actuarial valuation as per accounting standard 15 (R).

**(vii) Investments**

Long term investments are stated at cost, less any provision for permanent diminution in value. Current investments are stated at lower of cost and fair value.

**(viii) Revenue Recognition**

The Company recognises sales at the point of dispatch of goods to the customers.

**(ix) Income Tax**

Provision for tax for the year comprises current income tax determined to be payable in respect of taxable income and deferred tax, being the tax effect of timing difference, representing the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s).

**2. Contingent Liabilities**

(i) Guarantees given by banks on behalf of company Rs.7.92 Lacs.

(ii) Letter of Credit Rs.63.80. Lacs



Additional Information pursuant to the provision of paragraphs 3 & 4 of Part II Schedule VI to the Companies Act 1956.

(Rs. In Lacs)

		31.03.2009		31.03.2008
<b>3) Licensed, Installed Capacity &amp; Production</b>				
Sheet Metals Components				
Licensed Capacity	Tons	46,930		42,430
Installed Capacity	Tons	43,930		39,430
Production	Tons	17,434		22,662

**4) Quantitative Details**

			Rs.		Rs.
(i) Sales					
Sheet Metal Components	Tons	11,948	10,592.76	14,358	10,549.38
Job Work	Tons	4,316	847.03	8,310	1,239.69
(ii) Closing Stocks					
Sheet Metals	Tons	622.80	287.16	1,181.98	557.96
(iii) Raw Materials Consumed					
Sheet Metals	Tons	13,118	5,433.61	14,352	5,059.00
Others			1,607.62		1,187.40
			7,041.23		6,246.40

<b>5) Materials Consumed</b>	%	Rs.	%	Rs.
Indigenous	100.00	7041.23	100.00	6,246.40
	100.00	7041.23	100.00	6246.40
Spare & Components				
Indigenous	75.72	205.57	77.16	231.02
Imported	24.28	65.92	22.84	68.39
	100.00	271.49	100.00	299.41
<b>6) Remuneration to Auditors</b>				
Statutory Audit Fees		2.00		1.00
Tax Audit Fees		1.50		0.25
Other Matters		1.96		0.75
		5.46		2.00
<b>7) F.O.B. Value of Exports</b>		16.43		50.67
<b>8) C.I.F. Value of Imports</b>				
Capital Goods		307.34		1,538.29
Spare & Components		104.03		119.01
<b>9) Expenditure in Foreign Currency</b>		3.46		8.52
<b>10) Managerial Remuneration</b>				
Salaries		33.54		25.19
Perquisites		1.55		0.68
Provident Fund - Company Contribution		2.78		2.02
		37.87		27.89
<b>11) Deferred Tax Assets/Liabilities</b>				
Depreciation		148.78		118.21

12) In Accordance with the Accounting Standard (AS22), the Company has made a provision of Rs. 148.78 Lacs on account of Deferred Tax for the year. This Provision has been made against carried forward losses.

13) Unclaimed Dividend Account is under reconciliation.

14) Related Party Disclosure

(A) List of Related Parties with

(a) Controlling Interest : Rishi Consfab Pvt. Ltd.

(b) Other related parties where common control exist and with whom the company had transaction during the year

(1) Rishi Packers Limited

(c) Directors

- Mr. Harshad B Patel

- Mr. Jayesh K Sheth

- Mr. Vandan Shah

- Mr. Dinesh Mehta

- Mr. Vasant Goray

(B) List of Transactions with Related Party

(Rs. in Lacs)

Nature of Transaction	Associates		Key Management Personnel		Total	
	31.03.09	31.03.08	31.03.09	31.03.08	31.03.09	31.03.08
Loans / Advances / Deposits disbursed during the year						
- Rishi Packers Limited	--	75.00	--	--	--	75.00
<b>Total</b>	<b>--</b>	<b>75.00</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>75.00</b>
Loans/Advances/Deposits repayment received during the year						
- Rishi Packers Limited	30.00	74.00	--	--	30.00	74.00
<b>Total</b>	<b>30.00</b>	<b>74.00</b>	<b>--</b>	<b>--</b>	<b>30.00</b>	<b>74.00</b>
Interest Received						
- Rishi Packers Limited	33.30	3.23	--	--	33.30	3.23
<b>Total</b>	<b>33.30</b>	<b>3.23</b>	<b>--</b>	<b>--</b>	<b>33.30</b>	<b>3.23</b>
Sales						
- Rishi Packers Limited	0.62	--	--	--	0.62	-
<b>Total</b>	<b>0.62</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>0.62</b>	<b>-</b>
Purchases						
- Rishi Packers Limited	--	0.58	--	--	--	0.58
<b>Total</b>	<b>--</b>	<b>0.58</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>0.58</b>
Rent Received						
- Rishi Packers Ltd.	2.40	2.40	--	--	2.40	2.40
<b>Total</b>	<b>2.40</b>	<b>2.40</b>	<b>--</b>	<b>--</b>	<b>2.40</b>	<b>2.40</b>
<b>Remuneration, Commission &amp; Sitting Fees</b>						
- Mr. Harshad B. Patel	--	--	37.87	27.89	37.87	27.89
- Mr. Ajay C. Mody	--	--	--	0.20	--	0.20
- Mr. Jayesh K. Sheth	--	--	0.13	0.27	0.13	0.27
- Mr. Vandan Shah	--	--	0.13	0.15	0.13	0.15
- Mr. Dinesh Mehta	--	--	0.10	0.13	0.10	0.13
- Mr. Vasant Goray	--	--	0.13	0.25	0.13	0.25
<b>Total</b>	<b>--</b>	<b>--</b>	<b>38.35</b>	<b>28.89</b>	<b>38.35</b>	<b>28.89</b>

15) Pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, the Company had asked for confirmation from its vendors regarding their status under the said Act. The Company is yet to receive verifiable confirmations from the vendors and hence the amounts unpaid as at the year end together with interest payable if any, under this Act have not been given.



- 16) Previous years figures have been regrouped / rearranged wherever necessary.
- 17) During the year, the Company has not raised any amount by way of issue of shares or conversion of warrants issued to the promoters and others on preferential basis. However 2,50,000 warrants which were issued to Promoters and others on preferential basis on 25.07.2007 and were due for conversion on 25.01.2009 were lapsed and the 10% upfront amount received was forfeited.
- 

As per our report of even date  
**For Alladi Krishnan & Kumar**  
Chartered Accountants

**For Rishi Laser Limited**

**Ajit S.Datar**  
Partner  
Membership No.036274  
Place: Mumbai  
Date : 29th June, 2009

**Chairman**  
Harshad B. Patel

**Company Secretary**  
Supriya Joshi

**Directors**  
Vasant Goray  
Vandan Shah  
Dinesh Mehta

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE****I) Registration Details**

Registration No.	66412
Balance sheet Date	31.03.2009
State Code	11

**II) Capital Raised during the Year (Amount in Rs. Thousand)**

Public Issue	NIL
Bonus Issue	NIL
Right Issue	NIL
Private Placement	NIL

**III) Position of Mobilisation and Development of Fund  
(Amount in Rs.Thousand)**

**Total Liabilities** 12,66,086

**Source of Fund**

Paid up Capital	79,497
Secured Loans	7,50,210
Reserves and Surplus	3,45,184
Unsecured Loans	51,505
Deferred Tax Liability	39,690

**Total Assets** 12,66,086

**Application of Funds**

Net Fixed Assets	9,18,367
Net Current Assets	3,38,524
Accumulated Losses	NIL
Investments	8,895
Misc.Expenditure	300

**IV) Performance of Company (Amount in Rs. Thousand)**

Turnover	12,73,778
+Profit/(Loss) Before Tax	(18,102)
Earning Per Share in Rs.	(2)
Total Expenditure	11,90,246
+Profit/(Loss) After Tax	(15,529)
Dividend Rate %	NIL

**V) General names of The Principal Products of Company**

Product Discription

The Company is engaged in the manufacturing of Sheet Metal components, Machines.

As per our report of even date  
**For Alladi Krishnan & Kumar**  
Chartered Accountants

**For Rishi Laser Limited**

**Ajit S.Datar**  
**Partner**  
Membership No.036274  
Place: Mumbai  
Date : 29th June, 2009

**Chairman**  
Harshad B. Patel

**Directors**  
Vasant Goray  
Vandan Shah  
Dinesh Mehta

**Company Secretary**  
Supriya Joshi





## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956.

Sr. No.	Name of Company	Financial Year Ended	Extent of interest of the Holding Company in the capital of subsidiary	No. of Shares held by Company directly or through its subsidiary	Net aggregate of the profit or losses of the subsidiary for the current period so far as it concerns the members of the Holding Company		Net aggregate of the profit or losses for previous financial years of the subsidiary so far as it concerns the members of the Holding Company	
					not dealt with or provided for in the accounts of Holding Company	dealt with or provided for in the accounts of Holding Company	not dealt with or provided for in the accounts of Holding Company	dealt with or provided for in the accounts of Holding Company
1	Rishi Consfab Pvt. Ltd.	31.03.2009	100%	10,000	Nil	Nil	N. A.	N.A.

As per our report of even date  
**For Alladi Krishnan & Kumar**  
Chartered Accountants

**For Rishi Laser Limited**

**Ajit S.Datar**  
**Partner**  
Membership No.036274  
Place: Mumbai  
Date : 29th June, 2009

**Chairman**  
Harshad B. Patel  
  
**Company Secretary**  
Supriya Joshi

**Directors**  
Vasant Goray  
Vandan Shah  
Dinesh Mehta

**AUDITOR'S REPORT ON CONSOLIDATED ACCOUNTS**

We have audited the attached Consolidated Balance sheet of Rishi Laser Limited and its subsidiary as at 31<sup>st</sup> March 2009, and also the Consolidated Profit and Loss Account and the Consolidated Cash flow statement of the Company for the year ended on that date, annexed thereto. These consolidated 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure 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 of our opinion.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, as notified by the Companies (Accounting Standards) Rules, 2006.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its subsidiary as on 31<sup>st</sup> March 2009;
- (ii) In the case of Consolidated Profit and Loss Account, of the Loss of the company for the year ended on that date; and
- (iii) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **ALLADI KRISHNAN AND KUMAR**  
(Chartered Accountants)

Date: 29<sup>th</sup> June, 2009  
Place: Mumbai

**AJIT S. DATAR**  
(PARTNER)  
Membership No. 036274

**RISHI LASER LIMITED****CONSOLIDATED BALANCE SHEET  
AS AT 31ST MARCH, 2009****CONSOLIDATED PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED ON 31ST MARCH, 2009**

Rs. in Lacs			Rs. in Lacs		
Particulars	Schedule	31.03.2009	Particulars	Schedule	31.03.2009
<b>SOURCES OF FUNDS</b>			<b>INCOME</b>		
<b>Shareholders' Funds</b>			Turnover (Gross)		
a) Share Capital	1	794.97	Exports		16.43
b) Reserves and Surplus	2	3,451.83	Job Charges		847.03
		<b>4,246.80</b>	Domestic		11,874.32
<b>Loan Funds</b>			Total		12,737.78
a) Secured Loans	3	7,502.11	Less : Excise Duty		1,297.99
b) Unsecured Loans	4	515.05	<b>Turnover (Net)</b>		<b>11,439.79</b>
		<b>8,017.16</b>	Other Income	14	85.53
<b>Deferred Tax Liability (Net)</b>		<b>396.90</b>	Increase / (Decrease in stock)	15	196.13
		<b>12,660.86</b>	Total		<b>11,721.44</b>
<b>APPLICATION OF FUNDS</b>			<b>EXPENDITURE</b>		
<b>Fixed Assets</b>	5		Material Consumed / Sold	16	7,041.23
a) Gross Block		10,850.91	Manufacturing Expenses	17	1,091.90
b) Less : Depreciation		2,350.70	Personnel Cost	18	1,448.40
c) Net Block		8,500.21	Administrative & Other Expenses	19	468.33
Capital Work In Progress		683.44	Selling & Distribution Expenses	20	129.90
		<b>9,183.65</b>	Financial Expenses	21	1,047.61
<b>Investments</b>	6	<b>87.95</b>	Depreciation		675.10
<b>Current Assets, Loans and Advances</b>					<b>11,902.47</b>
a) Inventories	7	1,566.46	<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>(181.03)</b>
b) Sundry Debtors	8	2,258.11	Less: Provision for tax		
c) Cash and Bank Balances	9	148.62	Current Tax		-
d) Loans and Advances	10	1,120.69	Deferred Tax		(31.64)
		5,093.86	Fringe Benefit Tax		5.91
<b>Less: Current Liabilities and Provisions</b>			<b>PROFIT / (LOSS) AFTER TAX AND BEFORE EXTRA</b>		
a) Liabilities	11	1,721.80	<b>ORDINARY ITEMS AND PRIOR PERIOD ITEMS</b>		<b>(155.30)</b>
b) Provisions	12	(14.18)	Less: Prior Period Items		3.48
		1,707.62	<b>Net Profit / (Loss)</b>		<b>(158.78)</b>
<b>Net Current Assets</b>		<b>3,386.25</b>	Add : Balance brought forward from previous year		<b>390.58</b>
Miscellaneous Expenditure	13	3.02	<b>Profit Available for Appropriation</b>		<b>231.80</b>
(to the extent not written-off or adjusted)		<b>12,660.86</b>	<b>Appropriations</b>		
Notes to Accounts	22		Proposed Dividend		-
			Tax on Dividend Distributed		-
			General Reserve		-
			Surplus Carried to Balance Sheet		<b>231.80</b>
			Notes to Accounts	22	

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet and Profit & Loss Accounts.

As per our report of even date  
For Alladi Krishnan & Kumar  
Chartered Accountants

**Ajit S. Datar**  
Partner  
Membership No.036274  
Place: Mumbai  
Date : 29th June, 2009

For Rishi Laser Limited

**Chairman**  
Harshad B. Patel

**Directors**  
Vasant Goray  
Vandan Shah  
Dinesh Mehta

**Company Secretary**  
Supriya Joshi

As per our report of even date  
For Alladi Krishnan & Kumar  
Chartered Accountants

**Ajit S. Datar**  
**Partner**  
Membership No.036274

**Chairman**  
**Harshad B. Patel**

**Directors**  
Vasant Goray  
Vandan Shah  
Dinesh Mehta

**Company Secretary**  
**Supriya Joshi**

**Place: Mumbai**  
**Date : 29th June,2009**



**SCHEDULES FORMING PART OF CONSOLIDATED ACCOUNTS AS AT**

	(Rs. in Lacs) 31.03.2009		(Rs. in Lacs) 31.03.2009
<b>SCHEDULE : 1 : SHARE CAPITAL</b>		<b>SCHEDULE : 3 : SECURED LOANS</b>	
<b>EQUITY SHARE CAPITAL</b>		<b>Term Loan - From Banks</b>	<b>4,323.89</b>
Authorised		(Secured by mortgage over Company's specific	
1,50,00,000 (P.Y. 1,50,00,000) Equity shares of Rs.10/- each	1,500.00	Land and Building and Hypothecation of specific	
Issued,Subscribed and Paid Up:		Plant and Machinery)	
79,49,660 (P.Y. 79,49,660) Equity Shares of Rs.10/- each fully paid up	<u>794.97</u>		
<b>SCHEDULE : 2 : RESERVES AND SURPLUS</b>		<b>From Gujarat Industrial Development Corporation</b>	<b>131.60</b>
<b>Capital Reserve</b>		(Secured by Plot No. 578 to 582 & 583 to 587,	
As per last Balance Sheet	13.99	Plot No.733 & 735 at Savli Industrial Estate	
Less : Transferred to Profit & Loss account	<u>1.41</u>	and Plot No.861/2 & 861/3 at Makarpura	
	<u>12.58</u>	Industrial Estate Vadodara - Gujarat)	
<b>General Reserve</b>		<b>Term Loan - Vehicle</b>	<b>27.34</b>
As per last Balance Sheet	599.97	(Against hypothecation of Vehicles)	
Less : Transferred to Gratuity Liability	9.82		
Add: Transferred from Share Application Money	14.25	<b>Working Capital Loan</b>	
Add: Transferred from Profit & Loss Account	-	(Against exclusive hypothecation charge	<b>3,019.28</b>
	<u>604.40</u>	on stocks i.e. Raw-materials, Stock in Process,	
<b>Share Premium</b>		Finished Goods, Stores and Spares and	
As per last balance sheet	2,535.99	Book Debts of the Company)	
Add : Received during the year	-		<u><u>7,502.11</u></u>
	<u>2,535.99</u>		
Less : Share issue expenses	-		
	<u>2,535.99</u>		
<b>Equity Share Warrant</b>	<b>81.25</b>	<b>SCHEDULE : 4 : UNSECURED LOANS</b>	
Less : Application Money transferred to		<b>Short Term Loans &amp; Advances</b>	<b>30.13</b>
General Reserve	<u>14.25</u>	<b>Deferred Sales Tax Liabilities</b>	<b>484.92</b>
	<u>67.00</u>		<u><u>515.05</u></u>
<b>Profit and Loss Account</b>	<b>231.00</b>		
	<u><u>3,451.83</u></u>		

**SCHEDULE 5 : FIXED ASSETS**

**Rs. in Lacs**

Particular	Gross Block				Depreciation				Net Block	
	Balance as on 01/04/2008	Additions	Deductions	Balance as on 31/03/2009	Op. Balance	For the Year	On deduction	Balance as on 31/03/2009	As on 31/03/2009	As on 31/03/2008
Free Hold Land	154.62	163.38	-	318.00	-	-	-	-	318.00	154.62
Lease Hold Land	304.81	10.18	-	314.99	-	-	-	-	314.99	304.81
Factory Building	1,564.85	370.21	-	1,935.06	129.36	56.78	-	186.14	1,748.92	1,435.49
Plant & Machinery	6,163.10	1,274.68	125.35	7,312.44	1,483.86	544.75	95.39	1,933.22	5,383.61	4,679.25
Electrical Installations	234.93	71.02	-	305.95	48.53	20.38	-	68.91	237.04	186.40
Tools & Dyes	216.45	46.60	-	263.05	17.30	17.05	-	34.35	228.70	199.15
Furniture	96.76	10.35	-	107.12	13.59	6.71	-	20.30	86.82	83.17
Fixtures	10.01	-	-	10.01	0.55	0.63	-	1.18	8.83	9.46
Office Equipments	33.66	8.70	-	42.36	6.01	2.35	-	8.36	34.00	27.65
Computers	95.77	37.72	-	133.49	48.20	16.37	-	64.57	68.91	47.57
Vehicles	98.29	10.47	0.30	108.46	23.67	10.07	0.07	33.66	74.79	74.62
<b>Grand Total</b>	<b>8,973.25</b>	<b>2,003.31</b>	<b>125.64</b>	<b>10,850.91</b>	<b>1,771.05</b>	<b>675.10</b>	<b>95.46</b>	<b>2,350.70</b>	<b>8,504.61</b>	<b>7,202.20</b>
Previous Year	5,613.22	3,365.54	5.51	8,973.25	1,223.16	549.45	1.56	1,771.05	7,202.20	

	Rs. in Lacs 31.03.2009		Rs. in Lacs 31.03.2009
<b>SCHEDULE : 6 : INVESTMENTS</b>		<b>SCHEDULE : 10 : LOANS AND ADVANCES</b>	
<b>Long Term (At cost / book value)</b>		(Unsecured, Considered Good unless otherwise stated)	
<b>[Non Trade - Unquoted]</b>		Advances Recoverable in Cash or in Kind or for value to be received	91.10
Lotus Fabrication Pvt. Ltd. - Unquoted	0.50	Inter Corporate Deposits	352.88
[4980 Equity Shares of Rs.10/- each fully paid up]		Balances with Excise and Customs Departments	489.16
Centennial Finance Limited - Unquoted	2.70	Deposits - others	152.66
[27,000 Equity Shares of Rs.10/- each fully paid up]		VAT Credit (Input) Receivable	1.99
Cosmos Co-Op. Bank Limited - Unquoted	0.03	Others	32.89
[25 Equity Shares of Rs.100/- each fully paid up]			<u>1,120.67</u>
Rishi Technical Services Pvt. Ltd. - Unquoted	0.49	<b>SCHEDULE : 11 : CURRENT LIABILITIES</b>	
[4900 Equity Shares of Rs.10/- each fully paid up]		Sundry Creditors - Capital Goods	78.71
<b>[Non Trade - Quoted]</b>		Sundry Creditors - Others	1,430.62
Rishi Packers Ltd. - Quoted	74.23	Inter Corporate Deposits	13.36
[201347 (P.Y.203147)]		Other Liabilities	199.11
Equity Shares fully paid up at cost]			<u>1,721.80</u>
[Market Value Rs.10.37 (P.Y.Rs.19.61)]		<b>SCHEDULE : 12 : PROVISIONS</b>	
UTI INFRASTRUCTURE FUND - Quoted	10.00	Provision for Taxation (Net of advance tax payments)	
[100000 (P.Y.100000) Units]		Provision for taxation	189.85
[Market Value Rs.6.39 (P.Y.8.67)]	87.95	Less : Advance Tax Payment	121.80
		TDS Receivable	82.22
1. Aggregate value of unquoted investments	3.72	Provision for Fringe Benefit Tax	5.91
2. Aggregate value of quoted investments.	84.23	Less : Advance Tax Payment	5.91
<b>Total</b>	<u>87.95</u>	Proposed Dividend	-
<b>SCHEDULE : 7 : INVENTORIES</b>		Tax on proposed dividend	-
(As Verified, Valued, and Certified by the Management)			<u>(14.17)</u>
Raw Materials	359.90	<b>SCHEDULE : 13 : MISCELLANEOUS EXPENDITURE</b>	
Work in Progress	1,005.79	Deferred Revenue Expenses	3.02
Stores and Spares	200.77		<u>3.02</u>
	<u>1,566.46</u>	<b>SCHEDULE : 14 : OTHER INCOME</b>	
<b>SCHEDULE : 8 : SUNDRY DEBTORS</b>		Interest [T.D.S. Rs.3.74 (P.Y.Rs.1.37/-)]	30.15
(Unsecured and Considered Good)		Dividend Income	-
(a) Debts outstanding for a period exceeding six months	255.27	Others	55.38
(b) Other Debts	2,002.84		<u>85.53</u>
	<u>2,258.11</u>	<b>SCHEDULE : 15 : INCREASE / (DECREASE) IN STOCK</b>	
<b>SCHEDULE : 9 : CASH AND BANK BALANCES</b>		Closing Stock	1,005.79
Cash on hand	4.31	Opening Stock	809.66
Balances with Scheduled Banks			<u>196.13</u>
In Current Account	91.44	<b>SCHEDULE : 16 : RAW MATERIALS CONSUMED</b>	
In Margin and Deposit Account	52.87	Opening Stocks	620.77
	<u>148.62</u>	Add: Purchases	6,780.36
		Total	7,401.13
		Less: Closing Stocks	359.90
			<u>7,041.23</u>
		<b>SCHEDULE : 17 : MANUFACTURING EXPENSES</b>	
		Consumable Stores and Spares (Indigenous)	205.57
		Consumable Stores and Spares (Import)	65.92
		Power and Fuel	373.06
		Repairs and Maintenance - P & M	138.05
		Factory Expenses	18.91
		Processing Charges	277.69
		Gas Cylinder Rent	12.70
			<u>1,091.90</u>



	Rs. in Lacs 31.03.2009		Rs. in Lacs 31.03.2009
<b>SCHEDULE : 18 : PERSONNEL COST</b>			
Salaries, wages and bonus	1,311.78	Directors' Sitting Fees	0.48
Contribution to Provident Fund	37.55	Other - Administrative Expenses	182.70
Gratuity Expenses	8.17	Remuneration to Auditors	5.47
Other post Employment funds	18.40		<u>468.33</u>
Workmen and staff welfare expenses	34.62		
Managerial Remuneration	37.87		
	<u>1,448.40</u>		
<b>SCHEDULE : 19 : ADMINISTRATIVE AND OTHER EXPENSES</b>			
Rent, Rates and Taxes	95.85	<b>SCHEDULE : 20 : SELLING AND DISTRIBUTION EXPENSES</b>	
Legal and Professional Charges	45.13	Distribution Expenses	117.65
Insurance Expenses	6.22	Selling Expenses	12.25
Repairs and Maintainance - Building	21.12		<u>129.90</u>
Repairs and Maintainance - Others	33.19		
Communication Cost	30.16	<b>SCHEDULE : 21 : FINANCIAL EXPENSES</b>	
Printing and Stationery	21.09	Interest on Term Loans	586.47
Travelling Expenses	29.36	Interest on Working Capital Loans	322.98
Foreign Exchange (Gain) / Loss	(2.45)	Other Interest	99.34
		Bank Charges & Other Financial Charges	38.82
			<u>1,047.61</u>

**SCHEDULE : 22 : NOTES TO ACCOUNTS****1. Significant Accounting Policies**

- (i) **Basis of Accounting**  
The financial statements are prepared under the historical cost convention in accordance with the applicable mandatory accounting standards and relevant provisions of the Companies Act, 1956.
- (ii) **Fixed Assets**  
Fixed Assets are stated at cost of acquisition (net of recoverable taxes & Government grants wherever availed) or construction or other amounts substituted for historical costs on revaluation less accumulated depreciation. Expenses capitalised also include applicable borrowing cost.
- (iii) **Depreciation**
  - a. Depreciation on fixed assets is provided on the Straight Line Method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.
  - b. All individual items of fixed assets, where the actual cost does not exceed Rs.5,000 each have been written off entirely in the year of acquisition.
- (iv) **Inventories**
  - a. Raw Material, Stores and Spares are valued at cost on Weighted Average
  - b. Work in Progress is Valued at Cost representing materials, Labour and apportioned overheads.
  - c. Scrap is Valued at net Relisable Value.
- (v) **Foreign Exchange Transactions**  
Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets & liabilities are restated at year end exchange rates. Exchange differences arising on the settlement of foreign currency monetary items or on reporting company's foreign currency monetary items at rates different from those at which they were initially recorded during the year or reported in the previous financial statements, are recognised as income or expenses in the year in which they arise.
- (vi) **Retirement Benefits**  
The Company has booked gratuity and leave encashment as per actuarial valuation as per accounting standard 15(R).
- (vii) **Investments**  
Long term investments are stated at cost, less any provision for permanent diminution in value. Current investments are stated at lower of cost and fair value.
- (viii) **Revenue Recognition**  
The Company recognises sales at the point of dispatch of goods to the customers.
- (ix) **Income Tax**  
Provision for tax for the year comprises current income tax determined to be payable in respect of taxable income and deferred tax, being the tax effect of timing difference, representing the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s).

**2. Contingent Liabilities**

- (i) Guarantees given by banks on behalf of company Rs.7.92 Lacs.
- (ii) Letter of Credit Rs.63.80 Lacs.

Additional Information pursuant to the provision of paragraphs 3 & 4 of Part II Schedule VI to the Companies Act 1956.

	(Rs. in Lacs) 31.03.2009			(Rs. in Lacs) 31.03.2009
<b>3) Licensed, Installed Capacity &amp; Production</b>		<b>4) Quantitative Details</b>		
Sheet Metals Components		(i) Sales		
Licensed Capacity Tons	46,930	Sheet Metal Components Tons	11,948	10,592.76
Installed Capacity Tons	43,930	Job Work Tons	3,488	847.03
Production Tons	17,434	(ii) Closing Stocks		
		Sheet Metals Tons	622.8	287.16
		(iii) Raw Materials Consumed		
		Sheet Metals Tons	13,118	5,433.61
		Others		1,607.62
				7,041.23

	%	Rs.
<b>5) Materials Consumed</b>		
Indigenous	100.00	7,041.23
	100.00	7,041.23
Spare & Components		
Indigenous	75.72	205.57
Imported	24.28	65.92
	100.00	271.49
<b>6) Remuneration to Auditors</b>		
Statutory Audit Fees		2.00
Tax Audit Fees		1.50
Other Matters		1.96
		5.46
<b>7) F.O.B. Value of Exports</b>		16.43
<b>8) C.I.F. Value of Imports</b>		
Capital Goods		307.34
Spare & Components		104.03
<b>9) Expenditure in Foreign Currency</b>		3.46
<b>10) Managerial Remuneration</b>		
Salaries		33.54
Perquisites		1.55
Provident Fund - Company Contribution		2.78
		37.87
<b>11) Deferred Tax Assets/Liabilities</b>		
Depreciation		148.78

12) In Accordance with the Accounting Standard (AS22), the Company has made a provision of Rs. 148.78 Lacs on account of Deferred Tax for the year. This Provision has been made against carried forward losses.

13) Unclaimed Dividend Account is under reconciliation.

**14) Related Party Disclosure**

(A) List of Related Parties with

(a) Controlling Interest : Rishi Consfab Pvt. Ltd.

(b) Other related parties where common control exist and with whom the company had transaction during the year  
(1) Rishi Packers Limited

(c) Directors

- Mr. Harshad B Patel

- Mr. Jayesh K Sheth

- Mr. Vandan Shah

- Mr. Dinesh Mehta

- Mr. Vasant Goray





## (B) List of Transactions with Related Party

(Rs. in Lacs)

Nature of Transaction	Associates 31.03.09	Key Management Personnel 31.03.09	Total 31.03.09
Loans / Advances / Deposits disbursed during the year			
- Rishi Packers Limited	-	-	-
<b>Total</b>			
Loans/Advances/Deposits repayment received during the year			
- Rishi Packers Limited	30.00	-	30.00
<b>Total</b>	<b>30.00</b>	<b>-</b>	<b>30.00</b>
Interest Received			
- Rishi Packers Limited	33.30	-	33.30
<b>Total</b>	<b>33.30</b>	<b>-</b>	<b>33.30</b>
Sales			
- Rishi Packers Limited	0.62	-	0.62
<b>Total</b>	<b>0.62</b>	<b>-</b>	<b>0.62</b>
Purchases			
- Rishi Packers Limited	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
Rent Received			
- Rishi Packers Limited	2.40	-	2.40
<b>Total</b>	<b>2.40</b>	<b>-</b>	<b>2.40</b>
<b>Remuneration, Commission &amp; Sitting Fees</b>			
- Mr. Harshad B. Patel	-	37.87	37.87
- Mr. Jayesh K. Sheth	-	0.13	0.13
- Mr. Vandan Shah	-	0.13	0.13
- Mr. Dinesh Mehta	-	0.10	0.10
- Mr. Vasant Goray	-	0.13	0.13
<b>Total</b>	<b>-</b>	<b>38.35</b>	<b>38.35</b>

15) Pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, the Company had asked for confirmation from its vendors regarding their status under the said Act. The Company is yet to receive verifiable confirmations from the vendors and hence the amounts unpaid as at the year end together with interest payable if any, under this Act have not been given.

16) Previous years figures have been regrouped / rearranged wherever necessary.

17) During the year, the Company has not raised any amount by way of issue of shares or conversion of warrants issued to the promoters and others on preferential basis. However 2,50,000 warrants which were issued to Promoters and others on preferential basis on 25.07.2007 and were due for conversion on 25.01.2009 were lapsed and the 10% upfront amount received was forfeited.

As per our report of even date  
For Alladi Krishnan & Kumar  
Chartered Accountants

For Rishi Laser Limited

Ajit S. Datar  
Partner  
Membership No.036274  
Place: Mumbai  
Date : 29th June,2009

Chairman  
Harshad B. Patel

Directors  
Vasant Goray  
Vandan Shah  
Dinesh Mehta

Company Secretary  
Supriya Joshi

## SUBSIDIARY ACCOUNTS DIRECTORS' REPORT

The Members,  
**Rishi Consfab Private Limited**

Your Directors have pleasure in presenting their Annual Report along with the Audited Accounts for the year ended 31st March 2009.

### OPERATION

During the period under Report your Company could not commence its operations.

### DIRECTORS RESPONSIBILITY STATEMENT

Your Directors hereby Report:

- A That in the preparation of annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departures; if any;
- B That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2009;
- C That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- D That the directors have prepared the annual accounts on a going concern basis.

### FIXED DEPOSITS

During the period under Report the Company has not accepted Fixed Deposits from Public.

### PARTICULARS OF EMPLOYEES

During the period under report there were no appointments of employees drawing remuneration in excess of limits laid down under section 217(2A) of the Companies Act 1956 read with the Companies (particulars of Employees) Rules, 1975.

### THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988:

The above provisions are not applicable to the Company since the Company has not commenced operations.

### AUDITORS

M/s. Alladi Krishnan & Kumar, Chartered Accountants, Statutory Auditors of the company retire and offer themselves for reappointment. The Company has obtained the requisite certificate required under section 224 of the Companies Act 1956, to the effect that their re-appointment, if made, will be in conformity with the limits specified in the said section.

For and on behalf of the Board

Date: 29<sup>th</sup> June, 2009  
Place: Mumbai

Harshad B. Patel  
Director

## AUDITOR'S REPORT

We have audited the attached Balance sheet of Rishi Consfab Private Limited as at 31<sup>st</sup> March 2009. 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure 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 of our opinion.

Further we state 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 account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet referred to in this report is in agreement with the books of account.
- d) In our opinion, the Balance Sheet dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of Companies Act, 1956.
- e) On the basis of the written representation received from the Directors, and taken on record by Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and as per the information and according to the explanations given to us, the said Balance Sheet, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
  - (i) In the case of Balance Sheet, of the state of affairs of the Company as on 31<sup>st</sup> March 2009.

For **ALLADI KRISHNAN AND KUMAR**  
(Chartered Accountants)

Date: 29<sup>th</sup> June, 2009  
Place: Mumbai

**AJIT S. DATAR**  
(PARTNER)  
Membership No. 036274



BALANCE SHEET AS AT 31ST MARCH, 2009		BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE	
Particulars	(Rs. in Lacs) 31.03.2009		
<b>SOURCES OF FUNDS</b>		<b>I) Registration Details</b>	
<b>Shareholders' Funds</b>		Registration No.	178448
a) Share Capital		Balance sheet Date	31.03.2009
Authorised		State Code	11
10,000 Equity shares of Rs.10/- Each	1.00	<b>II) Capital Raised during the Year (Amount in Rs. Thousand)</b>	
Issued, Subscribed and Paid Up :		Public Issue	NIL
10,000 Equity shares of Rs.10/- Each	1.00	Bonus Issue	NIL
b) Reserves and Surplus	-	Right Issue	NIL
	<b>1.00</b>	Private Placement	100
<b>Loan Funds</b>		<b>III) Position of Mobilisation and Development of Fund</b>	
a) Secured Loans		(Amount in Rs.Thousand)	
b) Unsecured Loans		<b>Total Liabilities</b>	101
Short Term Loans & Advances	0.01	<b>Source of Fund</b>	
	<b>0.01</b>	Paid up Capital	100
<b>Total</b>	<b>1.01</b>	Secured Loans	NIL
		Reserves and Surplus	NIL
		Unsecured Loans	1
		<b>Total Assets</b>	101
<b>APPLICATION OF FUNDS</b>		<b>Application of Funds</b>	
<b>Fixed Assets</b>	-	Net Fixed Assets	NIL
<b>Investments</b>	-	Net Current Assets	99
<b>Current Assets And Loans and Advances</b>		Accumulated Losses	NIL
Cash Balances	0.99	Investments	NIL
<b>Less: Current Liabilities and Provisions</b>	-	Misc.Expenditure	2
<b>Net Current Assets</b>	<b>0.99</b>	<b>IV) Performance of Company (Amount in Rs. Thousand)</b>	
		Turnover	NIL
		+Profit/Loss Before Tax	NIL
		Earning Per Share in Rs.	NIL
Miscellaneous Expenditure	0.02	Total Expenditure	NIL
	<b>0.02</b>	+Profit/Loss After Tax	NIL
(to the extent not written-off or adjusted)	<b>1.01</b>	Dividend Rate %	NIL
		<b>V) General names of The Principal Products of Company</b>	
		Product Discription	NA

As per our report of even date

For Alladi Krishnan & Kumar  
Chartered Accountants

For Rishi Consfab Pvt. Ltd.

Ajit S. Datar  
Partner  
Membership No. 036274Chairman  
Harshad B. PatelDirector  
Vasant GorayPlace: Mumbai  
Date : 29th June, 2009

**RISHI LASER LIMITED****ATTENDANCE SLIP**

Registered Office :

611, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (W), Mumbai - 400 011

Regd. Folio .....

17th Annual General Meeting

To be handed over at the entrance of the meeting venue.

.....  
Name of the attending member (in block letters).....  
Name of Proxy (in block letter to be filled in by the proxy attending instead of the members.

No. of Shares held. ....

I hereby record my presence at the 17th Annual General Meeting at Killanchand Conference Room, 2nd Floor, Indian Merchants' Chamber, Churchgate, Mumbai 400 020, on 23rd September, 2009 at 3.00 p.m.

Member's / Proxy's Signature

**Notes :**

1. Interested joint shareholders may obtain attendance slip from the Registered Office of the Company.
2. Shareholders/joint shareholders proxies are requested to bring the attendance slip with them. Duplicate slip will not be issued at the entrance of the venue.

**RISHI LASER LIMITED****PROXY FORM**

611, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (W), Mumbai - 400 011

Registered. Folio No.

I/We .....

of .....

Being a member/members of the above named Company hereby appoint .....

failing him .....

of .....

as my/our proxy to attend vote for me/us on my behalf at the 17th Annual General Meeting of the Company to be held at Killachand Conference Room, 2nd Floor, Indian Merchants' Chamber, Churchgate, Mumbai 400 020. on 23rd September, 2009 at 3.00 p.m.

Signed.

Dated.

Revenue  
Stamp

Note : Proxy Form must reach the Company's Registered Office not less than 48 hours before the meeting.



## **Rishi Laser Limited**

611, Veena Killedar Industrial Estate, 10/14 Pais Street, Byculla (W), Mumbai - 400011.

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Website : [www.rishilaser.com](http://www.rishilaser.com)