

**ANNUAL REPORT  
2010-2011**



**APTE AMALGAMATIONS  
LIMITED**

## **APTE AMALGAMATIONS LIMITED**

### **Directors :**

Shri V. M. Apte	Chairman
Shri M. L. Apte	Director
Shri. Rajesh M. Loya	Director
Shri. Jashwant B. Mehta	Director
Shri. Chetan J. Mehta	Director
Shri. Maneesh Taparia	Director
Shri. V. K. Sant	Company Secretary

### **Auditors :**

M/s P. G. Bhagwat, Pune  
Chartered Accountants

### **Registered Office :**

14 A The Club, Near Mangal Anand Hospital,  
Swastik Park, Chembur, Mumbai 400 071.  
Tel : +91 22 2527 7504 Fax : +91 22 2491 9184  
Website : [www.apteindia.com](http://www.apteindia.com)

### **Registrar & Transfer Agents :**

Sharex Dynamic (India) Pvt. Ltd.  
Unit No.1, Luthra Industrial Premises, Andheri Kurla Road,  
Safed Pool, Andheri (E), Mumbai - 400 072.  
Tel : +91 22 2851 5606 / 44 Fax : +91 22 2851 2885  
Email Id : [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

## **APTE AMALGAMATIONS LIMITED - Annual Report 2011**

### **NOTICE**

NOTICE is hereby given that the Seventy Seventh Annual General Meeting of the Members of Apte Amalgamations Limited will be held on Wednesday, 28<sup>th</sup> September, 2011 at 9:00 am at Mittal Tower, Premises Co-operative Society Ltd., Conference Hall, C Wing 17<sup>th</sup> Floor, Opp. New Council Hall, Nariman Point, Mumbai 400 021 to transact the following business:

#### **I. ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011, the Profit & Loss Account for the year ended March 31, 2011 and the Reports of the Directors and Auditors thereon.
- 2) To appoint director in place of Mr. Rajesh Loya, who retires by rotation and being eligible, offers himself for re- appointment.
- 3) To appoint director in place of Mr. Jashwant B. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint M/s P. G. Bhagwat, Chartered Accountants as the auditors and to fix their remuneration.

"RESOLVED THAT M/s P. G. Bhagwat, Chartered Accountants (Registration No. 101118W) be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Meeting till the conclusion of the Next Annual General Meeting, to audit the Accounts of the Company for the financial year 2011- 12, on a remuneration to be mutually decided upon between the Auditors and the Board of Directors of the Company."

#### **II. SPECIAL BUSINESS:**

##### **3) Raising Long Term Funds**

To consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT, in accordance with the provisions of Sections 81 and 81(1A) and all other applicable provisions of the Companies Act, 1956, as amended (hereinafter referred to as the "Act") including any statutory modification or re-enactment thereof for the time being in force, and in accordance with the applicable provisions of Foreign Exchange Management Act, 1999 (the "FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations"), Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 the guidelines and clarifications issued by the Government of India ("GOI"), rules, regulations, guidelines, notifications, circulars and clarifications prescribed by the Securities and Exchange Board of India under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI Regulations"), the Memorandum of Association and Articles of Association of the Company and the listing agreements entered into by the Company with the stock exchange where the Company's equity shares are listed (the "Stock Exchange") and any other applicable laws, regulations, policies or guidelines, and subject to the approval, consent, permission and sanction to the extent necessary of any authorities, as may be necessary, including the approval of the GOI, the Securities and Exchange Board of India ("SEBI"), the Foreign Investment Promotion Board ("FIPB"), the Reserve Bank of India ("RBI"), Registrar of Companies ("RoC") / Ministry of Corporate Affairs ("MCA") and all other concerned statutory and other authorities and to the extent necessary, such other approvals, consents, permissions, sanctions and the like, as may be necessary, including the approval, consent, permission and sanction of any lenders and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (the "Board" which shall include a duly authorised Committee or Sub-Committee thereof), the approval of the Shareholders of the Company is hereby granted for the Company to create, offer, issue and allot (i) Foreign Currency Convertible Bonds and/or other Securities including debentures, convertible at the option of the Company and/or entitling the holder thereof to apply and convert at his option into equity shares, and/or (ii) other securities convertible into or exchangeable with or linked to equity shares, and/or (iii) securities with or without detachable Warrants with a right exercisable by the warrant holder to subscribe for equity shares, and/or (iv) Warrants with a right or option exercisable by the warrant holder to convert or subscribe to equity shares, and/or (v) equity shares, preference shares or other convertible/non convertible securities of the Company, through public issue, right issue (including the right of renunciation in the case of Rights Issue), Global Depository Receipts, American Depository Receipts, Qualified Institutions Placement, private offerings or through depository receipt mechanism, participatory notes or otherwise (all hereinafter collectively referred to as the "Securities") and/or any combination of securities of face value of Rs.10 each at par or at a premium, aggregating maximum upto Rs.25 crores (Rupees Twenty Five Crores only) in one or more tranches or combinations thereof and in the manner, and on the terms and conditions as the Board may in its absolute discretion deem fit (the "Issue"), to such person or persons, who are the members of the Company or to other investors, as the Board may in its sole discretion decide and as may be permitted under SEBI Regulations, FEMA Regulations or any other applicable laws, regulations, policies or guidelines, including the policies or regulations in India, including to one or more of the members, promoters (that is to say persons in present management and control of the Company) and their associates, directors, friends and relatives, foreign resident investors, foreign institutional investors, foreign venture capital investors, Indian and/or multilateral financial institutions, mutual funds, non resident Indians, employees and/or workers of the Company or its holding company or subsidiaries, in or out of India, or members of group companies, Indian public, bodies corporate, any other company/companies, private or public, or other body corporate(s) or entities, whether incorporated or not, authorities, domestic institutions, trusts, venture capital funds, banks (including co-operative banks and regional rural banks), insurance companies, provident funds, pensions funds, superannuation funds, national investment funds, stabilizing agents, anchor investors, and to such other persons, in one or more combinations thereof and/or any other categories of investors, whether they be holders of the Equity Shares or not, through Prospectus, Offering letter, Offering Circular, Placement Memorandum to the general public, private placement basis or a combination thereof or any other mode as the case may be from time to time in one or more tranches, as may be deemed appropriate by the Board on such terms and conditions (including pricing, eligibility etc.), as are consistent with the relevant provisions.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to determine the price at which the Equity Shares are to be issued, (that is, for cash at par or premium, or for consideration other than cash) and determine the category or categories of investors

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to whom the offer, issue and allotment/transfer of the Equity Shares arising under the offer shall be made to the exclusion of all other categories of investors on such terms and conditions as may be finalised by the Board and that the Board may finalise all matters incidental thereto as it may in its absolute discretion deem fit.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to make any alteration, addition or vary any of the terms of the proposed issue of Equity Shares, in consultation with the lead managers or pursuant to requirements of SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, the Board be and is hereby authorised to decide the Issue and offer structure, as permitted under applicable laws, regulations, policies and guidelines, and decide other matters incidental to the Issue.

"RESOLVED FURTHER THAT the Equity Shares so issued and allotted pursuant to the offer, shall be subject to the Memorandum of Association and Articles of Association of the Company and shall rank pari passu in all respects with the existing Equity Shares of the Company.

"RESOLVED FURTHER THAT such of the Equity Shares issued as are not subscribed in the Issue may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion may deem most beneficial to the Company including offering or placing such Equity Shares with banks / financial institutions / investment institutions / mutual funds / foreign institutional investors / bodies corporate or such other persons including the Directors, promoters of the Company or their relatives as the Board may in its absolute discretion deem fit.

"RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised on behalf of the Company to sign, execute, and deliver all such documents or instruments and do and perform all such acts, matters, deeds and things as it may in its absolute discretion deem necessary or desirable for such purpose, including but not limited to, the allotment of the Equity Shares against the valid applications received in the Issue, as are in the best interests of the Company and to settle any questions, difficulties or doubts that may arise in relation to the foregoing.

"RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing and without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, the Board be and is hereby authorized for and on behalf of the Company:

- i) to dispose of, from time to time, such of the Securities as are not subscribed, in such manner, as the Board may deem fit in its absolute discretion;
- ii) to decide on the terms of the issue of Securities, including the form, timing, issue price, number of equity shares resulting from conversion, allottees under the issue, etc.;
- iii) to enter into and execute all such agreements/arrangements as the case may be with any lead managers, underwriters, stabilizing agents, anchor investors, bankers, escrow bankers, financial institutions, solicitors, legal advisors, guarantors, depositories, custodians and other intermediaries (the "Agencies") in relation to the issue of Securities and to remunerate any of the Agencies for their services in any manner including payment of commission, brokerage, fee or the like, entering into or execution of all such agreement/ arrangement/Memorandum of Understanding/document with any authorities/agencies, listing of the shares/Securities (including the resultant equity shares to be issued as per, the terms of the issue of the said Securities) on any Exchange(s) as the Board may in its absolute discretion deem fit;
- iv) to settle any questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit;
- v) to do all such acts, deeds, matters and things as the Board may at its absolute discretion deem necessary or desirable for such purpose, including without limitation the drafting, finalization, entering into and execution of any arrangements or agreements or documents;
- vi) to delegate from time to time, all or any of the powers conferred herein upon the Board, to any Committee of the Board or the Chairman & Managing Director or Managing Director or any other Director or Officer or Officers of the Company."

"RESOLVED FURTHER THAT any Director of the Company and/or the Company Secretary be and are hereby authorised severally, to file the required forms with the RoC/ MCA, and to do all such acts, deeds, matters and things as may be deemed necessary, desirable and expedient for giving effect to this resolution including to execute, sign and deliver all such documents including consent letter, power of attorney, certificates etc., as may be required in connection with the foregoing, or otherwise in connection with this resolution or the Issue and/ or otherwise considered by them in the best interests of the Company and to settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company.

### **Reclassification of Share Capital:**

To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 16, 94 and other applicable provisions of the Companies Act, 1956, the approval of the members of the Company be and is hereby accorded for the re-classification of the present Authorised Share Capital of the Company of Rs 4,00,00,000/- (Rupees Four Crore Only) divided into 29,00,000 (Twenty Nine Lakh) Equity shares of Rs. 10/- each (Rupees Ten Only) and 1,10,000 (One Lac Ten Thousand Only) 14% Cumulative Redeemable Preference Share of Rs. 100/- (Rupees Hundred) each to 30,00,000 (Thirty Lakh) Equity shares of Rs. 10/- each (Rupees Ten Only) and 1,00,000 (One Lakh) Cumulative Redeemable Preference Share of Rs. 100/- (Rupees Hundred Only) each.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, and file such forms as it may in its absolute discretion deem necessary and think fit to give effect to the aforesaid resolution."

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### 7) Increase of Authorized Capital:

To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED THAT the Authorised Share Capital of the Company be increased from Rs. 4,00,00,000 (Rupees Four Crores Only) to Rs. 9,00,00,000 (Rupees Nine Crores Only) divided in 80,00,000 (Eighty Lacs) Equity shares of Rs. 10/- each (Rupees Ten Only) and 1,00,000 (One Lac Only) Cumulative Redeemable Preference Share of Rs. 100/- (Rupees Hundred) each by creation of 50,00,000 (Fifty Lakh only) new Equity Shares of Rs. 10/- each (Rupees Ten only) each ranking pari passu with the existing shares."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, and file such forms as it may in its absolute discretion deem necessary and think fit to give effect to the aforesaid resolution."

### 8) Alteration of Memorandum of Association:

To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED THAT the Existing Clause V (Capital Clause) of the Memorandum of Association of the Company be amended by substituting thereof the following clause:

V. The Authorised Share Capital of the Company is Rs. 9,00,00,000 (Rupees Nine Crores Only) divided into 80,00,000 (Eighty Lakh) Equity Shares of Rs. 10/- each (Rupees Ten only) and 1,00,000 (One Lac) Cumulative Redeemable Preference Share of Rs. 100/- (Rupees Hundred) each.

### 9) Alteration of Article of Association:

To consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT the Article of Association of the Company be altered by substituting the following new Article No. 3 in place of the present Article no. 3 thereof:

3. The authorized share capital of the Company shall be such as specified in the Clause V of Memorandum of Association or as altered from time to time, payable in the manner as may be determined by the directors, with power to increase, reduce, sub divide or to repay the same or to divide the same into several classes and to attach thereto any rights and to consolidate or sub divide or re-organize the shares and subject to the provisions of Act, to vary such rights as may be determined in accordance with the regulations of the company. The company shall have minimum paid up capital of Rs. 1,00,000.

By Order of the Board of Directors  
**APTE AMALGAMATIONS LIMITED**

Date: August 02, 2011

Place: Mumbai

**Registered Office:**

14-A The Club,  
Near Mangal Anand Hospital,  
Swastik Park, Chembur,  
Mumbai-400 071

Chairman

### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members / Proxies are requested to bring their Attendance slips duly filed in for attending the meeting alongwith copy of the Report and Accounts.
3. The Register of Members and The Share Transfer Book of the Company will remain closed from September 22, 2011 to September 28, 2011 (both days inclusive).
4. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days, except Saturdays between 11.00 a.m. to 1.00 p.m.
5. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing or by email to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
6. Members are requested to note that the shares of the company are in physical forms only. The company has not demated the shares as it is not meeting the networth criteria prescribed by NSDL and CDSL for dematerialisation & will continue to accept all the physical shares certificates tendered for transfer through RTA
7. Members are requested to intimate to the Company's Registrar and Share Transfer Agent M/s. Sharex Dynamic (India) Pvt. Ltd, Unit No.1, Luthra Industrial Premises, Andheri Kurla Rd., Safed Pool, Andheri (E), Mumbai-400 072 [Email – sharexindia@vsnl.com, Tel :- 022- 28515606/ 28515644 Fax:- 022 2851 2885] the following:
  - a) Change in their address, if any, alongwith the pincode.
  - b) Request for consolidation of shareholdings in one account if share certificates are held in multiple accounts or joint accounts in identical order of names.
8. As per the provisions of Section 109A of the Companies Act, 1956, the facility for making nominations is available to the shareholders in respect of the equity shares held by them in physical form. Members desirous of making nominations may procure the prescribed Form 2B from the Registrar & Share Transfer Agents viz., M/s. Sharex Dynamic (India) Pvt. Ltd.

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### **EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956**

#### **Item No. 5 - 9:**

Your Company is in the process of expansion and diversification of businesses and needs more of its own funds to augment its long term working capital. The management is contemplating various measures to revive the operations of the Company. In an attempt to generate positive income, the Company has, during the year started share trading activity and has achieved a moderate income from the same. The Company is in the process of ironing out and settling old matters. It is exploring different avenues of viable business activities and is hopeful of identifying and commencing the same shortly. The special resolution at item no. 5 will enable your Company to raise further capital by way of public issue, rights issue, composite issue and/or on a private placement basis including allotment to Qualified Institutional Buyers by way of Qualified Institutional Placement(s) as per Chapter VIII of the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("SEBI ICDR Regulations") by creating, offering, issuing and allotting equity shares or any other instruments/securities including warrants representing either equity shares and/or convertible/exchangeable securities linked to equity shares ("Securities") by offering the Securities to domestic institutions, Indian companies, corporate bodies, mutual funds, venture capital funds, banks (including co-operative banks and regional rural banks), insurance companies, provident funds, trusts, pension funds, superannuation funds, national investment funds, stabilizing agents, anchor investors, Qualified Institutional Buyers as defined under Clause 2.1 (zd) of SEBI ICDR Regulations by way of Qualified Institutional Placements under Chapter VIII of the SEBI ICDR Regulations, individuals or otherwise, whether shareholders of the Company or not.

The offerings of the Securities may require appointment of Merchant Bankers, Underwriters, Legal Advisors and Experts or such other Authority or Authorities to advise the Company especially in relation to the pricing of the Issue and to remunerate any of the said agencies in any manner including payment of commission, brokerage, fee or payment of their remuneration for their services. The detailed terms and conditions of the issue as and when made will be determined in consultation with the Merchant Bankers, Lead Managers, Legal Advisors, Underwriters and other Experts in accordance with the terms of approval of the Government of India, Reserve Bank of India, SEBI and such other authorities as may be required.

Section 81(1A) of the Companies Act, 1956, provides, inter alia, that where it is proposed to increase the Subscribed Share Capital of the Company by allotment of further shares, such further shares shall be offered to the persons who at the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid up on those shares as of that date unless the Shareholders decide otherwise by way of a Special Resolution. The Listing Agreements executed by the Company with the various Stock Exchanges also provide that the Company shall issue or offer in the first instance all Securities to the existing equity shareholders of the Company unless the Shareholders decide otherwise.

The proposed Special Resolution gives (a) adequate flexibility and discretion to the Board to finalize the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the issue in accordance with the normal practice, (b) powers to issue and market any Securities issued including the power to issue such Securities in such tranche or tranches and (c) powers for utilization of the issue proceeds as the Board may deem fit, without being required to seek any further consent or approvals of the members or otherwise, with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956, SEBI ICDR Regulations and in terms of the provisions of the Listing Agreements and such other approvals as may be necessary, to issue and allot Securities as stated in the Special Resolution.

The Present Authorised Share Capital of the Company is Rs. 9,00,00,000 (Rupees Nine Crores Only) divided into 80,00,000 (Eighty Lakh) Equity Shares of Rs. 10/- each (Rupees Ten only) and 1,00,000 (One Lac) Cumulative Redeemable Preference Share of Rs. 100/- (Rupees Hundred) each.

The alteration of the Capital Clause in the Memorandum of Association is purely consequential to the increase in the authorised share capital of the Company.

The proposed issue is in the interest of the Company and your Directors recommend the Resolutions from item No.5-9 for your approval.

None of the Directors is in any way concerned or interested in the above resolution except to the extent of their respective shareholding, to the extent that they may be entitled to subscribe to Equity Shares of the Company in the Rights Issue, if any, and/or to the extent of securities that may be subscribed by the Companies/Institutions of which they are Directors and/or Members.

Date: August 02, 2011

Place: Mumbai

**Registered Office:**

14-A The Club,  
Near Mangal Anand Hospital,  
Swastik Park, Chembur,  
Mumbai-400 071

By Order of the Board of Directors

**APTE AMALGAMATIONS LIMITED**

Chairman

#### **IMPORTANT COMMUNICATION TO SHAREHOLDERS:**

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to members. To support this green initiative of the Government, in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of their holdings as early as possible. Members who have provided their e-mail addresses desire to receive physical copy of the aforesaid documents as well as those members who hold shares in physical form would like to receive the aforesaid documents by e-mail are requested to inform the Company's Registrar and Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd at their E-mail id [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)."

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### DIRECTORS' REPORT

To  
The Members,  
Apte Amalgamations Limited

The Directors have pleasure in presenting 7<sup>th</sup> Annual Report of the company along with the audited statements of Accounts for the financial year ended March 31, 2011.

#### Financial Results

(Rs. in lacs)

PARTICULARS	F.Y.	F.Y.
	2010-11	2009-10
Total Income	2.54	1028.32
Total Expenditure	187.92	282.01
Profit before Tax	(185.38)	746.31
<b>Less:</b>		
Provision for Taxation (Current)	-	(130.00)
Provision for Taxation (FBT)	-	(0.48)
Provision for Taxation (Deferred)	-	(4.04)
Net Profit after Taxation	(185.38)	618.05

#### OPERATIONS FOR THE PERIOD:

The company undertook the business of trading in securities and is exploring the economic and financial viability of carrying out some development activity on the land owned by the company.

#### FINANCIAL RESTRUCTURING:

In continuation of its efforts, the management is contemplating various measures to revive the operations of the Company. In an attempt to generate positive income, the Company has, during the year started share trading activity and has achieved a moderate income from the same. The Company is in the process of ironing out and settling old matters. It is exploring different avenues of viable business activities and is hopeful of identifying and commencing the same shortly.

#### INCOME TAX & SALES TAX:

Income Tax assessments are completed upto the Assessment Year 2008-09, i.e. financial year ended 31<sup>st</sup> March 2008. There is no demand, interest, penalty against any of the completed assessments. Sales Tax assessments are completed and there are no demands pending for completed assessments.

#### DIVIDEND

The Chairman informed the Board that in view of accumulated losses it would be prudent, not to recommend payment of dividend on equity share capital of the Company for the financial year ended 31.03.2011. The Board after discussion on the matter, decided not to recommend dividend on Equity Share Capital of the Company for the financial year ended 31.03.2011.

#### DIRECTORS

In accordance with the requirement of the provisions of Section – 256(2) of the companies Act, 1956 read with Article No. 160 of the Article of Association of the Company Mr. Rajesh Loya and Mr. Jashwant B. Mehta, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible have offered themselves for re- appointment. The Director's recommend the reappointment of Mr. Rajesh Loya and Mr. Jashwant B. Mehta.

#### GROUP

Pursuant to intimation from the Promoters, the names of the Promoters and entities comprising the 'Group' are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

#### AUDITORS AND AUDITOR'S REPORT

M/s. P. G. Bhagwat, Chartered Accountants, Statutory Auditors, hold office until the conclusion of the ensuing Annual General Meeting is eligible for re- appointment. The members are requested to consider their re- appointment for the financial year 2011- 12 and authorize the Board of Directors to fix their remuneration.

The Company has received a certificate from the auditors to the effect that their re-appointment if made, would be in accordance with the provisions of section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section – 226 of the Act.

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The notes on accounts, as referred to in the Auditors Report are self explanatory and a practice consistently followed, and therefore do not call for any further comments and explanations.

### **PARTICULARS OF EMPLOYEES AND OTHER INFORMATION PURSUANT TO SECTION 217(2A) AND 217(2AA) OF THE COMPANIES ACT 1956:**

The information required under sub-section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 duly amended by the Companies (Particulars of Employees) Rule, 1999 for the year ended 31st March, 2011 is not applicable to the Company as none of the employee is drawing remuneration more than the limits presently specified under the said rules.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Considering the nature of activities of the company, the information required to be disclosed pursuant to the provisions of Section - 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to the conservation of energy and technology absorption is not applicable to the Company. Hence no comment is being made on energy conservation. There is no foreign technology involved/ absorbed.

During the year under review, the company has neither earned any foreign exchange nor incurred any expenditure in Foreign exchange.

### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any;
- (ii) The Directors had 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 March 31, 2011 and of the profit of the Company for the year ended March 31, 2011;
- (iii) The Directors had 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;
- (iv) The Directors have prepared the Annual Accounts for the financial year ended March 31, 2011 on a going concern basis.

### **APPRECIATION**

The Directors take this opportunity to express their gratitude and thanks to the esteemed Shareholders, Bankers, Securities and Exchange Board of India (SEBI), Bombay Stock Exchange (BSE), Central, State and Local Government Departments and Bodies for their continued support and cooperation. The Directors place on the record their deep appreciation to all employees of the company for their strong ethics, excellent performance, professionalism, solidarity, commitment, dedication and initiative at all levels which enabled the company to sustain in today's challenging environment and is looking forward to their continued support in the future as well.

By Order of the Board of Directors

Date: August 02, 2011

Place: Mumbai

Vaman Madhav Apte

Chairman

Persons constituting group coming within the definition of "group" for the purpose of Regulation 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, include the following:

Sr. No.	Name of the Entity
1.	Jaydeep V. Mehta
2.	Nikhil V. Mehta
3.	Chetan J. Mehta
4.	Jashwant B. Mehta
5.	Techno Shares & Stocks Limited
6.	Techno Club Private Limited
7.	Techno Capmart Private Limited
8.	Bela Estate & Development Private Limited
9.	Mercury Realtors Private Limited
10.	Neptune Resorts & Development Private Limited
11.	Juhu Resorts & Development Private Limited
12.	Mehta Resorts & Development Private Limited.
13.	Panorama Mercantile Private Limited
14.	Panorama Finvestrade Private Limited



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**AUDITORS' REPORT**

**To, the members of Apte Amalgamations Limited**

1. We have audited the attached Balance sheet of Apte Amalgamations Limited as at 31<sup>st</sup> March, 2011, the Profit and Loss account and also the Cash-flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, (as amended by Companies (Auditors' Report) (Amendment) Order, 2004) issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) 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;
  - (iii) the Balance sheet, Profit and Loss account and Cash-flow statement dealt with by this report are in agreement with the books of account;
  - (iv) in our opinion, the Balance sheet, Profit and Loss account and Cash-flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, **ಮಾನ್ಯತೆ ಮೇಲೆ ಮುಚ್ಚಿದ ಖಾತೆಗಳಿಗಾಗಿ** ಲೆಕ್ಕಾಚಾರದ ಪ್ರಕಾರ ಲೆಕ್ಕಾಚಾರವನ್ನು ಮೇಲ್ಕಂಡ ವಿವರಗಳನ್ನು ಲೆಕ್ಕಾಚಾರ ಮಾಡಿ ಅದರ ಉದ್ದೇಶಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಅದರ ಬಳಕೆಯನ್ನು ಮಾಡಿ ಮತ್ತು ಅದರ ಮೂಲಕ ಅದರ ಸ್ವರೂಪದ ಅಭಿಪ್ರಾಯವನ್ನು ವ್ಯಕ್ತಪಡಿಸುತ್ತೇನೆ.
  - (v) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2011, we report that none of the directors are disqualified as on 31<sup>st</sup> March, 2011, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (vi) a) Provision for wealth tax as at 31.3.11 has not been made nor ascertained (refer Note 14)  
b) Provision for gratuity and leave encashment has not been made as per AS-15 revised, refer note No A (Retirement benefits).  
**Subject to the above**, in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with the significant accounting policies and other 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:
    - a. in the case of the Balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011;
    - b. in the case of the Profit and Loss account, of the loss for the year ended on that date; and
    - c. in the case of the Cash-flow statement, of the cash-flows for the year ended on that date.

For M/S P.G.Bhagwat,  
Chartered Accountants,

(S.S.Athavale)  
Partner (Membership No. 83374)  
Firm's Registration No. With ICAI: 101118W

Place : Mumbai  
Date : 30th May 2011

**Annexure to the Auditor's report**

**Re: Apte Amalgamations Limited**

**ಚಿತ್ರೀಕರಣದ ವಿವರಗಳನ್ನು ಸೇರಿಸಿರುವ ಖಾತೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ:**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - (b) The fixed assets have been physically verified by the management during the year. The procedure & frequency of which was satisfactory. As informed to us, no discrepancies were noticed on such verification;
  - (c) Substantial part of the fixed assets have not been sold during the year.
2. (a) Inventory of real estate has been physically verified during the year by the management.
  - (b) The procedure of physical verification of the inventory of real estate is reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) Proper records of inventory of real estate is maintained, and there are no material discrepancies between the physical stocks and the book records.

## APTE AMALGAMATIONS LIMITED - Annual Report 2011

3. (a) The Company has not granted loans or advances, secured or unsecured, to Companies, firms and Other parties covered under section 301 of the Companies Act, 1956
- (b) The Company has not taken loans or advances, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, except unsecured loans from six parties the outstanding balance of whom as at the balance sheet date was Rs. 1140.25 lakhs.
- (c) As informed to us, the rate of interest and terms & conditions of the same are not prejudicial to the interests of the company,
- (d) There are no stipulations as to repayment of principal amounts;
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase and sale of inventory and fixed assets. There was no sale of goods or services during the year. During the course of audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rs.5 Lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted deposits from the public within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956, where applicable, and the Rules framed there under. We are informed that no Order has been passed by the Company Law Board, Reserve Bank of India or any Court or any other Tribunal.
7. The Company did not have an internal audit system during the year.
8. Maintenance of cost records has not been prescribed to the company under section 209(1)(d) of the Companies Act, 1956
9. (a) In our opinion and according to the information and explanations given to us, the company is regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, cess, service tax, and any other statutory dues, wherever applicable, with the appropriate authorities. There are no undisputed dues pending unpaid for more than six months as at the balance sheet date.
- (b) according to the information and explanations given to us, there are cases of non-deposit of excise duty of Rs. 56,68,989/- (pending with the Assistant Commissioner of Central Excise, Mumbai). In respect of disputed income tax cases, the company has not ascertained the amount of such dues. There are no cases of non-deposit with the appropriate authorities of disputed dues of sales-tax, service-tax, wealth tax and cess.
10. The accumulated losses of the Company at the end of the financial year are more than fifty percent of its Net worth. It has incurred cash losses during the year covered by our audit but has not incurred cash loss in the immediately preceding year.
11. In our opinion, and according to the information and explanations given to us, the Company has not defaulted in payment of dues to Banks, financial institutions and debenture holders.
12. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. As informed to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
14. According to the information and explanations given to us, the company has maintained proper records of the transactions and contracts in respect of dealing and trading in shares, securities, debentures and other investments, and timely entries have been made therein. The shares, securities, debentures and other investments have been held in the name of the company.
15. The provisions of any special statute applicable to chit funds are not applicable to the company.
16. The Company has not obtained any term loan during the year.
17. According to the information and explanations given to us, and on an overall examination of the Balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956, during the year.
19. No debentures have been issued by the Company and hence the question of creating securities/charge in respect thereof does not arise.
20. During the year, the Company has not raised money by public issue.
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 M/S P.G. Bhagwat,  
Chartered Accountants,

(S.S. Athavale)  
Partner Membership No. 83374  
Firm's Registration No. With ICAI : 101118W

Place : Mumbai  
Date : 30th May 2011

**APTE AMALGAMATIONS LIMITED - Annual Report 2011**

**BALANCE SHEET AS AT 31ST MARCH, 2011**

	Sch No.	As at 31st March 2011 Rupees	As at 31st March 2010 Rupees
<b>I SOURCES OF FUNDS</b>			
<b>{1} Shareholders' funds</b>			
a) Share Capital	1	19,531,000	19,531,000
b) Reserves and Surplus	2	6,427,000	6,427,000
		<b>25,958,000</b>	<b>25,958,000</b>
<b>{2} Loan funds</b>			
a) Secured Loans			
b) Unsecured Loans	3	143,025,000	91,500,000
		<b>143,025,000</b>	<b>91,500,000</b>
<b>Total</b>		<b>168,983,000</b>	<b>117,458,000</b>
<b>II APPLICATION OF FUNDS</b>			
<b>{1} Fixed assets</b>			
a) Gross Block	4	722,077	1,499,570
b) Less : Depreciation		296,374	1,084,871
c) Net Block		425,703	414,699
d) Capital Work in Progress		22,659,528	23,429,810
e) Incidental expenditure during construction period		42,036,789	13,378,333
		<b>65,122,020</b>	<b>37,222,842</b>
<b>{2} Investments</b>	5	1,000	1,000
<b>{3} Deferred tax asset (refer note no 13)</b>		1,720,590	1,720,590
<b>{4} Current Assets, Loans and Advances</b>			
a) Inventories	6	3,754,229	3,754,229
b) Sundry Debtors		-	-
c) Cash and bank balances	7	16,456	4,035,866
d) Loans and advances	8	26,170,892	21,597,622
		<b>29,941,577</b>	<b>29,387,717</b>
<b>Less : Current liabilities and provisions</b>			
a) Liabilities	9	22,499,399	27,032,685
b) Provisions	10	13,000,000	13,000,000
		<b>35,499,399</b>	<b>40,032,685</b>
<b>Net Current Assets</b>		<b>(5,557,822)</b>	<b>(10,644,968)</b>
<b>{5} Miscellaneous Expenditure</b> (to the extent not written off or adjusted)		-	-
<b>{6} Profit and Loss Account</b>		<b>107,687,212</b>	<b>89,158,536</b>
<b>Total</b>		<b>168,983,000</b>	<b>117,458,000</b>
Significant Accounting Policies and Notes on Accounts	15		

As per our attached report of even date

For **M/s P.G.Bhagwat**  
Chartered Accountants

S S Athavale  
Partner

Place : Mumbai  
Dated : 30th May, 2011

For and on behalf of the Board

**Rajesh Loya**  
Director

**Manoosh Taparia**  
Director

**V. K. Sant**  
Company Secretary

Place : Mumbai  
Dated : 30th May, 2011

**APTE AMALGAMATIONS LIMITED - Annual Report 2011**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2011**

	Sch No.	Year Ended 31st March 2011 Rupees	Year Ended 31st March 2010 Rupees
<b>Income</b>			
Income From Operations / Sales	11	250,351	581,652
Excess provisions of earlier years written back		-	79,069,895
Sundry creditors & Liabilities Written Back		-	5,761,386
Other Income	12	3,805	17,419,371
		<b>254,156</b>	<b>102,832,304</b>
(Decrease) in Stocks of stores & spares and real estate stock in trade		-	-
<b>Total</b>		<b>254,156</b>	<b>102,832,304</b>
<b>Expenditure</b>			
Manufacturing and Other Expenses	13	12,569,346	15,924,336
Depreciation (other than revaluation)		16,227	20,080
Loss on sale of investments (net)		-	7,646,441
Sundry Creditor's settlement		-	-
Interest and finance charges	14	6,207,260	4,610,457
<b>Total</b>		<b>18,792,832</b>	<b>28,201,314</b>
<b>Profit / (Loss) before tax</b>		<b>(18,538,677)</b>	<b>74,630,990</b>
Provision fringe benefit tax		-	(48,475)
Provision for deferred tax (net)		-	(404,386)
Provision for Income tax		-	(13,000,000)
Taxation in respect of earlier years		-	627,166
<b>Profit / (Loss) after tax</b>		<b>(18,538,677)</b>	<b>61,805,295</b>
<b>Profit / (Loss) after tax &amp; exceptional items</b>		<b>(18,538,677)</b>	<b>61,805,295</b>
Transferred from Investment Allowance Reserve		-	7,546,184
Deficit brought forward from previous year		(89,158,536)	(158,510,016)
<b>Deficit carried to Balance Sheet</b>		<b>(107,697,212)</b>	<b>(89,158,536)</b>
<b>Closing Number of Shares</b>		1,953,100	1,953,100
<b>Weighted Average Number of Shares</b>		1,953,100	1,953,100
<b>Basic &amp; Diluted Earnings Per Share</b>		(9.49)	31.64

As per our attached report of even date  
For **M/s P.G.Bhagwat**  
Chartered Accountants

S. S. Athavale  
Partner

Place : Mumbai  
Dated : 30th May, 2011

For and on behalf of the Board

**Rajesh Loya**  
Director

**Maneeah Taparia**  
Director

**V. K. Sant**  
Company Secretary

Place : Mumbai  
Dated : 30th May, 2011

**APTE AMALGAMATIONS LIMITED - Annual Report 2011**

Schedules to the Balance Sheet and Profit and Loss Account  
for the year ending 31st March 2011

**Schedule No. 1 - SHARE CAPITAL**

*Authorised*

29,00,000 Equity shares of Rs. 10/- each  
1,10,000 14% Cumulative Redeemable  
Preference shares of Rs.100/- each

*Issued and Subscribed*

19,53,100 Equity shares of Rs. 10/- each  
fully paid up

Note : of the above shares :

- a) 13,28,100 Shares are allotted as fully paid up pursuant to a contract without payments being received in cash, and
- b) 5,25,000 Shares were allotted as fully paid up by way of Bonus Shares as under :
  - i) By capitalisation of Reserves :
  - ii) By capitalisation of profit :

Rupees	As at: 31st March 2011 Rupees	As at: 31st March 2010 Rupees
	29,000,000	29,000,000
	11,000,000	11,000,000
	<b>40,000,000</b>	<b>40,000,000</b>
	19,531,000	19,531,000
	4,200,000	
	1,050,000	
Total	<b>5,250,000</b>	
	<b>19,531,000</b>	<b>19,531,000</b>
<b>Schedule No 2 - RESERVES AND SURPLUS</b>		
Capital Redemption Reserve - Balance as per last balance sheet	6,427,000	6,427,000
Investment Allowance Reserve - Balance as per last balance sheet		
Less Transferred to General Reserve	-	-
Total	<b>6,427,000</b>	<b>6,427,000</b>
<b>Schedule No 3 - UNSECURED LOANS</b>		
<b>Short term loans and advances</b>		
From Directors	-	-
Club membership deposits	-	-
Total - (A)	-	-
<b>Other loans and advances</b>		
Sugarcane purchase tax loan from Government of Maharashtra		
From others	143,025,000	91,500,000
Total - (B)	<b>143,025,000</b>	<b>91,500,000</b>
Total - (A) + (B)	<b>143,025,000</b>	<b>91,500,000</b>
<b>Schedule No 5 - INVESTMENTS (LONG TERM)</b>		
<i>Non-trade investments</i>		
In fully paid up equity shares of companies (unquoted) 1000 (1000) shares of rupees Co. Op. Bank Limited of the face value of Rs. 25/- each	25,000	25,000
Less : Provision for diminution in value	(24,000)	(24,000)
Total	<b>1,000</b>	<b>1,000</b>

APTE AMALGAMATIONS LIMITED - Annual Report 2011

Schedule to the Balance Sheet and Profit and Loss Account for the year ended 31st March 2011

**Schedule - 4 FIXED ASSETS**

	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As on 1st April '11 Rs.	Additions Rs.	Decreases Rs.	Total upto 31st March '11 Rs.	Used upto 31st March '11 Rs.	For the year Rs.	Decreases Rs.	Total upto 31st March '11 Rs.	As on 31st March '11 Rs.
Land	300,754 (500,714)	-	(5,000)	300,754 (500,714)	-	-	-	-	300,754 (500,714)
Buildings	2,78,547 (1,413,302)	-	9,749 (1,034,260)	288,296 (5,38,542)	287,755 (1,37,779)	4,267 (1,102)	7,608 (92,628)	294,609 (28,7,655)	82,784 (50,667)
Plant and Machinery	1,3,438 (12,538)	40,360	1,3,438	40,360 (12,498)	10,494 (9,720)	765 (4,804)	10,454	785 (1,14,184)	20,185 (5,354)
Furniture and Deadstock	705,558 (588,905)	1,000 (7,950)	705,558	1,000 (7,950)	590,632 (688,915)	1,000 (4,14)	695,032	11,000 (689,032)	- (1,524)
<b>Total</b>	<b>1,489,570</b> <b>(2,576,380)</b>	<b>51,950</b> <b>(7,950)</b>	<b>829,443</b> <b>(1,084,460)</b>	<b>722,077</b> <b>(1,498,570)</b>	<b>1,084,871</b> <b>(1,985,477)</b>	<b>16,227</b> <b>(20,050)</b>	<b>604,724</b> <b>(920,628)</b>	<b>296,374</b> <b>(1,184,871)</b>	<b>425,703</b> <b>(414,989)</b>

**CAPITAL WORK-IN-PROGRESS**

(Including expenses incurred for 14A The Club)

61,535  
(30,809,143)

**APTE AMALGAMATIONS LIMITED - Annual Report 2011**

Schedules to the Balance Sheet and Profit and Loss Account for the year ending 31st March 2011

**Schedule No 6 - INVENTORIES**

**Stock In Trade**  
Real estate stock in trade

**Total**

**Schedule No 7 - CASH AND BANK BALANCES**

Cash on hand  
Balances with scheduled banks -  
    In current accounts  
    In fixed deposit account

**Total**

**Schedule No 8 - LOANS AND ADVANCES (UNSECURED)**

Loans to others  
Advances recoverable in cash or kind or for value to be received  
Balance with Central Excise Authorities  
Advance tax

**Total**

**Schedule No 9 - LIABILITIES**

Sundry Creditors  
i) Total outstanding dues to SME Undertakings  
ii) Total outstanding dues to Creditors other than SME Undertakings

Advances received in respect of real estate trading activity  
Advances received against proposed sale/development of property  
Other Liabilities

**Total**

**Schedule No 10 - PROVISIONS**

Provision for taxes

**Total**

Rupees	As at 31st March 2011 Rupees	As at 31st March 2010 Rupees
	3,754,229	3,754,229
<b>Total</b>	<b>3,754,229</b>	<b>3,754,229</b>
	16,456	1,805,875
	-	2,229,991
	-	-
<b>Total</b>	<b>16,456</b>	<b>4,035,866</b>
	12,460,290	21,550,298
	13,710,602	47,324
<b>Total</b>	<b>26,170,892</b>	<b>21,597,622</b>
	-	-
	17,499,399	22,032,685
	5,000,000	5,000,000
	-	-
	5,000,000	5,000,000
<b>Total</b>	<b>22,499,399</b>	<b>27,032,685</b>
	13,000,000	13,000,000
<b>Total</b>	<b>13,000,000</b>	<b>13,000,000</b>

**APTE AMALGAMATIONS LIMITED - Annual Report 2011**

Schedules to the Balance Sheet and Profit and Loss  
Account for the year ending 31st March 2011

	Rupees	As at 31st March 2011 Rupees	As at 31st March 2010 Rupees
<b>Schedule No 11 - SALES INCOME FROM OPERATIONS</b>			
<b>Trading In Shares &amp; Securities</b>	<b>Quantity</b>		
Sale	102,594	2,756,309	-
Add : Closing Stock	-	-	-
Less : Purchase	102,594	2,721,720	-
Opening Stock	-	-	-
Profit / (Loss)		<b>34,589</b>	-
Less : Service Tax Transaction Chgs Stamp Duty & Other Chgs.		(564,964)	-
Add : Profit from Intraday Trading		(430,918)	-
Add : Profit from F & O Trading		1,211,625	581,652
<b>Total</b>		<b>250,351</b>	<b>581,652</b>
<b>Schedule No 12 - OTHER INCOME</b>			
Interest on deposits gross			48,383
Dividend received			170
Rent received		-	544,626
Profit on sale of assets		-	16,758,328
Profit on sale of investment		-	2,298
Miscellaneous income		3,805	65,566
<b>Total</b>		<b>3,805</b>	<b>17,419,371</b>
<b>Schedule No 13</b>			
<b>Manufacturing and other expenses</b>			
Payments to and provision for employees (net)			
Salaries, wages and bonus		1,503,750	2,261,170
Contribution to provident and other funds		101,344	172,527
Staff welfare expenses		3,299	208,687
<b>Total - (A)</b>		<b>1,608,393</b>	<b>2,642,384</b>
<b>Operations and other expenses</b>			
Fuel, electricity and water charges		216,443	335,580
Rates and taxes		1,250	121,612
Repairs and maintenance - others		181,433	512,473
Legal and professional fees		792,283	3,908,336
Postage, telephone, printing and stationery		83,184	278,057
Traveling, conveyance and motor car expenses		211,976	604,982
Excise balances & Other written off		8,169,404	3,811,372
Assets Scrapped		24,720	-
Entertainment expenses		-	28,850
Audit fees		253,994	195,135
Miscellaneous expenses		175,472	751,277
Prior period expenses		850,794	2,734,278
<b>Total - (B)</b>		<b>10,960,953</b>	<b>13,281,952</b>
<b>Total - (A) + (B)</b>		<b>12,569,346</b>	<b>15,924,336</b>
<b>Schedule No 14</b>			
<b>Interest and finance charges</b>			
Interest on ICD's		6,201,497	4,601,161
Bank charges		5,763	9,296
<b>Total</b>		<b>6,207,260</b>	<b>4,610,457</b>



## APTE AMALGAMATIONS LIMITED - Annual Report 2011

### SCHEDULE 15: SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

#### A. SIGNIFICANT ACCOUNTING POLICIES

##### FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost, less accumulated depreciation.

##### EXPENDITURE DURING CONSTRUCTION PERIOD

Expenditure during construction period including pre-operative expenses (net of pre-operative income), all direct and indirect expenses are capitalised

##### DEPRECIATION

Depreciation on fixed assets has been provided on the written down value method in accordance with the Companies Act, 1956, at the rates and in the manner specified in schedule XIV of this Act. 1956. Leasehold land has been amortized over the period of lease.

##### INVESTMENTS

Current investments are carried at lower of the cost or fair value. Long-term investments are carried at cost. Provision is made to recognize a decline, other than temporary, in the carrying amount of Long term investments.

##### INVENTORIES

Real estate stock-in-trade - at cost of land including the accretion to its value on change.

in its character from 'capital assets' to 'trading assets' plus development expenses incurred to date, or net realizable value, whichever is lower

##### RETIREMENT BENEFITS

Gratuity Liability:- The trustees of AAL Employees' Group Gratuity Trust have taken a Group Gratuity-cum-Life Assurance Policy from the Life Insurance Corporation of India (LIC) for employees. The Company has been contributing the premium for the same on the basis of actuarial valuation of LIC instead of AS 15 revised.

Provident Fund-Contribution as required under the Statute/ Rules is made to the New Phaltan Sugar Works Employees Provident Fund.

Leave encashment- Provision is made for leave encashment for un-expired leave as at the year-end instead of on actuarial basis in view of there being less than 10 employees.

##### REVENUE RECOGNITION

Revenue (income) is recognised when no significant uncertainty as to determination or realisation exists.

##### BORROWING COSTS

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. There are no borrowing costs applicable and chargeable to revenue.

#### B. NOTES ON ACCOUNTS

- Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs.57 lakhs (as at 31<sup>st</sup> March, 2010 Rs.Nil/-).
- Contingent liabilities, in respect of:

	As at 31st March, 11 Rupees	As at 31st March, 10 Rupees
i. Demand by DGFT (excluding interest and penalty), contested before CESTAT and recovery stayed.	37,463,669	37,463,669
ii. Non-fulfillment of export obligation under the Advance License Scheme.	7,244,465	7,244,465
iii. Excise demand if any against the orders passed by the CESTAT (amount deposited by the Company Rs.16 Lacs against same)	7,268,989	7,268,989
iv. Disputed penalty by Income Tax, appealed, pending disposal.	Amount not ascertained	Amount not ascertained
v. Demand for taxes by Bombay Municipal corporation (2000 to 2009), appeal against same is pending before Bombay High Court	14,861,620	14,861,620
vi. Payment to creditors, assigned to acquirer under slump sale.	24,894,308	24,894,308
vii. Claims of Labourers as passed by 8 <sup>th</sup> Labour Court Mumbai	10,927,980	---

In all the above matters, the Company does not expect any liability to crystallize.

- Real estate stock-in-trade (Swastik Textiles Division) of Rs.3,754,229/- (as at 31<sup>st</sup> March, 2010, Rs.3,754,229/-) has been valued at cost of land including the accretion to its value on change of its character from 'capital assets' to 'trading assets' plus development expenses incurred. The plots and area of these real estate stocks in trade (land) is as under:
  - Plot No CTS 366, area 2372 Sq Meters  
(Mani garage) - Encroached
  - Plot No CTS 366 / 6 , area 10,004.1 Sq Meters  
- Encroached by slum & unauthorized occupants.

Both the above  
aggregate 12376 Sq Mtrs.

## APTE AMALGAMATIONS LIMITED - Annual Report 2011

4. Capital work-in-progress as at 31<sup>st</sup> March, 2011, aggregating Rs.22,659,528/- (as at 31<sup>st</sup> March, 2010, Rs. 23,429,810/-) and incidental expenditure during construction period, Rs.42,036,789/- (as at 31<sup>st</sup> March, 2010 Rs. 13,378,333/-) representing expenditure incurred on certain project at the Sports Complex project in Mumbai.
5. Depreciation has been provided on the written down value method in accordance with the provisions of the Companies Act, 1956, at the rates and in the manner specified in schedule XIV to this Act.
6. Confirmation letters have not been obtained from debtors, creditors, loans/ advances given and for certain loans/ deposits taken and hence their balances are subject to reconciliation and consequent adjustments, if any.
7. Managerial remuneration under section 198 of the Companies Act, 1956:

(minimum remuneration)  
To the Finance Director

		(Up to 11th April 2010)	Previous year Rupees
a.	Salary	27,408	897,000
b.	Contribution to Provident and Other Funds*	3289	107,640
c.	Perquisites	14,942	593,400
		<b>45,639</b>	<b>1,598,040</b>

■ The remuneration excludes contribution to Gratuity as the incremental liability has been accounted by the Company as a whole.

8. Payment to Auditors

		Rupees	Previous year Rupees
a.	As Auditors	100,000	100,000
b.	As advisors or in any other capacity In respect of taxation matters	-	-
c.	Any other matter (Tax Audit, Certification work etc.)	120,000	65,000
d.	As expenses	31594	30,135
Total		<b>251,594</b>	<b>195,135</b>

9. Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of part II of Schedule VI to the Companies Act, 1956 (to the extent applicable):

(i) Stock

(a) Opening Stocks

	Unit	2010-2011		2009-2010	
		Quantity	Value (Rs.)	Quantity	Value (Rs.)
Trading Activity:					
Real Estate	Sq. Mtrs.	12,376	3,754,229	12,376	3,754,229
<b>Total</b>			<b>3,754,229</b>		<b>3,754,229</b>

(b) Closing Stocks

	Unit	2008-2009		2007-2008	
		Quantity	Value (Rs.)	Quantity	Value (Rs.)
Trading Activity:					
Real Estate	Sq. Mtrs.	12,376	3,754,229	12,376	3,754,229
<b>Total</b>			<b>3,754,229</b>		<b>3,754,229</b>

**APTE AMALGAMATIONS LIMITED - Annual Report 2011**

10. Related party transactions  
a. Names of related parties where control exists : None  
b. Details of Transactions with Related Parties : Not Applicable

**11. Earnings per share**

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

	31.03.2011 Rupees	Previous year Rupees
Profit / (Loss) attributable to equity shareholders	(18,538,677)	61,805,295
Weighted average number of shares outstanding during the year	1,953,100	1,953,100
Basic/ Diluted Earnings Per Share- Rupees	(9.49)	31.64
Nominal value per share - Rupees	10.00	10.00

**12. Segment accounting as per AS 17**

PARTICULARS	Accounting year ended 31.03.2011 Audited	Previous Accounting year ended 31.03.2010 Audited
<b>Segment Revenue</b>		
—Property Development	-	-
—Trading in Securities	3,967,935	581,652
<b>Net Sales / Income from Operations</b>	<b>3,967,935</b>	<b>581,652</b>
<b>Segment Results</b>		
Profit / Loss before Interest & Excep. Items (3+4)		-
—Property Development		-
—Trading in Securities	250,351	581,652
<b>Total Income from operations</b>	<b>250,351</b>	<b>581,652</b>
Less: Interest	6,201,497	4,610,457
Add : Other Unallocable Income Net of Expenditure	(12,587,531)	78,659,795
<b>Profit / (Loss) Before Tax</b>	<b>(18,538,677)</b>	<b>74,630,990</b>
<b>Capital Employed</b>		
—Property Development	62,618,980	35,100,000
—Trading in Securities	-	-
—Others (Unallocable)	(1,333,192)	(98,499,465)
<b>Total</b>	<b>61,285,788</b>	<b>(63,399,465)</b>

13. The deferred tax asset on account of Depreciation as per the Income Tax Act, and that as per the accounts - to Rs137,548/-, disallowances u/s 43B of the Income Tax act of Rs.1,304,942/- disallowances u/s 40a (ia) of the Income Tax act of Rs.278,100/- aggregating Rs.1,720,590/- as applicable has been provided and recognized as deferred tax asset as envisaged in AS 22.  
14. The Company has not provided for wealth tax liability if any in view of unascertainability of the value of such property due to reservation of land, unauthorized occupants and other reasons.  
15. Figures of the previous year have been regrouped to conform with current year grouping.

As per our attached report of even date  
**For M/s P.G. Bhagwat**  
Chartered Accountants

For and on behalf of the Board

**Rajesh Loya**                      **Manoah Taparia**  
Director                                      Director

S S Athavale  
Partner

**V. K. Sant**  
Company Secretary

Place : Mumbai  
Dated : 30th May, 2011

Place : Mumbai  
Dated : 30th May, 2011

**APTE AMALGAMATIONS LIMITED - Annual Report 2011**

**Cash flow statement for the year ended 31st March, 2011**

	As at 31st March 2011 Rupees	As at 31st March 2010 Rupees
<b>A. Cash Flow from operating activities</b>		
Profit / (Loss) for the year before tax & exceptional items	(18,539,677)	74,630,990
Adjustments for,		
Depreciation	16,227	20,080
Interest expenses	6,201,497	4,601,161
Loss on sale of investments (Gross)	-	7,646,441
(Profit) on sale of investments (Gross)	-	(2,298)
(Profit) / Loss on sale of fixed assets (Gross)	24,720	(16,758,328)
Sundry Credit balances written back (net)	-	(5,761,386)
Sundry Debit balances written off	8,169,404	3,810,872
Provision against advances/ excess Prov. reversed	-	(74,971,235)
Diminution in the value of Investments	-	24,000
<b>Operating loss before working capital changes</b>	<b>(4,126,829)</b>	<b>(6,759,703)</b>
(Increase) / Decrease in trade receivables	-	2,683,918
(Increase) / decrease in advances (net)	(12,742,674)	54,861,519
Increase / (Decrease) in Provisions	-	(4,361,084)
Increase / (Decrease) in trade and other payables	(4,533,286)	(57,586,457)
<b>Cash generated from Operations</b>	<b>(17,275,960)</b>	<b>(4,402,104)</b>
Tax paid	-	(7,695,104)
<b>Net cash generated from operating activities</b>	<b>(21,402,788)</b>	<b>(18,856,911)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	(51,950)	(7,950)
Exp. during construction period & incidental exp. for construction	(27,888,174)	(1,841,498)
Sale of fixed assets (net)	-	16,922,162
Sale of Investments	-	2,542,300
<b>Net cash generated from / (used in) investing activities</b>	<b>(27,940,124)</b>	<b>17,615,014</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from other borrowings	51,525,000	91,500,000
Repayments of long term borrowings	-	(83,473,686)
Interest paid	(6,201,497)	(4,601,161)
<b>Net cash (used in) financing activities</b>	<b>45,323,503</b>	<b>3,425,153</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(4,319,410)</b>	<b>2,183,257</b>
Cash and cash equivalents at the beginning of the year	4,035,866	1,852,609
Cash and cash equivalents at the end of the year	<b>16,456</b>	<b>4,035,866</b>

As per our attached report of even date

For **M/s P.G. Bhagwat**  
Chartered Accountants

S S Athavale  
Partner

Place : Mumbai  
Dated : 30th May, 2011

For and on behalf of the Board

**Rajesh Loya**  
Director

**Manoj Taparia**  
Director

**V. K. Sant**  
Company Secretary

Place : Mumbai  
Dated : 30th May, 2011

**APTE AMALGAMATIONS LIMITED - Annual Report 2011**

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

**I. Registration Details**

Registration No. 0 0 6 7 9 1 State Code 1 1  
 Balance Sheet Date 3 1 0 3 2 0 1 1  
 Date Month Year

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

Public Issue	Right Issue
N I L	N I L
Bonus Issue	Private Placement
N I L	N I L

**III. Position of Mobilisation and deployment of Funds (Amount in Rs. Thousand)**

Total Liabilities 2 0 4 4 8 2 Total Assets 2 0 4 4 8 2

**Sources of Funds :**

Paid-up Capital	Reserves & Surplus
1 9 5 3 1	6 4 2 7
Secured Loans	Unsecured Loans
0	1 4 3 0 2 5

**Application of Funds :**

Net Fixed Assets & Capital Work in Progress	Investments
6 5 1 2 3	1
Net Current Assets	Misc. Expenditure
- 5 5 5 8	
Accumulated Assets	
1 0 7 6 9 7	

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

Turnover (Total Income)	Total Expenditure
2 5 4	1 8 7 9 3
Profit before Tax	Profit after Tax
- 1 8 5 3 9	1
Earning per Share	Dividend rate %
- 9 . 4 9	0 0

**V. Generic Names of Three Principal Products / Services of Company**

Item Code No. (ITC Code)	N . A .
Product Description	
Item Code No. (ITC Code)	N . A .
Product Description	
Item Code No. (ITC Code)	N . A .
Product Description	
A G E N C Y C O M M I S S I O N	
Item Code No. (ITC Code)	N . A .
Product Description	N . A .

Note : For ITC Code of Products, please refer to the publication Indian Trade Classification based on harmonized commodity description and coding system by Ministry of Commerce, Directorate General of Commercial Intelligence & Statistic, Calcutta 700 001.

Signature in Schedule 1 in 15

For and on behalf of the Board

As per our attached report of even date

For **M.A.P.G.Bhagwat**  
 Chartered Accountants

S S Athavale  
 Partner

Place : Mumbai  
 Dated : 30th May 2011

**V.K. Sant**                      **Rajesh Loya**      **Mannesh Taparia**  
 Company Secretary      Director              Director

Place : Mumbai  
 Dated : 30th May 2011

**APTE AMALGAMATIONS LTD.**

Registered Office: 14-A The Club, Near Mangal Anand Hospital, Swastik Park, Chembur, Mumbai-400 071.

**ATTENDANCE SLIP**

(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

Folio No.....

NAME AND ADDRESS OF THE SHAREHOLDER.....

I/We certify that I am / we are the Registered shareholder(s)/ Proxy for the registered shareholders of the Company.

I hereby record my presence at the 77<sup>th</sup> Annual General Meeting of the Company being held on **Wednesday, 28<sup>th</sup> September 2011 at 9.00 am**, at Mittal Tower, Premises Co-operative Society Ltd., Conference Hall, C Wing, 17<sup>th</sup> Floor, Opp. New Council Hall, Nariman Point, Mumbai - 400 021.

Signature of the Shareholder (s) 1..... 2.....  
3..... 4.....

Signature of the Proxyholder 1..... 2.....

Note: Shareholders / Proxy holders are requested to bring this report and Attendance Slip with them duly completed when they come to the meeting and hand it over at the gate after affixing signature on it. Practice of providing additional copies of the Annual report at the meeting has been discontinued.

**PROXY FORM**

**APTE AMALGAMATIONS LTD.**

Registered Office: 14-A The Club, Near Mangal Anand Hospital, Swastik Park, Chembur, Mumbai-400 071.

Folio No.....

I/We.....  
being a Member/Members of APTE AMALGAMATIONS LIMITED. hereby appoint.....  
.....of..... or failing  
him.....of..... as my / our proxy to attend  
and vote for me / us and on my behalf at the 77<sup>th</sup> Annual General Meeting of the Company to be held on  
**Wednesday, 28<sup>th</sup> September 2011 at 09.00 am** at Mittal Tower, Premises Co-operative Society Ltd., Conference  
Hall, C Wing, 17<sup>th</sup> Floor, Opp. New Council Hall, Nariman Point, Mumbai - 400 021.

AS WITNESS my hand/our hands this .....day of..... 2011

\_\_\_\_\_  
Signature



Note:  
The proxy form must be deposited at the Registered Office of the Company at 14-A The Club, Near Mangal Anand Hospital, Swastik Park, Chembur, Mumbai - 400 071, at least 48 hours before the Annual General Meeting. The Proxy need not be a member of the Company

BOOK POST

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Swastik Park, Chembur, Mumbai-400 071.