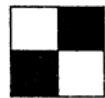


ANNUAL REPORT

2009-2010



PULSAR INTERNATIONAL LIMITED

BOARD OF DIRECTORS

M. K. Deliwala	<i>Chairman</i>
D. J. Engineer	<i>Director</i>
S. C. Deliwala	<i>Director</i>
R. S. Shah	<i>Director (Upto 05.09.2009)</i>
N. J. Shah	<i>Director (From 30.10.2009)</i>

AUDITORS

M/S. M. S. PARIKH & CO.
Chartered Accountants

REGISTERED OFFICE

A-501, Avantika Apartment,
New Maneklal Estate,
Ghatkopar (West)
Mumbai : 400 086

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(Schedules & Notes forming part of the accounts)	

NOTICE

Notice is hereby given that Nineteenth Annual General Meeting of Pulsar International Limited will be held on Tuesday, 21st September 2010 at 9.30 a.m. at Malabar Hill Club Ltd., B. G. Kher Marg, Malabar Hill, Mumbai - 400 006 to transact with or without modification the following business:

ORDINARY BUSINESS

- 1) To consider and adopt the Profit and Loss Account for the year ended 31st March 2010 and the Balance Sheet at that date together with the Reports of the Directors and Auditors thereon.
- 2) To appoint Director in place of Shri S. C. Deliwala who retires by rotation and being eligible, offers himself for reappointment.
- 3) To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS**APPOINTMENT OF ADDITIONAL DIRECTOR**

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

"RESOLVED THAT Mr. N. J. Shah, who was appointed by the Board of Directors vide resolution passed on October 30th, 2009 as Additional Director and who holds office as such upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 (the Act) and is eligible for appointment as Director in terms of Section 258 of the Act and in respect of whom the Company has received notice under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

NOTES:

- 1) 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.
- 2) Proxies should be lodged with the Company 48 hours before the commencement of the meeting.
- 3) Members desirous of obtaining information in respect of the accounts of the company are requested to send queries in writing to the company at its registered office so as to reach at least seven days before the date of the meeting.
- 4) The Registrar of members and Share Transfer books will remain closed on 21st September 2010.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956 AND INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT.

The Board of Directors of the Company vide their resolution dated October 30, 2009 had appointed Mr. N. J. Shah as an Additional Director to hold office till the date of next Annual General Meeting of the Company. It is proposed to appoint him as a Director liable to retire by rotation. Brief profile of Mr. N. J. Shah in terms of the listing agreement is mentioned hereunder. The Board recommends the resolution as set out in this Notice.

Mr. N. J. Shah aged 54 years is B.Com, F.C.A., having about 30 years experience in areas of Accountancy, General Management, Real Estate, and Insurance etc. He is a member of the Audit Committee and Shareholders Grievances Committee of Board constituted for effective Corporate Governance. He does not hold any other directorship. He does not hold any equity shares in the Company.

Mr. N. J. Shah may be deemed to be interested in this resolution. None of the other Directors of the Company are concerned or interested in this resolution

Brief Resume and other information in respect of Mr. S. C. Deliwala Director seeking re-appointment at the Annual General Meeting :

Shri. S. C. Deliwala aged about 89 has extensive experience of over 63 years in business, International trade and Finance. His experience & knowledge would be advantageous to the Company and Board will be benefited by his advice. Mr. S. C. Deliwala & Mr. M. K. Deliwala are related to each other and may be deemed to be interested in passing of the resolution. None other Directors are interested in passing of the resolution. Mr. S.C. Deliwala does not hold any Equity Shares in the Company. Mr. S. C. Deliwala does not hold any directorship in other companies.

Mumbai : 30th July, 2010

For and on behalf of the Board

Registered Office : A-501, Avantika Apartment,
New Maneklal Estate,
Ghatkopar (West)
Mumbai : 400 086

M. K. DELIWALA
CHAIRMAN

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting herewith Nineteenth Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March, 2010.

Financial Result	Year ended	Year ended
	31st March 2010	31st March 2009
	Rupees	Rupees
Gross Income	11,99,642	13,72,466
Gross Profit before Interest, Depreciation, Taxation & Prior Year Adjustments	(1,06,856)	36,641
Deduct therefrom		
a) Depreciation	2,86,178	3,42,138
b) Prior Year Adjustment	(1,024)	(37,536)
Profit/(Loss) before Taxation	(3,94,058)	(3,43,033)
Provision for taxation		
i) Income Tax	—	—
ii) Fringe Benefit Tax	—	12,500
Net Profit/(Loss) after tax comes to	(3,94,058)	(3,55,533)
Add: Balance Brought forward from previous year	35,01,383	1,89,60,034
Balance available for appropriation	31,07,325	1,86,04,501
which the Directors appropriated as follows :		
Transferred from Deferred Tax Liability	82,610	96,882
Transferred from Reserve for Bad & Doubtful Debts	—	60,00,000
Less : Bad Debts written off	—	2,12,00,000
Leaving a balance to be carried forward of	31,89,935	35,01,383

OPERATIONS :

The operations of the company were effected on account of Interest rates and returns from Financial Markets. The margins were under pressure.

FIXED DEPOSITS :

During the year under review the company has not accepted deposits from its shareholders and from the public.

DIRECTORS :

Under the Company's Articles of Association Mr. S. C. Deliwala Director retires by rotation and is eligible for re-appointment. Mr. R. S. Shah a Director of the Company expired on 5.09.2009, the Directors place on record their appreciation of the services rendered by him. Mr. N. J. Shah has been appointed as Additional Director with effect from 30.10.2010 and holds the office upto ensuing Annual General Meeting. He is eligible for appointment as Director. The Board recommends his appointment as a Director of the Company.

EMPLOYEES :

The information giving the required particulars under section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules, 1975 has not been given as company has no employees covered under Section 217(2A) of the Companies Act, 1956.

ENERGY TECHNOLOGY :

In view of nature of company's activities, the details of Conservation of energy, technology absorption are not applicable.

FOREIGN EXCHANGE EARNING AND OUTGO :

There were no earnings and outgo in Foreign Currency during the year under review and previous year.

AUDITORS & AUDITORS REPORT :

M/s. M.S. Parikh & Co., Auditors retire at the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, your Directors confirm that :

- in the preparation of the accounts, the applicable accounting standards have been followed;
- appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the affairs of the company for period ended 31st March 2010;
- proper and sufficient care has been taken 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; and
- the accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, a Management Discussion and Analysis Report, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

ACKNOWLEDGEMENT :

The Directors wish to take this opportunity to thank the Company's bankers, members, and employees of the company.
Mumbai: 30th July, 2010

Registered Office Address : A-501, Avantika Apartment,
New Maneklal Estate,
Ghatkopar (West)
Mumbai : 400 086

M. K. DELIWALA
CHAIRMAN

REPORT ON CORPORATE GOVERNANCE

A. Philosophy :

The Company is committed to implementation of good corporate governance practices in the interest of its stakeholders. The Company has taken a series of steps to implement all the measures of good corporate governance practice.

B. Board of Directors :

Composition, Meetings and Attendance :

The Board of Director comprises of Four Directors with all of them being Non Executive Directors. Seventy Five percent of the total strength of the Board comprises of Independent Directors.

The notice for the Board Meeting and the detailed agenda papers are circulated to all the Directors well in advance to enable them to attend and take an informed decision at the Meetings. The information as required under Annexure-IA to clause 49 of the Listing Agreement is made available to the Board.

The minutes of the proceedings of each Board and committee meeting are properly recorded and entered into minutes book. There is effective post meeting follow up, review and reporting process for decision taken by the Board.

During the financial year ended 31st March 2010, five Board Meetings were held on 27.04.2009, 24.07.2009, 28.08.2009, 30.10.2009 and 29.01.2010.

The composition of the Board of Directors as on March 31, 2010 and other details are as under :

Name of Director	Category	No of other Directorship Other than Pvt. Ltd. Co.	Committee Membership Of other Companies	No. of Board Meetings attended	Attendance at Last AGM of The Company
Mr. M. K. Dellwala Chairman	Non-Executive Promoter	One	Nil	5	Yes
Mr. Rameshbhai Shah	Non-Executive Independent	Nil	Nil	3	Yes
Ceased to be Director from 05.09.2009					
Mr. Dinesh J. Engineer	Non-Executive Independent	Nil	Nil	5	Yes
Mr. Shantilal C. Dellwala	Non-Executive Independent	Nil	Nil	5	Yes
Mr. Naresh J. Shah	Non-Executive Independent	Nil	Nil	2	No
Appointed as Director from 30.10.2009					

C. Audit Committee :

The Audit Committee comprises of Shri Rameshbhai Shah, Chairman, till 05.09.2009, Shri. Dinesh J. Engineer, Director and Shri. Naresh Shah from 30.10.2009. All the members of the Committee are independent directors and are having financial and accounting knowledge.

The Audit Committee met on 27.04.2009, 24.07.2009, 28.08.2009, 28.08.2009, 30.10.2009 and 29.01.2010 in the financial year ended March 31, 2010.

The Audit Committee had adequate powers and detailed terms of reference to play effective role as required under the Clause 49 the Listing Agreement.

The Compliance Officer acts as the Secretary to the Committee. The Statutory Auditors attend the meetings of the Audit committee as invitee.

During the year 2009-10 the attendance of the above Directors at the Audit Committee is as follows:

Name of Director	Category	No. of Meetings Attended
Mr. Rameshbhai Shah upto 05.09.2009	Independent	3
Mr. Dinesh Engineer	Independent	5
Mr. Naresh J. Shah from 30.10.2009	Independent	2

D. Remuneration Committee:

The Directors are only entitled to sitting fees and re-imbursment of out of pocket expenses incurred in discharge of their duties. The Company has however, constituted remuneration committee comprising of Shri M. K. Dellwala & Shri Dinesh Jayantilal Engineer. No meetings of Remuneration Committee were held during the financial year.

E. Remuneration paid to Directors for financial year 2009-10

	Name	Sitting Fees
1.	M. K. Dellwala	Rs. 7,500/-
2.	R. S. Shah	Rs. 4,500/-
3.	D. J. Engineer	Rs. 7,500/-
4.	S. C. Dellwala	Rs. 7,500/-
5.	N. J. Shah	Rs. 3,000/-

F. Shareholders / Investors Grievance Committee :

The Company has formed Shareholders/Investors Grievances Committee under the Chairmanship of Mr. Dinesh J. Engineer with Mr. Naresh J. Shah and Mr. M. K. Dellwala as it members to look into redressal of Shareholders and investors grievances with respect to transfer of Shares, non receipt of declared dividend or Annual report etc. and other matters relating to shareholder relationship. The shareholders grievance committee met as required. During the year ended on March 31, 2010 the Company did not receive any complaint from Shareholders/Investors.

Number of shares pending for Transfer:

All the valid share transfers requests received during the year were duly attended to and processed in time. There were no valid request pending for share transfer as on 31st March 2010.

G. Name and Designation of Compliance Officer:

Mr. C. D. Jog, Executive
Pulsar International Limited.
A-501, Avantika Apartment, New Maneklal Estate, Ghatkopar (West) Mumbai : 400 086.

H. Annual General Meetings :

The details of the location and time for last three Annual General Meetings are given below:

AGM NO.	Accounting Year	Date	Time	Location
18th	2008-2009	Sept 30, 2009	09.30a.m.	Malabar Hill Club Ltd. B. G. Kher Marg, Malabar Hill, Mumbai - 400 006.
17th	2007-2008	Sept 20, 2008	09.45a.m.	Garware Club House, Wankhede Stadium, 'D' Road, Charchgate, Mumbai - 400 020.
16th	2006-2007	Sept 06, 2007	09.45a.m.	Garware Club House, Wankhede Stadium, 'D' Road, Charchgate, Mumbai - 400 020.

No resolutions were passed through postal ballot during the year. No special resolutions were passed during the last three years.

I. Disclosures:

- a) **Disclosure regarding materially significant related party transaction :**
No transaction of material nature has been entered into by the Company with its Promoters, Directors or the management of relatives etc. that may have potential conflict with the interest of the Company. The company has no subsidiaries.
- b) **Disclosure of non-compliance by the Company**
There were no instances of non-compliance or penalty, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to Capital Markets during the last three years.
- c) **Means of Communication:**
The means of communication between the Company and the shareholders are transparent and investor friendly. The Company's half-yearly and quarterly unaudited results are forwarded to the Bombay Stock Exchange and are published in leading newspapers in English and in vernacular language of Mumbai. As such the Company does not send unaudited results to shareholders individually. The Company does not have its own website.
The Company has not made any presentation to any Institutional Investors/analyst during the year.
Annual Report containing inter alia, Audited Annual Report, Financial Statements, Directors Report, Auditors Report and other important information is circulated to the members and others entitled thereto.

J. Management Discussion and Analysis Report forms part of this Annual Report:**K. General Shareholder Information:**

- a) **Annual General Meeting**
The 19th AGM of the members of the company is scheduled to be held on Tuesday, 21st September, 2010 at 9.30 a.m. at Malabar Hill Club Ltd., B. G. Kher Marg, Malabar Hill, Mumbai - 400 006 at 9.30 a.m. the agenda for the same is stated in the Notice of the 19th Annual General Meeting.

b) Financial Calendar for the year 2010-2011 (Provisional)

A	Results for the first quarter ending on June 30, 2010	Already published in July, 2010
B	Results for the Second quarter ending on September 30, 2010	By end of October, 2010
C	Results for the third quarter ending on December 31, 2010	By end of January, 2011
D	Results (Audited) for the Financial Year ending March 31, 2011	By end of August, 2011
E	Annual General Meeting for the year ending March 31, 2011	By end of September, 2011

- c) Profile of the Directors seeking re-appointment forms the part of the Notice conveying the 19th Annual General Meeting of the Company which forms a part of the Annual Report
- d) **Details of book closures:**
On 21st September, 2010.
- e) **Dividend**
The Board of Directors have not recommended any dividend for the financial year 2009-10.
- f) **Stock Exchange Listing:**
The Company's shares are listed on Bombay Stock Exchange Ltd.(BSE). The Company has paid Annual Listing fees upto financial year 2010-2011.
Scrip code on BSE : 512591

g) Market Price Data:

There was no quotation of the company's shares on BSE during the Year ended on March 31, 2010. The last quotation was Rs. 1/- on 13/02/2002.

As the shares of the Company are not included in BSE Sensex, Comparative study on BSE Index vis-à-vis price performance of the Company's shares is not given.

h) Registrar and Transfer Agents:

The Company has not appointed Registrar and Share transfer Agents. The Company has in house Share Department.

i) Share Transfer System

Share transfer requests received in physical form are processed and Share Transfer Register prepared within fifteen days from the date of receipt. Share Transfer/Investor Grievance Committee approves the transfers and immediately thereafter the Share Certificates are dispatched to respective transferees.

j) Statistics of Shareholders

	Share Holders		Share Holdings		Share Amount	
	Number	%	Holding	%	Rs.	%
Upto 5,000	12454	97.236	1489000	49.633	14890000	49.633
5,001-10,000	227	1.772	189000	6.300	1890000	6.300
10,001-20,000	89	0.695	131000	4.367	1310000	4.367
20,001-30,000	20	0.156	48500	1.617	485000	1.617
30,001-40,000	4	0.031	14500	0.483	145000	0.483
40,001-50,000	4	0.031	18600	0.620	186000	0.620
50,000-1,00,000	3	0.023	17200	0.573	172000	0.573
1,00,001 and above	7	0.055	1092200	36.407	10922000	36.407
Total	12808	100.000	3000000	100.000	30000000	100.000

k) Shareholding Pattern as on March 31, 2010 :

Categories	No of Shares	% of shareholding
Promoters & Directors	1059900	35.33
Domestic Cos.	40500	1.35
Residential Individual	1896900	63.23
Banks/Financial Institutions/Investment Co	2700	0.09
Total	3000000	100.00

l) Dematerialization of Shares:

The entire Share Capital of the Company is held in Physical Form. The Company has not dematerialized its shares.

m) The Company has not issued any GDRs/ADRs/warrants or any Convertible instruments.

n) Address for correspondence:

C/o. Mahen Mercantile Corporation
Gool Mansion 2nd Floor,
Homji Street, Sir PM Road
Fort Mumbai : 400 086

Contact person: Mr. C. D. Jog
Tel : 22660520 Fax : 22660382 E-mail : pulsar ltd@vsnl.net

CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and senior management of the Company.

It is hereby affirmed that all Directors and Senior management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect for the year ended 31st March 2010 has been obtained from Directors and Senior management members.

CEO/CFO CERTIFICATION

A certificate from the Chairman and the Compliance Officer on the financial statements of the Company as required under clause 49 of the Listing Agreement was placed before the Board.

The Company complies with Non-Mandatory requirements stipulated under clause 49 in respect of remuneration committee, Whistle Blower Policy and Qualification free Auditors Report.

MANAGEMENT DISCUSSION AND ANALYSIS FOR 2009-2010**Industry Structure and development :**

The Company is in financial sector wherein the performance is dependent on Interest rates and returns in financial market.

Opportunity, threats and outlook

The overall growth of Indian economy, industrial growth, infrastructure, investment and reforms augur well for financial sector in years to come.

Performance for 2009-2010

The low Interest rates regime and returns in financial markets effected the performance of the company

Internal Control System

The Company is committed to maintaining an effective system of Internal Control for facilitating the accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of company and ensuring compliance with laws and regulations. There are reasonable internal control systems at all levels in the Company.

Capital Structure

There was no change in Capital Structure during the year ended 31st March 2010.

Cautionary Statement

Statement in the Management Discussion and Analysis describing the Company's Objective, Projections, Estimates, Expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Several factors make a significant difference to the Company's operations including climatic conditions, economic scenario, affecting demand and supply, Government regulations, taxation, natural calamity and other such factors which the company does not have direct control.

Auditors' certificate on compliance of conditions of Corporate Governance

To the Members of
The PULSAR INTERNATIONAL LIMITED

We have examined the compliance of conditions of Corporate Governance by The Pulsar International Limited for the year ended on 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company of ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing of Agreement.

As required by the Guidance Note issued by The Institute of Chartered Accountants of India, we have to state that the management of the Company have certified for the year ended 31st March, 2010, there were no investor grievances received by the Company.

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

Mumbai : 30th July, 2010

For M. S. Parikh & Co.,
Chartered Accountants.

Dharmesh A. Parikh
Partner

Firm Regn. No. : 107558W

AUDITORS' REPORT

To,

The Members of Pulsar International Limited.

We have audited the attached Balance Sheet of Pulsar International Limited as at 31st March 2010 and the Profit and Loss Account for the Financial 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. These 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 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.

As required by the Companies (Auditor's Report) Order, 2004 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 Paragraph 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

1. 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.
2. In our opinion the Company has kept proper books of accounts as required by law so far, as it appears from our examination of these books.
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
4. In our opinion, the Profit and Loss and Balance Sheet dealt with by this report have been prepared in compliance with the accounting standards referred to in Sub-Section (3c) of Section 211 of the Companies Act, 1956.
5. On the basis of written representations received from the directors of the company, as at 31st March, 2010 and taken on record by the Board of Directors, non of the directors is disqualified as on 31st March 2010 from being appointed as director of the company under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us the said accounts read together with the notes to the accounts give the information as required by the Companies Act, 1956 in the manner so required give a true and fair view :
 - i) In the case of the Balance Sheet of the state of affairs of the Company as on 31st March 2010 and,
 - ii) In the case of the Profit and Loss Account of the Loss for the year ended on that date.
 - iii) In the case of the Cash Flow Statement of the cash flows for the year ended on that date.

Mumbai : 30th July, 2010

For M.S. Parikh & Co.,
Chartered Accountants.

Dharmesh A.Parikh
Partner

Firm Regn. No. : 107558W

ANNEXTURE TO THE AUDITOR'S REPORT

As required by the Companies (Auditor's report) Order, 2004 issued by the Central Government and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further report that :

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
- (b) The Fixed assets of the Company are verified by the management according to a phased programme designed to cover all items over a period of three years, which we consider reasonable. Pursuant to the programme, a physical verification was carried out during the year and this revealed no material discrepancies.
- (c) During the year, the Company has not disposed off any major part of the plant and machinery.

2. The fixed assets of the Company have not been revalued during the year.
3. The securities held as stock-in-trade are in custody of the Company and have been physically verified by the management during the year. Statements have been obtained on regular basis in respect of securities held with Mutual Funds.
4. In our opinion, the procedures of physical verification of securities followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
5. In our opinion, the valuation of stock-in-trade is fair and proper in accordance with the normally accepted accounting principles.
6. The Company has not taken any Loans, secured or unsecured, from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, and/or from the Companies under the same management within the meaning of sub-section (1B) of Section 370 of the Companies Act, 1956.
7. The Company has not granted any Loans, secured or unsecured, to Companies, firms or Other Parties listed in the register maintained under section 301 of the Companies Act 1956, and/or from Companies under the same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956.
8. The Company has given interest free loans only to its employees and they are repaying the principal amount as stipulated.
9. In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of stores, raw materials including components, plant and machinery, equipments and other assets, and for the sale of goods.
10. The Company has not purchased goods and materials exceeding Rs.5,00,000/- (Rs. Five Lakhs) in value in pursuance of contracts or arrangements entered in the register(s) maintained under Section 301 of the Companies Act 1956 (1 of 1956). The Company has not sold goods, materials and services exceeding Rs.5,00,000/- (Rs. Five Lakhs) in value in pursuance of contracts or arrangements entered in the register(s) maintained under Section 301 of the Companies Act 1956 (1 of 1956).
11. During the year, the Company has not accepted any deposits within the meaning of section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.
12. In our opinion the internal audit system is commensurate with its size and nature of its business.
13. The Central Government has not prescribed the maintenance of cost records by the Company under section 209(1) (d) of the Companies Act, 1956 for any of its products.
14. As per information and explanation given to us, there were no statutory dues payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs duty Excise Duty, Cess which were outstanding as at the end of the year for the period of more than six months from the date they became payable.
15. There are no accumulated losses at the end of the financial year and the Company has not incurred any cash losses in the current financial year and preceding financial year. Hence the requirements of clause (x) of paragraph 4 of the order is not applicable to the company.
16. The Company has not taken any Loans (either secured or unsecured) including term loans from Financial Institutions or Bank or Debenture holder.
17. The Company is not a Chit Fund, Nidhi or Mutual Benefit Society. Hence the requirements of Clause (xiii) of paragraph 4 of the Order is not applicable to the Company.
18. The Company has kept adequate records of its transactions and contracts in shares, securities and other investments and timely entries have been made therein. The shares, securities and other investments, are held in the name of the Company.
19. As per information and explanation given to us, no preferential allotment of shares has been made by the Company to Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
20. The Company has not issued any Debentures. Hence the requirements of clause (xix) of paragraph 4 of the order is not applicable to the Company.
21. As per information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

The other matters referred to in the order have not been reported upon, as they are not applicable to the Company.

Mumbai, 30th July, 2010

For M. S. Parikh & Co.
Chartered Accountants

Dharmesh A. Parikh
Partner

Firm Regn. No. : 107558W

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	As at 31st March, 2010 (Rs. in '000)	As at 31st March, 2009 (Rs. in '000)
Cash		
Flow from Operating Activities:		
Net Profit before taxation and extra-ordinary adjustments:	(393.04)	(305.50)
Add:		
Depreciation	237.58	342.14
Misc. Expenditure W/Off	75.00	75.00
Less: Prior Year Adjustments	(1.02)	(37.54)
Bad Debts Written off	-	21,200.00
Other Income	27.19	5.39
Operating Profit	<u>(108.68)</u>	<u>(21,131.29)</u>
Working Capital Changes:		
(Increase)/Decrease in Stock, Mutual Funds	(53.00)	415.32
(Increase)/ Decrease in Bill of Exchange	170.93	1,031.66
(Increase)/ Decrease in Advances	(62.39)	(171.67)
(Increase)/ Decrease in Advances & Loans	585.00	28,135.00
(Increase)/ Decrease in Other Current Assets	(47.68)	140.24
Increase/(Decrease) in Current Liabilities	(654.37)	(12.19)
Cash generated from operations	<u>(61.51)</u>	<u>29,538.36</u>
Less:		
Taxes Paid / Provided	--	12.50
		<u>12.50</u>
Cash Flow before Extra Ordinary items	(170.19)	8,394.57
Cash Flow from Extra Ordinary items	27.19	5.39
Net Cash from Operating Activities	<u>(143.00)</u>	<u>8,399.96</u>
Cash		
Flow from Investing Activities :		
Purchase of Fixed Assets including WIP	-	19.50
Sale of assets	49.50	-
Net Cash from Investment Activities	<u>49.50</u>	<u>19.50</u>
Cash		
Flow from Financing Activities :		
Stock Invest Realised	-	-
Calls in Arrears Realised	-	-
Net increase/(decrease) in Cash & Bank	<u>(93.50)</u>	<u>8,380.46</u>
Cash and Cash Equivalants:		
Opening Balance	12,190.95	3,810.19
Closing Balance	<u>12,097.45</u>	<u>12,190.95</u>
Increase/(Decrease)	<u>(93.50)</u>	<u>8,380.16</u>

For and on behalf of the Board of Directors

M. K. DELIWALA : CHAIRMAN
N. J. SHAH : DIRECTOR
D. J. ENGINEER : DIRECTOR

Mumbai, 30th July 2010

AUDITORS' CERTIFICATE

We have verified the above Cash Flow statement of PULSAR INTERNATIONAL LIMITED for the year ended March 31, 2010 derived from audited financial statements, prepared in accordance with clause 32 of the Listing agreement with the Stock Exchanges and found the same in accordance therewith.

For M.S. Parikh & Co.
Chartered Accountants

Dharmesh A. Parikh
Partner

Mumbai, 30th July 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

	Sch	Rupees	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
SOURCE OF FUNDS				
SHAREHOLDERS, FUNDS				
Share Capital	1		30,000,000	30,000,000
Reserves & Surplus	2		3,189,935	3,501,383
	TOTAL		33,189,935	33,501,383
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	3	9,575,015		10,397,757
Depreciation		8,023,742		8,559,411
Net Block			1,551,273	1,838,346
Current Assets Loans & Advances				
Current Assets	4	13,187,545		13,180,365
Loans & Advances	5	17,199,428		17,892,966
		30,386,973		31,073,331
Less: Current Liabilities & Provisions	6	45,215		699,588
Net Current Assets			30,341,758	30,373,743
Deferred Tax				
Deferred Tax liability			(455,485)	(538,095)
Miscellaneous expenditure to the extent not written off or adjusted	7		1,752,389	1,827,389
	TOTAL		33,189,935	33,501,383
Notes on the Balance Sheet	10			

As per my report attached

For M.S.Parikh & Co.
Chartered AccountantsDharmesh A. Parikh
Partner

Mumbai, 30th July 2010

For and on behalf of the Board of Directors

M. K. DELIWALA : CHAIRMAN

N. J. SHAH : DIRECTOR

D. J. ENGINEER : DIRECTOR

Mumbai, 30th July 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Sch.	Rupees	Year Ended 31st March, 2010 Rupees	Year Ended 31st March, 2009 Rupees
INCOME				
Sales				
Bill Discounting Charges			228,564	460,527
Interest[(Gross),TDS Rs.1,10,634/-]			18,645	145,834
Other Income (See Note 9, Schedule 10)			872,241	1,176,025
Increase/(Decrease) in Stock	8		27,193	5,390
			53,000	(415,309)
	TOTAL		1,199,643	1,372,467
EXPENDITURE				
Purchases		188,588		90,390
Operating & Establishment Expenses	9	1,117,912		1,245,436
Depreciation		286,178		342,138
			1,592,678	1,677,964
Profit/Loss Before Prior Year Adjustment			(393,035)	(305,497)
Prior Year Adjustment				
Income tax			(1,023)	(37,536)
Profit/(Loss) Before Tax			(394,058)	(343,033)
Provision for Taxation				
Fringe Benefit Tax				12,500
Income Tax				
Profit/(Loss) after Tax			(394,058)	(355,533)
Balance brought forward from previous year			3,501,383	18,960,034
Balance available for appropriation			3,107,325	18,604,501
APPROPRIATION				
Transferred from Deferred Tax Liability			82,610	96,882
Transferred from Reserve For Bad & Doubtful Debts				6,000,000
Bad Debts Written off				(21,000,000)
Balance carried to Balance sheet			3,189,935	3,501,363
Basic and Diluted Earning Per Share				
Equity Shares of face value Rs.10/-each)				
Number of shares used in computing earning per share				
Basic and Diluted			3,000,000	3,000,000
Notes on the Balance Sheet	10			

As per my report attached

For and on behalf of the Board of Directors

For M.S.Parikh & Co.
Chartered Accountants

M. K. DELIWALA : CHAIRMAN

Dharmesh A. Parikh
Partner

N. J. SHAH : DIRECTOR

D. J. ENGINEER : DIRECTOR

Mumbai, 30th July 2010

Mumbai, 30th July 2010

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

SCHEDULE 1

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
SHARE CAPITAL		
Authorised		
30,00,000 Equity Shares of Rs.10 each	30,000,000	30,000,000
	<u>30,000,000</u>	<u>30,000,000</u>
Issued		
30,00,000 (Previous Year 30,00,000) Equity Shares of Rs.10 each	30,000,000	30,000,000
	<u>30,000,000</u>	<u>30,000,000</u>
Subscribed & Paid-up		
30,00,000 (Previous Year 30,00,000) Equity Shares of Rs.10 each fully paid up	30,000,000	30,000,000
	<u>30,000,000</u>	<u>30,000,000</u>

SCHEDULE 2

RESERVES & SURPLUS

Profit & Loss Account

Rupees Rupees

3,189,935	3,501,383
<u>3,189,935</u>	<u>3,501,383</u>

SCHEDULE 3

Assets	Cost as on 1-Apr-09 Rupees	Additions During the year Rupees	Sale/Deletion During the year Rupees	Cost as on 31-Mar-10 Rupees	Upto 1-Apr-09 Rupees	Depreciation for the Year Rupees	Depreciation Written back on sale	Total Upto 31-Mar-10 Rupees	Net Book Value as on 31-Mar-10 Rupees	as on 31-Mar-09 Rupees
Furniture, Fixture & Office Equipment	333,875	-	-	333,875	244,934	18,092	-	263,026	70,849	88,941
Motor Vehicle	49,500	-	49,500	-	48,558	47	48,605	-	-	942
Plant and Machinery	9,241,140	-	-	9,241,140	7,492,677	268,039	-	7,760,716	1,480,424	1,748,463
	<u>9,624,515</u>	<u>-</u>	<u>-</u>	<u>9,575,015</u>	<u>7,786,169</u>	<u>286,178</u>	<u>48,605</u>	<u>8,023,742</u>	<u>1,551,273</u>	<u>1,838,346</u>
Previous year	10,378,257	19,500	-	10,397,757	8,217,273	342,138	-	8,559,411	1,838,346	2,160,984

Method of charging Depreciation: Written Down Value Method

SCHEDULE 4

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
CURRENT ASSETS		
Interest Accrued	129,455	81,774
Stock in Trade - Mutual Fund	960,637	907,638
CASH AND BANK BALANCES		
Cash on hand	2,856	78,677
In Deposit Account with Scheduled Banks	11,767,020	11,070,578
In Current Account with Scheduled Banks	327,577	1,041,698
	<u>13,187,545</u>	<u>13,180,365</u>

PULSAR INTERNATIONAL LIMITED

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SCHEDULE 5		31st March, 2010 Rupees	31st March, 2009 Rupees
LOANS AND ADVANCES (Unsecured, Considered good)			
Bills of Exchange within six months		—	8,194,784
Others		8,023,855	
Advances recoverable in cash or in kind or for value to be received. (See note 1 below)		338,467	276,076
Advances & Loans (Including interest accrued thereon)		8,832,106	9,417,106
Deposits		5,000	5,000
Note :			
1. Includes Advance Tax (NET) Rs.		<u>17,199,428</u>	<u>17,892,966</u>
Advance Tax & TDS		573,132	696,917
Less: Provision for taxation		<u>266,565</u>	<u>527,565</u>
Add : Prepaid Tax		—	2,000
Staff Advance		15,900	28,500
Salary Receivable		16,000	—
Interest Receivable On Loan		—	76,224
		<u>338,467</u>	<u>276,076</u>
SCHEDULE 6			
		As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities :			
Sundry Creditors		39,880	693,044
Other Liabilities		5,335	6,544
		<u>45,215</u>	<u>699,588</u>
SCHEDULE 7			
MISCELLANEOUS EXPENDITURE (To the extent not written of or adjusted)			
	Upto 31-Mar-09 Rupees	Deduction During the year Rupees	31st March 2010 Rupees
Preliminary Expenses	13,533	555	12,978
Pre-Operative Expenses	231,475	9,500	221,975
Share Issue Expenses	1,582,381	64,945	1,517,436
	<u>1,827,389</u>	<u>75,000</u>	<u>1,752,389</u>
SCHEDULE 8			
VARIATION IN STOCK OF FINISHED GOODS & MUTUAL FUNDS			
Stock as on 01st April 2009			
Units of Mutual Funds		907,637	1,322,947
Stock as on 31st March 2010			
Units of Mutual Funds		960,637	907,638
		<u>53,000</u>	<u>(415,310)</u>

SCHEDULE 9		31st March, 2010	31st March, 2009
		Rupees	Rupees
Legal & Professional Charges		119,020	124,930
Payment to & Provisions for employees		406,405	596,230
Travelling & Conveyance		39,401	54,070
Miscellaneous Expenses		393,876	395,206
Amortisation of			
i) Preliminary Expenses	555		555
ii) Pre-Operative Expenses	9,500		9,500
iii) Share Issue Expenses	64,945		64,945
		<u>75,000</u>	<u>75,000</u>
Amounts Written Off		84,210	-
		<u>1,117,912</u>	<u>1,245,436</u>

SCHEDULE 10

NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

A) SYSTEM OF ACCOUNTING :

- I) The company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis, except in case of significant uncertainties.
- II) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

B) REVENUE RECOGNITION

- I) Discount received in respect of Bills Discounted is apportioned over the period of usage of the instruments.
- II) Interest on delayed payments is accounted on ascertainment of realisability.
- III) Dividends from Mutual Fund are accounted for on the basis of statement received from the Mutual Funds.

C) FIXED ASSETS & DEPRECIATION:

- I) Fixed assets are stated at cost of acquisition and other attributable costs less depreciation.
- II) Depreciation is provided on Written Down Value Method at the rates and in the manner laid down in Schedule XIV to the Companies Act, 1956.
- III) Depreciation on additions/deletions is calculated on a pro-rata basis.

D) BILLS OF EXCHANGE AND LOANS & ADVANCES:

The Company has written off outstanding balance recoverable from M/s. Vivita Limited of Rs. 7,26,224/- and also written back balance lying in the account of Transport Energy Systems Pvt. Ltd. of Rs. 6,42,014/- hence net amount written off is Rs. 84,210/-

E) VALUATION OF CLOSING STOCK

Closing stock is valued at Cost or Market Value, whichever is lower. And the Market Value of closing stock as on 31st March 2010 is Rs.16,46,771/- (Previous year Rs.9,07,637/-)

- 2 In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has accounted for deferred tax during the year. Consequently the deferred tax liability of Rs.4,55,484/- as on 31st March, 2010 has been recognized (Previous year Rs. 5,38,095/-)
- The deferred tax liability for the year amounting to Rs. 82,610/- which has been reversed, and has been recognized in the Profit and Loss Account.

	As on 31-3-2010 Rupees	As on 31-3-2009 Rupees			
3 Payments to Directors :					
Sitting fees	30,000	28,000			
4 Payments to auditors					
Audit Fees	40,000	50,000			
Service Tax	4,000	6,180			
Service Tax excess provision written back	(1,030)	—			
5 Information pursuant to paragraph 3 of the part II of Schedule VI to the Companies Act 1956 in respect of goods traded by the Company.					
	<u>Qty/Nos</u>	<u>Value-Rs</u>	<u>Qty/Nos.</u>	<u>Value/Rs</u>	
Opening Stock	Units	35974	907638	67600	1322947
Purchases	Units	8141	188587	2106	90390
Sales	Units	9603	228564	33732	460527
Closing Stock	Units	34512	960637	35974	907638
7 There are no Foreign Exchange and Outgo during the year and previous year.					
8 Other income includes:					
Dividends from Mutual Funds		18,538		5,390	
Profit on sale of fixed asset		2,605		—	
9 In the absence of information regarding the status of micro, small and medium enterprises, as defined under "Micro, Small and Medium Enterprises Act, 2006" amounts overdue and remaining unpaid, if any, on account of principal and/or overdue interest at the close of the year to these suppliers could not be determined.					
10 There are no transactions with related parties except for sitting fees paid Rs. 7,500/- to Mr. S. C. Deliwala Director and Rs. 7500/- to Mr. M. K. Deliwala Chairman.					
11 Earnings Per Share:					
Profit/(Loss) after Tax:		(Rs. 3,94,058)		(Rs. 3,55,534)	
Nominal Value per Equity Share		Rs. 10		Rs. 10	
Number of equity shares Outstanding during the year		30,00,000		30,00,000	
Earning Per Share		—		—	
12 Figures for previous year have been regrouped where considered necessary and practicable.					

As per our report

For M. S. PARIKH & CO.
Chartered AccountantsDharmesh A. Parikh
Partner

Firm Regn. no. : 107558W

Mumbai : 30th July, 2010

Signature to Schedules 1 to 10
For and on behalf of the Board of Directors

M. K. DELIWALA - CHAIRMAN

N. J. SHAH - DIRECTOR

D. J. ENGINEER - DIRECTOR

Mumbai : 30th July, 2010

