



ELANGO
INDUSTRIES



Elango

Industries Limited

ELANGO INDUSTRIES LIMITED**Registered Office**

No.5, Ranganathan Garden,
15th Main Road Extn.,
Anna Nagar
Chennai - 600 040

Works

Maruthur Village
Therizhandur (PO)
Mayiladuturai
Nagai District

Board of Directors

Shri. S. Elangovan - Chairman & Managing Director
Shri. S.A .Premkumar - Director
Shri. K. S. Shanmugam - Director
Shri. V.R. Subramanian - Director - Independent
Shri V. Narayanan - Director - Independent
Shri R. Ramesh - Director - Independent

Bankers

State Bank of India

Auditors

M/s. V. Senthilnathan & Co.,
Chartered Accountants
Chennai - 600 040.

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Members of ELANGO INDUSTRIES LIMITED will be held on Thursday, 23rd day of September 2010 at 11.00 A.M. at the registered office of the company situated at No. 5, Ranganathan Garden, 15th Main Road, Anna Nagar, Chennai - 600040 to transact the following business:

I. Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended 31st March, 2010 together with the Reports of the Board of Directors and Auditor thereon.
2. To Appoint a Director in place of Mr. V. Narayanan who retires by rotation and being eligible offers himself for re-appointment.
3. To Appoint a Director in place of Mr. K.S.Shanmugam who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

BY ORDER OF THE BOARD
FOR ELANGO INDUSTRIES LTD
CHAIRMAN

PLACE: CHENNAI

DATE: 23rd JULY 2010

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. Proxy in order to be effective must be received by the company not less than 48 hours before the meeting.
2. Register of members and Share Transfer Book shall remain closed from 17th September 2010, to 23rd September 2010(both days inclusive).
3. Members are requested to notify immediately any change of address.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting the Twenty First Annual Report of the Company together with the Audited Balance Sheet of the Company as at 31st March, 2010, the profit and loss Account for the year ended on that date and the Auditors Report thereon.

FINANCIAL RESULTS

PARTICULARS	Rs. Lakhs	
	2009-10	2008-09
Net sales	-	-
Other income	31.45	30.38
Profit Before Depreciation and Tax	22.47	23.86
Depreciation	2.76	3.21
Profit before tax	19.71	20.65
Less: Provision for Tax	-	-
Profit after Tax	19.45	20.65
Add: Profit brought forward	171.97	151.32
Profit Carried to Balance Sheet	191.42	171.97

DIVIDEND

Considering financial performance, Your Directors have not declared any Dividend for this year.

BUSINESS PERFORMANCE

Your company, which temporarily parked its fund in power generating company, did bring returns in the form of dividend for the current year as well. The dividend amount received was Rs. 30.38 lakhs. Not satisfied with dividend income alone your company has started bidding for EPC contract for power plants as well. Its efforts may be fruitful and will bring rich reward shortly. Your company will be focusing on EPC contract for power plant for the foreseeable future till our economy fully recovers from recession.

DEPOSITS

No Fixed Deposits were accepted by the company during the year.

DIRECTORS

In accordance with the provisions of the companies Act 1956, and the Company's Articles of Association, Shri.V.Narayanan, Director and Shri K.S. Shanmugam, Director of the Company, who Retire by rotation and being eligible, offer themselves for re-appointment.

FUTURE OUTLOOK

The Company has invested its surplus funds temporarily in power generating company and it has generated income in the form of a dividend to the tune of Rs. 30,38,000/-.

Now the company is planning to take a major job in constructing and establishing power Plants. It is a growth-oriented area and the company has rich experience in this area. Under the present scenario it is better to stay afloat and therefore your company's focus should be on "Processing and Service Activity". So started approaching many Industries to provide consultancy services for Power Plant especially in Construction Activities. Sincere efforts would never go waste. Soon your company will conclude an order for a portion of EPC contract for power generating company.

For a foreseeable future your company will be focusing on EPC contract for power plant and once, our country and world economy, come out of recession it will put up its own power plant.

AUDITORS

V.SENTHILNATHAN & CO., Chartered Accountants, Chennai, the Statutory Auditors of the Company who shall hold office till the Twenty First Annual General Meeting have consented for appointment. The Board recommends their re-appointment. The notes to accounts forming part of the financial statements are self-explanatory need no further explanation. There are no qualifications or adverse comments in the Auditors Report, which require any clarification/explanation.

DISCLOSURES

As required under Sections 217 (1) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of the Directors) Rules, 1988, the relevant information and data with respect to Energy Conservation measures, progress made in Technology Absorption and Foreign Exchange Earnings and Outgo have been provided in Annexure -A attached to this Report, and form part of this Report.

PARTICULARS REQUIRED UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1917

No Employee of the company is drawing a remuneration exceeding Rs.24,00,000/- p.a., or Rs.2,00,000/- p.m. Hence no particulars of Employees as required under Section 217 (2A) of the companies Act, 1956 need to be furnished.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors Confirm:

- A) That in preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures
- B) That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year ended 31st March, 2010.
- C) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records for the year ended 31st March, 2010 in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for the prevention and detection of Fraud and other irregularities.
- D) That the Directors have prepared the Annual Accounts on an ongoing basis.

MANAGEMENT DISCUSSION & ANALYSIS REPORT (MDA)

The Management Discussion & Analysis of the company is attached to this Report.

CORPORATE GOVERNANCE

As per the requirement of clause 49 to listing Agreement, a Corporate Governance Report is enclosed.

ACKNOWLEDGEMENT

Your Directors would like to place on record their gratitude to the members for their continued support and confidence. Your Directors also would like to thank the staff members at various levels both at the office and at factory for their committed services for the company.

BY ORDER OF THE BOARD

PLACE: CHENNAI

DATE: 23rd JULY 2010

S.ELANGO VAN
Chairman & Managing Director

ANNEXURE TO DIRECTORS' REPORT

Information Pursuant to Section 217 (1) & (2) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Directors) Rules, 1988:

FORM A: Form of Disclosure of particulars with respect to Conservation of Energy.

Current Year Previous year
2009-2010 2008-2009

A. Power and Fuel Consumption :

Electricity

a) Purchased Unit	---	---
Total Amount (in Rs.)	---	---
Rate per Unit (in Rs.)	---	---

b) Own Generation

1. Through Diesel Generation		
Under per Ltr. of Diesel Oil	NIL	NIL

2. Through Steam Turbine/ Generation (unit) Unit per		
Ltr. of Fuel Oil /Gas cost Unit	NIL	NIL
Cost (specify quality and where used)	NIL	NIL

Quantity (tonnes)

Total Cost		
Rate / Unit	NIL	NIL

B. Consumption per Unit of Production

Electricity (unit per ton)	NIL	NIL
Coal (specify quantity)	NIL	NIL
Other (specify)	NIL	NIL

FORM B :

Current Year Previous year
2009-2010 2008-2009

a. Technical Absorption	NIL	NIL
b. Foreign Exchange Earnings	NIL	NIL
c. Foreign Exchange Outgo (in Rs.)	NIL	NIL

CORPORATE GOVERNANCE REPORT

Your company is committed to observe and practice high standard of Corporate Governance in all its affairs, processes, policies, systems and procedures. The Board of Directors shall endeavor to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long term shareholder value creation and enhancement while, at the same time, respecting the rights of all stakeholders viz., Banks, Employees, Central and State Governments and the society at large.

The Board of Directors is developing Corporate Governance guidelines to facilitate due discharge of corporate responsibilities to all stakeholders. These guidelines would provide necessary authority and review mechanism for sustained improvement of governance standards.

BOARD OF DIRECTORS

In conformity with the Corporate Governance philosophy all statutory and other significant material information are placed before the Board of Directors to enable it to discharge its responsibility of superintendence, control and direction of management of strategic and day-to-day affairs of the Company. The Board of Directors currently consists of Six Members. Other than the Managing Director and one whole time Director and all other members of the Board are non-executive directors including three independent directors.

MEETINGS OF THE BOARD

The Board Meetings are held at the Corporate Office. The Agenda for the meeting are prepared by the Company Secretary in consultation with the Managing Director. The notes for consideration of Agenda items are circulated to the Directors. The Company is now improving these practices so as to enable more effective and fruitful participation by the Board. The Board meets at least once in a quarter. The following information would be placed before the Board.

1. Annual operating plans and budgets and any updates.
2. Capital budgets and any updates.
3. Quarterly results for the company and its operating divisions or business segments.
4. Minutes of meetings of audit committee and other committees of the board.
5. Show cause, demand, prosecution notices and penalty notices, which are material important.
6. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
7. Details of any joint venture or Collaboration Agreement.
8. Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
9. Non-compliances of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

During the Financial Year 2009-10, Five 6 Board Meetings were held on the following dates:
And not more than four meetings elapsed between any two meetings.

S. No.	Date, Month & Year of Board Meeting
1.	28th April 2009
2.	7th July 2009
3.	1st August 2009
4.	12th October 2009
5.	18th November 2009
6.	20th January 2010

Particulars of the Directors attendance at the Board Meeting and the last Annual General Meeting and particulars of their other company directorship and committee membership are given below:

NAME	ATTENDANCE AT MEETINGS DURING 2008-09 NO. OF DIRECTORSHIP AND COMMITTEE MEMBERSHIP			
	Board Meetings	Last AGM	Other Directorship	Committee membership
Mr. S. Elangovan	6	Yes	5	4
Mr. S.A. Prem Kumar	6	Yes	5	4
Mr. K.S. Shanmugam	6	Yes	4	4
Mr. V.R. Subramanian	6	Yes	4	4
Mr. V. Narayanan	6	Yes	4	4
Mr. R. Ramesh	6	Yes	4	4

AUDIT COMMITTEE

The Audit Committee of the Company was constituted in the year 2009-10. The terms of reference of the Audit Committee are as given below, which cover all applicable matters specified under clause 49 of the listing agreement and Section 292A of the Companies Act, 1956.

1. Oversight of company's financial reporting process and disclosure of its financial information.
2. Recommendation to the Board for appointment and fixation of remuneration of Statutory Auditors.
3. Approval of payment to Auditors for other services.
4. Appointment and fixation of remuneration of Internal Auditors.
5. Review of Quarterly, Half yearly and Annual financial statements and all related statements before submission to the Board.
6. Review of action taken on observations of auditors.

7. Review in change in accounting policies and practices.
8. Review of disclosure of related party transactions.
9. Investigation into fraud and irregularities etc., and action taken thereon.
10. Review of company's financial and Risk Management Policies.
11. Review of compliance with Tax Laws.
12. Any other matter referred to the Audit Committee by the Board of Directors of the Company.

The members of the Audit Committee are:

- a) Mr. S.A. Prem Kumar
- b) Mr. V.R. Subramanian
- c) Mr. V. Narayanan
- d) Mr. R. Ramesh

The Composition of the Audit Committee is in conformity with clause 49 and Section 292A of the Companies Act, 1956. The Company's Managing Director, Chief Financial Officer, Statutory and Internal Auditors of the Company are permanent invitees to the Audit Committees meetings.

As required under clause 49 of the Listing Agreement, there were 4 meetings of the Audit Committee held during the financial Year 2009-10 on 28th April 2009 , 7th July 2009, 12th October 2009 and 20th January 2010.

The number of meetings attended by each member of the audit Committee is as follows:

NAME OF THE MEMBER	NO. OF MEETINGS ATTENDED
Mr. S.A. Prem Kumar	4
Mr. V.R. Subramanian	4
Mr. V. Narayanan	4
Mr. R. Ramesh	4

REMUNERATION OF DIRECTORS

NAME OF THE DIRECTOR	REMUNERATION (RS.)	SITTING FEES (RS.)
Mr. S. Elangovan	Nil	Nil
Mr. S.A. Prem Kumar	Nil	Nil
Mr. K.S. Shanmugam	Nil	Nil
Mr. V.R. Subramanian	Nil	Nil
Mr. V. Narayanan	Nil	Nil
Mr. R. Ramesh	Nil	Nil

ELANGO INDUSTRIES LIMITED**SHARE TRANSFER COMMITTEE**

The Board of Directors at its meetings held on on 28th April 2009 , 7th July 2009, 12th October 2009 and 20th January 2010, constituted the Share Transfer Committee consists of Mr. S. Elangovan, Mr. S.A. Prem Kumar and Mr. V.R. Subramanian.

The following are the terms of reference of Share Transfer Committee.

- a) To approve and register, transfer and transmission of equity shares.
- b) To register power of attorney or similar documents.
- c) To sub-divide, split, consolidate and issue share certificates.
- d) To affix or authorize affixation of Common Seal of the company on the share certificates, and
- e) To do all such acts, things and deeds as may be necessary and incidental of the exercise by the powers: provided that in doing so the Committee shall comply with the provisions of the Companies Act, Depositories Act, Listing Agreement, Securities Contracts (Regulation) Act and all other applicable laws.

GENERAL BODY MEETINGS

The last three Annual General Meetings were held as per details given below:

YEAR	DATE	TIME	VENUE
FY 2008-09	29th September 2009	11:00 A.M	Regd. Office - 5, Ranganathan Garden, Anna Nagar, Chennai -40
FY 2007-08	31st July 2008	11:00 A.M	Regd. Office - 5, Ranganathan Garden, Anna Nagar, Chennai -40
FY 2006-07	28th September 2007	11:00 A.M	Regd. Office - 5, Ranganathan Garden, Anna Nagar, Chennai -40

All the resolutions, including special resolutions, were passed by the shareholders as set out in the respective notice. No resolutions were put through postal ballot during the last year.

CODE OF CONDUCT

The Board of Directors has adopted a code of conduct, applicable to directors and to employees of the Company. The Company has obtained declarations from all its directors and senior management personnel affirming their compliance with the code of conduct. The declaration by the Managing Director under clause 49 affirming compliance with the code of conduct by all members of the Board and Senior Management Personnel for the year ended March 31st, 2010 is attached to this Corporate Governance report.

DISCLOSURES

The particulars of transactions between the Company and its related parties, a defined in Accounting Standard 18, is set out in Schedule IX of Notes to Accounts to the financial statements.

SHARE TRANSFER SYSTEM

Share transfers are processed and approved, subject to receipt of all requisite documents. The Company seeks to ensure that all transfers are approved for registration within the stipulated period.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2010

Share Holding Range	No. of Holders	% of Holders	No. of Shares	% of Shares
Upto 500	7615	91.60	13,60,800	35.67
501 - 1000	432	5.19	3,43,800	9.01
1001-2000	182	2.19	3,06,300	8.02
2001-3000	24	0.29	59,500	1.57
3001-4000	10	0.12	36,100	0.94
4001-5000	9	0.10	38,000	0.97
5001-10000	24	0.30	2,21,200	5.79
10001 and above	17	0.20	14,45,400	38.02
Total	8313	100	38,16,100	100

SHARE HOLDING PATTERN AS ON MARCH 31, 2010

SHAREHOLDING	NO. OF SHAREHOLDERS	NO. OF SHARES	% OF TOTAL
Indian Promoters	3	11,23,100	29.43
Mutual Funds and UTI	---	---	---
Private Corporate Bodies	29	23,365	0.61
Indian Public	8,274	26,53,035	69.53
NRI's/OCB's	6	1,600	0.03
Independent Directors & Relatives	Nil	Nil	Nil
Other Director	1	15,000	0.40
TOTAL	8,313	38,16,100	100

PLANT LOCATION: Marathur Village,
Maiyladuthurai, Nagai Dt.

CURRENT MAJOR PROJECT LOCATION:

Marathur Village,
Maiyladuthurai, Nagai Dt.

NAME OF THE COMPLIANCE OFFICER AND ADDRESS FOR CORRESPONDENCE:

S.S. Kumaran
Office - 5, Ranganathan Garden, Anna Nagar, Chennai - 600 040
Phone No. +91 44 4217 2116, Fax No. +91 44 4217 2118
email: eil@kaveripower.com

MEANS OF COMMUNICATION

The Quarterly results are usually published in News Today (in English) and Malaai Sudar (in vernacular language) " Dailies"

BOOK CLOSURE

The register of members and the share transfer book shall remain closed from 17th September 2010 to 23rd September 2010.

LISTING ON STOCK EXCHANGES

Madras Stock Exchange Limited (MSE) - Code No. NIL
Bombay Stock Exchange Limited (BSE) - Code No. 513452
Ahmedabad Stock Exchange Limited (ASE) - Code No. 15440

DEMATERIALIZATION OF SHARES AND LIQUIDITY :

No. of Shares dematerialized -15,96,875
No. of Shares dematerialized in percentage - 41.85

For and on Behalf of the Board of Directors
ELANGO INDUSTRIES LIMITED

PLACE: CHENNAI
DATE: 23rd JULY 2010

S. ELANGO VAN
CHAIRMAN & MANAGING DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis report of your Company for the year ended March 31, 2010 is submitted here. In this the Directors have attempted to include discussions on all specified matters to the extent relevant or within the limits that in their opinion are imposed by the Company's own competitive position.

COMPANY INDUSTRY STRUCTURE & DEVELOPMENTS

During the Financial Year 2005- 06, started a Gas based Power Plant through an SPV namely Kaveri Gas Power Limited, at Maruthur Village, Mayiladuturai T.K., Nagapattinam District. The company also received dividend for its investment for the period 2006-2007, 2007-2008 and 2008-2009..

REVIEW OF OPERATIONS / FINANCIAL RESULTS

The Financial Review is available in the Directors Report

FUTURE OUTLOOK

The Company has invested its surplus funds temporarily in power generating company and it has generated income in the form of a dividend to the tune of Rs.30,38,000/-.

Now the company is planning to take a major job in constructing and establishing power Plants. It is a growth-oriented area and the company has rich experience in this area. Under the present scenario it is better to stay afloat and therefore your company's focus should be on "Processing and Service Activity". So started approaching many Industries to provide consultancy services for Power Plant especially in Construction Activities. Sincere efforts would never go waste. Soon your company will conclude an order for a portion of EPC contract for power generating company.

For a foreseeable future your company will be focusing on EPC contract for power plant and once, our country and world economy, comes out of recession it will put up its own power plant.

ENVIRONMENT & SAFETY

The Company is very conscious of the need to protect environment. Even though it has entered into power sector, which is highly polluting Industry, the choice of Technology, will limit its adverse impact on the environment. First the company chose Gas based power Generation that is considered as safest means to generate power. Due to limited availability of Gas the proposed power plant, though a coal based one, will adopt the new and latest Technology to contain the pollutants within tolerable and statutory limit for which nearly 10 % of the project cost will be spent.

OTHER MATTERS

There are no further or typical areas of risks or concerns outside the usual course of business foreseeable at this time. Internal control systems are found to be adequate and are continuously revived for further improvement.

CAUTIONARY STATEMENT

Statements in this "Management Discussion & Analysis" which seek to describe the Company's objectives, projections, estimates, expectations or predictions may be considered to be "forward looking statements" with in the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and Indian demand-supply conditions, finished goods prices, stock availability and prices, cyclical demand and pricing in the company's markets, changes in the government regulations, tax regimes, economic developments within India and countries with which the company conducts business besides other factors, such as litigation and other labour negotiations.

For and on behalf of the Management Team

Chennai : 600 040

Date : 23rd July 2010

S. Elangovan

Chairman & Managing Director

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS ENTERED INTO WITH THE STOCK EXCHANGE.

1. We have examined the compliance with the conditions of Corporate Governance by M/s Elango Industries Limited (the Company) for the year ended 31st March 2010 with the relevant records and documents maintained by the Company and furnished to us for our examination and the report on Corporate Governance as approved by the Board of Directors.
2. The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.
3. Based on the aforesaid examination and according to information and explanations given to us we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements with the Stock Exchanges for the year ended 31st March 2010.
4. We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V. Senthilnathan & Co.,
Chartered Accountants
ICAI / F.No. 003711S

Place : Chennai - 40
Date : 23rd July 2010

(V. Senthilnathan)
Partner
M.No.24244

AUDITOR'S REPORT TO THE MEMBERS OF THE COMPANY**The Members of M/S. ELANGO INDUSTRIES LIMITED,**

1. We have audited the attached Balance Sheet of M/S. ELANGO INDUSTRIES LIMITED, No.5, RANGANATHAN GARDENS, ANNA NAGAR, CHENNAI -600 040, as at 31st March 2010 and the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub - section (4A) of section 227 of the Companies Act, 1956, we enclosed in the Annexure a statement on the matters specified in paragraphs 4 and 5 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 purpose 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 of the Company.
 - (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 of the Company.
 - (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, to the extent applicable.
 - (v) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub - section (1) of section 274 of the Companies Act, 1956;

(vi) 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 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 31st March 2010; and
- b) In the case of the Profit and Loss Account, of the profit/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 V. SENTHILNATHAN & Co.,
Chartered Accountants
ICAI / F.No. 003711S

(V.SENTHILNATHAN)

Partner
M.No.24244

Place : CHENNAI -40.

Date : 23rd July, 2010.

ANNEXURE

M/S. ELANGO INDUSTRIES LIMITED

Referred to in paragraph 3 of our report of even date.

- [i] [a] The Company has maintained proper records showing full particulars including quantitative details of its fixed assets.
 - [b] All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - [c] During the year there was no disposal of fixed assets by the Company.
- [ii] As the Company does not possess any Inventories during this year, the provisions of clause 4(ii) of the Companies (Auditors Report) Order, 2003 are not applicable.
- [iii] In our opinion, no loans that has been taken from / granted to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 is not, prima facie, prejudicial to the interest of the Company
- [iv] In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of goods, fixed assets and with regard to the sale of goods and services. during the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- [v] According to the information and explanations given to us, we are of the opinion that there are no transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- [vi] In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public under the provisions of sections 58(A) and 58(AA) of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 (as per our report).
- [vii] In our opinion, the Company has an in-house internal audit system commensurate with the size and nature of its business.
- [viii] We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the central government for the maintenance of cost Records under Section 209 (1) (d) of the Companies Act, 1956 in respect of the Company's products to which the said rules are made applicable, and are of the opinion that prima facie prescribed accounts and records have been made

and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate.

- [ix] (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, custom duty, excise duty, cess and other material statutory dues applicable to it except sales tax.
- (b) According to the information and explanation given to us, the undisputed amount payable in respect of sales tax arrears for a period of more than six months from the date they became payable is Rs.85, 454/- (Previous Year Rs.85,454/-).
- (c) On the basis of our examination of the documents and records of the Company and the information and explanations given to us upon our enquiries in this regards, disputed amounts payable in respect of income-tax not deposited with the appropriate authorities is Rs.27,59,978/- (Previous Year Rs.27,59,978/-).
- [x] The Company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
- [xi] In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institutions, bank or debenture holders. Hence, the provisions of clause 4(xi) of the Companies (Auditors Report) Order, 2003 are not applicable.
- [xii] We are of the opinion that the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities during the year under consideration. Accordingly the provisions of clause 4(xii) of the Companies (Auditors Report) Order, 2003 are not applicable.
- [xiii] In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- [xiv] In our opinion, the Company is not dealing in or trading in Shares, Securities, Debentures and other Investments. Accordingly the provisions of Clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- [xv] According to the information given to us, we are of the opinion that the Company has not given any guarantee for loans taken by an associate Company. Hence the provisions of clause 4(xv) of the Companies (Auditors Report) Order, 2003 are not applicable.
- [xvi] In our opinion, no term loan has been availed by the Company. Hence the provisions of clause 4(xvi) of the Companies (Auditors Report) Order, 2003 are not applicable.

- [xvii] As we were not able to establish any audit trail of fund flows which can correlate end use with corresponding funds raised, 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 in nature have been used for long term investment and vice versa.
- [xviii] According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Act. Hence the provisions of clause 4(xviii) of the Companies (Auditors Report) Order, 2003 are not applicable.
- [xix] According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures. Hence the provision of clause 4 (xix) of the Companies (Auditors Report) Order, 2003 are not applicable.
- [xx] During the period covered by our audit report, the Company has not raised any money through public issue. Hence, the provisions of Clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- [xxi] According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For V. SENTHILNATHAN & Co.,
Chartered Accountants
ICAI / F.No. 003711S

(V.SENTHILNATHAN)

Partner
M.No.24244

Place : CHENNAI -40.

Date : 23rd July, 2010.

ELANGO INDUSTRIES LIMITED

No.5/3, Ranganathan Gardens, 15th Main Road Extn.,
Anna Nagar, Chennai - 600 040

BALANCE SHEET AS AT 31-03-2010**(Amt. in Rs.)**

	Sch.No.	As on 31-Mar-2010	As on 31-Mar-2009
<u>SOURCES OF FUNDS</u>			
SHARE HOLDERS' FUND			
Share Capital	I	38,216,000	38,216,000
Reserves & Surplus	II	19,142,173	17,196,759
		-----	-----
		57,358,173	55,412,759
		-----	-----
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
Gross Block	IV	5,628,689	5,628,689
Less : Depreciation		3,924,595	3,648,545
Net Block		1,704,094	1,980,144
Investments	III	30,630,000	30,630,000
Current Assets, Loans & Advances	V	25,348,503	23,102,073
Less : Current Liabilities & Provisions	VI	324,423	299,458
Net Current Assets		25,024,080	22,802,615
		-----	-----
		57,358,173	55,412,759
		-----	-----

Schedules referred to above form an integral part of this Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For V.SENTHILNATHAN & Co.,

Chartered Accountants

ICAI/F.No : 003711S

(V. SENTHILNATHAN)

Partner

M.No. : 024244

Place : Chennai

Date : 23rd July 2010

S. Elangovan
Managing Director

S.A. Premkumar
Director

ELANGO INDUSTRIES LIMITED

No.5/3, Ranganathan Gardens, 15th Main Road Extn.,
Anna Nagar, Chennai - 600 040

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH 2010

	Sch.No.	(Amt. in Rs.)	
		As on 31-Mar-2010	As on 31-Mar-2009
<u>A. INCOME</u>			
Sales	VII	3,144,872	3,038,000
Other Income		-----	-----
		3,144,872	3,038,000
		-----	-----
TOTAL (A)			
<u>B. EXPENSES</u>			
Administrative Expenses	VIII	897,593	651,868
Depreciation	III	276,050	321,127
		-----	-----
		1,173,644	972,995
		-----	-----
TOTAL (B)		1,971,228	2,065,005
Profit/(Loss) before Tax (A - B)		-	138
FBT Provision 05-06 (Reversed)		25,814	
MAT Paid FY 2005-06 (Interest Reversal)		-----	-----
		1,945,414	2,064,867
		-----	-----
Profit/(Loss) After Tax			
EPS Basic		0.51	0.54
Diluted		0.51	0.54

Schedules referred to above form an integral part of this Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For V.SENTHILNATHAN & Co.,

Chartered Accountants
ICAI/F.No : 003711S

(V. SENTHILNATHAN)

Partner

M.No. : 024244

Place : Chennai

Date : 23rd July 2010

S. Elangovan
Managing Director

S.A. Premkumar
Director

ELANGO INDUSTRIES LIMITED

No.5/3, Ranganathan Gardens, 15th Main Road Extn.,
Anna Nagar, Chennai - 600 040

SCHEDULES FORMING PART OF THIS ACCOUNT

(Amt in Rs.)

	As on 31-03-2010	As on 31-03-2009
SCHEDULE - I		
SHARE CAPITAL		
Authorised Capital 40,00,000 Equity Shares of Rs.10/- each	40,000,000	40,000,000
<u>Issued Capital</u> 38,38,100 Equity Shares of Rs.10/- each	38,381,000	38,381,000
<u>Subscribed Capital</u> 38,38,100 Equity Shares of Rs.10/- each	38,381,000	38,381,000
<u>Paid up Capital</u> 38,16,100 Equity Shares of Rs.10/- each	38,161,000	38,161,000
Add : 22,000 Forfeited Shares Rs.10/- each Rs. 2.50 paid	55,000	55,000
TOTAL	38,216,000	38,216,000
SCHEDULE - II		
RESERVES & SURPLUS		
Subsidy	25,281	25,281
General Reserve	5,000,000	5,000,000
Profit & Loss Account		
Opening Balance	12,171,478	10,106,611
Add: Profit / (Loss) during the year	1,945,414	2,064,867
Sub - Total	14,116,892	12,171,478
TOTAL	19,142,173	17,196,759
SCHEDULE - III		
INVESTMENTS		
<u>Unquoted:</u> Investment in Other Company(s)		
Kaveri Gas Power Limited		
25,000 Equity Shares @ Rs. 10/- each fully paid up	250,000	250,000
30,38,000 Preference Shares @ Rs.10/- each fully paid up	30,380,000	30,380,000
TOTAL	30,630,000	30,630,000

ELANGO INDUSTRIES LIMITED
CHENNAI - 600 040

SCHEDULE - III
SCHEDULE FOR DEPRECIATION & FIXED ASSETS UNDER THE COMPANIES ACT FOR THE YEAR 31-03-2010

Particulars	ROD in %	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As on 01-04-2009	Addition	Deletion	Total as on 31-03-2010	As on 01-04-2009	For the Year	Deletion	Total as on 31-03-2010	As on 31-03-2009	As on 31-03-2010
Plant & Machinery	13.91%	4,159,731	-	-	4,159,731	2,514,111	228,906	-	2,743,017	1,645,620	1,416,714
Electrical Installation	13.91%	930,970	-	-	930,970	598,793	46,206	-	644,999	332,177	285,971
Franking Machine	13.91%	13,801	-	-	13,801	13,801	-	-	13,801	-	-
Office Equipments	13.91%	16,050	-	-	16,050	16,050	-	-	16,050	-	-
Computer	40.00%	505,125	-	-	505,125	502,778	939	-	503,717	2,347	1,408
Cycle	20.00%	3,012	-	-	3,012	3,012	-	-	3,012	-	-
Total		5,628,689	-	-	5,628,689	3,648,545	276,050	-	3,924,595	1,980,144	1,704,094

SCHEDULE - V

As on
31-03-2010As on
31-03-2009

CURRENT ASSETS, LOANS & ADVANCES

1. CURRENT ASSETS

a. Sundry Debtors - Unsecured & Considered Good

Debts outstanding for a period exceeding six months	996,205	996,205
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b. Others

- Security Deposit for Contracts	4,000,000	-
- Term Deposit	-	-

c. Cash & Bank Balances

i) Cash on Hand	95,399	399
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ii) Balance with other banks

- Karur Vysya Bank-Current A/c	-	874
- SBI	397,588	-
- Deposit A/c	-	-

d. Electricity Subsidy Due

10,996,636	10,996,636
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2. LOANS & ADVANCES

(Unsecured considered good -
recoverable in Cash or in Kind
or for Value to be received)

i. Advances and Loans to Other Company(s)

- E G P K Steels Ltd.	4,300,000	4,300,000
- Kaveri Gas Power Ltd.	(30)	2,235,267
- Ankit Ispat Pvt. Ltd	2,308,932	2,308,932
- Rent Advance	200,000	200,000

ii. Balance with Statutory Authorities

- Sales Tax Deposits	5,000	5,000
- Excise Duty	1,776,645	1,776,645
- TDS Receivable 2009-10	15,827	-
- TDS Receiveable 2008-09	58,485	58,485
- Self Assessment Tax 05-06 - MAT	197,816	223,630
- Income Tax 2009-10	-	-

TOTAL CURRENT ASSETS

25,348,503

23,102,073

SCHEDULE - VI

CURRENT LIABILITIES & PROVISIONS

A. Sundry Creditors

- Creditors for Expenses	2,506	54,458
- Elangovan	-	25,000

B. Provisions

- Staff & Workers Salary Payable	26,215	-
- TDS Payable - FY 2009-10	26,067	-
- Audit Fees Payable	49,635	-
- Provision for MAT - 2005-06	220,000	220,000

TOTAL CURRENT LIABILITIES

324,423	299,458
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SCHEDULE - VII

OTHER INCOME

Interest On deposits	106,872	
Dividend on Other Investments (Shares) (Dividend from M/s. Kaveri Gas Power Ltd)	3,038,000	3,038,000

TOTAL

3,144,872	3,038,000
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SCHEDULE - VIII

ADMINISTRATIVE EXPENSES

Advertisement Expenses	16,376	31,500
Auditor's Remuneration	55,150	38,605
Bank charges & Commission	2,024	770
Consultancy - N.Rajkumar	300,000	100,000
Costodial Fee- NSDL & CDSL	15,277	-
Demat Expenses - Issuer Fee - CDSL	28,686	-
Legal & Secretarial charges	8,000	40,000
Listing fee	11,072	49,397
Administrative Expenses	163,858	-
Office Expenses	-	34,299
Postage Expenses	1,378	1,055
Printing & Stationery	12,680	52,242
Revocation Fees	-	200,000
ROC Filing fees	-	4,000
Secretarial Fees	17,030	
Staff & Workers Salary	266,062	100,000

TOTAL

897,593	651,867
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SCHEDULE IX

NOTES ON ACCOUNT FOR THE YEAR ENDED ON 31-03-2010

A. SIGNIFICANT ACCOUNTING POLICIES:**1) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

The Financial Statements are prepared under Historical Cost Convention on Accrual Basis of accountings.

2) USE OF ESTIMATES

The preparation of the financial statements in conformity with the accounting standards generally accepted in India requires the management to make estimates that affect the reported amount of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates.

3) The Company is a Small and Medium sized company (SMC) as defined in the general instructions in respect of accounting standards notified under the companies Act 1956. Accordingly, the company has compiled with the accounting standards as applicable to a Small and Medium Sized Company.

4) FIXED ASSETS

Expenditure which are of a capital nature are capitalized at cost, which comprises of purchase price of materials, labour, consultancy charges and directly attributable cost of bringing the assets to its working conditions for the intended use

5) DEPRECIATION

Depreciation is provided on written down value basis as per the rates prescribed under Schedule XIV of the companies Act, 1956.

6) VALUATION OF INVENTORY

The company does not have any Inventory as on 31.3.2010.

7) IMPAIRMENT OF ASSETS

An asset is concerned as impaired in accordance with Accounting Standard 28 on 'Impairment of Assets', when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exists is recoverable amount (i.e. the higher of the asset's net selling price and value in use). There were no reduction or gain against the carrying amount to the recoverable amount and no effect for the impairment is recognized in the profit and loss account.

8) REVENUE RECOGNITION

Dividend income is recognized on receipt basis

9) CONTINGENT LIABILITY

Contingent liabilities as defined in accounting standard 29 on "provisions, contingent liabilities and contingent assets" are disclosed by way of notes to the accounts. Provision is made if it is probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability. There were no transactions covered under this category and no provision has been made during this year.

10) ACCOUNTING FOR TAXES ON INCOME

Income taxes are accounted for in accordance AS 22 "Accounting for Taxes and Income" issued by the ICAI. Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities using the applicable tax rates. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing difference between taxable income and accounting income that are capable of reversing in or more subsequent periods and or measured using relevant enacted tax rates. At each Balance Sheet, the Company reassesses unrecognized deferred tax assets to the extent they have become reasonably certain or virtually certain of realization, as the case may be.

11) EMPLOYEE BENEFITS**Defined Contribution Plan**

The Company has defined contribution plans for employees. But there are no permanent employees during the financial year. Hence there is no Contributions Paid/Payable to these plans during the financial year.

12) INVESTMENT

The investment of Rs.2,50,000/- in the Equity Shares of "M/s.Kaveri Gas Power Limited" and investment of Rs.3,03,80,000/- in the Preference Shares of "M/s.Kaveri Gas Power Limited", under the same management whose shares are unquoted are valued at cost. The Management is of the opinion that there is no diminishing value on these Investments.

13) FOREIGN CURRENCY TRANSACTION

There is no foreign currency transaction during the financial year 2009-10 hence there is no exchange differences.

14) SEGMENT REPORTING

The Company is engaged primarily in the business of manufacturing steel Ingots from the scrap materials and there are no separate reportable segments as per Accounting Standard (AS) 17 "Segment Reporting "

15) RELATED PARTY TRANSACTION

In accordance with Accounting standard (AS) 18, the disclosures required as given below:

Particulars	Subsidiary Company	Other Company(s)	Key Management Personnel	Financial Year Ended 31.03.2009	Financial Year Ended 31.03.2010
Loans & Advances	N.A.	EGPK Steels Ltd	S.Elangovan S.A.Premkumar K.S.Shanmugam	43,00,000	43,00,000
		Kaveri Gas Power Ltd	S.Elangovan S.A.Premkumar K.S.Shanmugam	22,35,267	NIL
Remuneration	N.A.	EGPK Steels Ltd	S.Elangovan S.A.Premkumar K.S.Shanmugam	NIL NIL NIL	NIL NIL NIL
		Kaveri Gas Power Ltd	S.Elangovan S.A.Premkumar	24,54,684 24,30,749	31,80,000 31,80,000
Investment	N.A.	EGPK Steels Ltd		NIL	NIL
		Kaveri Gas Power Ltd		2,50,000 (In Equity Shares) 3,03,80,000 (In Preference Shares)	2,50,000 (In Equity Shares) 3,03,80,000 (In Preference Shares)
Others	N.A.		S.Elangovan	Rs.25,000 (Cr)	NIL

16) EARNINGS PER SHARE :

The earnings considered in Companies Basis EPS is the not profit or loss to the Equity Share Holders as per AS - 20 "Earning Per Share" issued by ICAI

Particulars	Current Year 2009-10	Previous Year 2008-09
Profit after Tax	19,45,414	20,64,867
Less: Dividend on preference shares (Including corporate dividend tax)		
Profit after tax for equity share holders- Basic (numerator)	19,45,414	20,64,867
Add/(Less): Exchange loss /(gain) on FCCBs'		
Profit after tax for equity share holders- Diluted (numerator)	19,45,414	20,64,867
Earning per share – Basic	0.51	0.54
Earning per share – Diluted	0.51	0.54
Nominal value per share	10.00	10.00
Weighted average number of equity shares for Basic EPS (denominator)	38,16,100	38,16,100
Weighted average number of equity shares for Diluted EPS (denominator)	38,16,100	38,16,100

17) DISCONTINUED OPERATIONS (PURSUANT TO AS 24):

1. Discontinued since	:	01.08.2003
2. Segment	:	Primarily Manufacturing of Steel Ingots
3. Carrying amount of total assets	:	Rs.57,383,987/-
4. Carrying amount of total liabilities	:	Rs.1,04,423/-
5. Profit from ordinary activities	:	NIL
6. Income Tax expenses	:	NIL
7. Gain on Disposal of Assets	:	NIL
8. Cash flow from discontinued operations.	:	
Operating activities	:	NIL
Investing activities	:	
Financial activities	:	

B. NOTES ON ACCOUNT

1. In the opinion, of the Board of Directors and to the best of their knowledge and belief, the value on realization of Current Assets, Loans and Advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance sheet.
2. Auditors remuneration including service tax for the period ended 31.03.10 being Rs. 55,150/-
3. Confirmation of Balances from certain parties for the amounts due to them or due from them is yet to be received / reconciled.
4. For the ended on March 31, 2010 the company has not generated any sales revenue from the Plant & Machinery capable of manufacturing 13000 tons P.A of Steel Ingots from Metal Scraps during the financial year 2009-10 but earned only exempted dividend income from the investment in shares of companies.
5. The company received dividend of Rs.30,38,000/- from the Investment in shares of the Companies.
6. The timing differences related mainly to depreciation and unabsorbed losses and the net effect of such differences will result in deferred tax asset or liability. The company has not earned any taxable income hence as a measure of prudence net deferred tax asset relating to the above period has not been recognized in the accounts.
7. Since there is no tax liability, no provision for income tax has been made in the books of accounts as per the provisions of the income tax act.
8. **MANAGERIAL REMUNERATION**
Payment of Managerial Remuneration and other benefits inclusive of perquisites not made to the Managing Director and Director against their option.

9. MICRO, MEDIUM & SMALL ENTERPRISES ACT, 2006.

In spite of the absence of a database identifying Creditors as Small Scale industrial Undertakings, it is the opinion of the management that there are no parties, which can be classified as Small Scale industrial Undertaking to whom the Company owes any sum. The Auditors have accepted the representation of the management in this matter.

10. As per the Business Plan prepared by the Management, they are exploring the possibilities to revive the manufacturing activities along with the present investment of surplus funds into the diversified projects.

According to the information and explanation given to us, we are of the opinion that the changes in the Fixed Assets have not affected the going concern status of the company.

11. Figures shown in the accounts have been rounded off to the nearest rupee.

12. Schedules I to VIII are annexed to and forming part of the accounts

As per our Report of even date.

For V.SENTHILNATHAN & Co.,

Chartered Accountants

ICAI/F.No : 003711S

(V. SENTHILNATHAN)

Partner

M.No. : 024244

Place : Chennai

Date : 23rd July 2010.

S. Elangovan

Managing Director

S.A. Premkumar

Director

ELANGO INDUSTRIES LIMITED

No. 5, Ranganathan Gardens, 15th Main Road - Extn.
Anna Nagar, Chennai - 600 040

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2010
TO CLAUSE 32 OF THE LISTING AGREEMENT**

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2010
TO CLAUSE 32 OF THE LISTING AGREEMENT (in 000s)

CASH FLOW FROM OPERATIONS	
Net Profit before Taxation and Extra-Ordinary Items	1971
and adjustments for :	
Depreciation	276
Dividend Received	-3038
Interest Income	-107
Interest Expenses	0
Operating Profit before Working Capital Changes	-898
Adjustment for:	
Increase in Accounts Receivables	-4000
Decrease in Loans And Advances	2219
Increase in Accounts Payable	25
Net Cash from Operation Activities	-2654
Cash Flow from Investment Activities	0
Purchase of Fixed Assets / Investment	0
Proceeds from Sale of Assets	0
Proceeds from sale of investments	0
Dividend Received	3038
Interest Received	107
Net Cash from Investment Activities	3145
Cash Flow from Financing Activities	0
Proceeds from Issue of Shares	0
Proceeds from Long Term Borrowings	0
Repayment of Long Term Borrowings	0
Interest Paid	0
Net Cash used in Financing Activities	0
Net Increase in Cash & Cash equivalent	491
Cash & Cash equivalent at the beginning of the Period	1
Cash & Cash equivalent at the end of the Period	492

We have verified the Cash Flow Statement for the year ended on 31st March, 2010 of with reference to the Audited Annual Accounts for the said period and found the same are in agreement therewith.

For V.SENTHILNATHAN & Co.,
Chartered Accountants
ICAI/F.No : 003711S

(V. SENTHILNATHAN)
Partner - M.No. : 024244

Place : Chennai
Date : 23.07.2010

S. Elangovan
Managing Director

S.A. Premkumar
Director

**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF
THE COMPANIES ACT, 1956.**

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration Number	:	17042
State Code	:	18
Balance Sheet Date	:	31.03.2010

II. CAPITAL RAISED DURING THE YEAR

Public Issue	:	Nil
Rights Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

(Rs. '000)

Total Liabilities	:	57,358	Total Assets	:	57,358
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SOURCES OF FUNDS

Paid-up Share Capital	:	38,216
Reserve & Surplus	:	19,142
Secured Loans	:	NIL

APPLICATION OF FUNDS

Net Fixed Assets	:	1,704
Investment	:	30,630
Net Current Assets	:	25,024
Miscellaneous Exp.	:	-

IV. PERFORMANCE OF THE COMPANY

Turnover	:	3,038	Total Expenses	:	1,174
Profit/Loss before Tax	:	1,971	Profit/Loss after Tax	:	1,945
Earning per Share	:	0.51	Dividend	:	NIL

V. GENEIC NAMES OF THE THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

Item Code	:	-
Product Description	:	Manufacturers of Ingots from Scrap

As per our report of even date.

For V.SENTHILNATHAN & Co.,

Chartered Accountants

ICAI/F.No : 003711S

(V. SENTHILNATHAN)

Partner

M.No. : 024244

Place : Chennai

Date : 23rd July 2010.

S. Elangovan
Managing Director

S.A. Premkumar
Director