

THACKER AND COMPANY LIMITED

**ABRIDGED
ANNUAL REPORT
2010-2011**

BOARD OF DIRECTORS

Arun Kumar Jatia

Vandana Jatia

Surendra Kumar Bansal

Basant Kumar Khaitan

BANKERS

IDBI Bank Ltd.

Punjab National Bank

AUDITORS

M/s. Mittal & Associates

Chartered Accountants

REGISTERED OFFICE

Bhogilal Hargovindas Building,
Mezzanine Floor,
18/20, K. Dubash Marg,
Mumbai 400 001.

THACKER AND COMPANY LIMITED

NOTICE

NOTICE is hereby given that the One Hundred and Thirty Third Annual General Meeting of the members of **THACKER AND COMPANY LIMITED** will be held at the Registered Office of the Company, at Bhogilal Hargovindas Building, 18/20, Kaikhushroo Dubash Marg, Mumbai 400 001 on Monday the 12th day of September, 2011 at 10.00 A.M. (ST) to transact the following business:-

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2011, the Profit & Loss Account for the year ended on that date, and the Cash Flow statement together with the Reports of the Directors' and Auditors'.
2. To appoint a Director in place of Mr. A. K. Jatia who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Basant Kumar Khaitan who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General meeting and to fix their remuneration.

NOTES :

- (a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member of the Company. Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
- (b) Mr. A. K. Jatia and Mr. B. K. Khaitan whose appointments are to be considered by the Annual General Meeting as mentioned above hold 3,853 and Nil equity shares of Rs. 10 each of the Company respectively.
- (c) The Register of Members and Share Transfer Books of the Company will remain closed from Monday 5th day of September 2011, to Monday 12th day of September 2011 (both days inclusive).

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- (d) Members are requested to intimate immediately to the Company change of address, if any, by quoting their Folio Number.

By Order of the Board of Directors

Place : Mumbai

Dated : 26th May, 2011

Arun Kumar Jatia

Director

Registered Office:

Bhogilal Hargovindas Bldg.,
Mezzanine Floor,
18/20, K. Dubash Marg,
Mumbai 400 001.

As a measure of economy and in accordance with the circular of 8th February, 2011 of Ministry of Corporate Affairs, it has been decided by the Board of Directors not to attach / give accounts of the subsidiary in the Company's Annual Report.

However, the annual accounts of the subsidiary, Fujisan Technologies Limited and the related detailed information shall be supplied to the shareholders of the Company on a requisition made in this regard. The Annual Accounts of the subsidiary are open for inspection by shareholders at the Registered Office during office hours.

THACKER AND COMPANY LIMITED

DIRECTORS' REPORT

To
The Members,

The Directors have pleasure in submitting their one hundred and thirty third Annual Report together with the audited accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS

| | 2010-2011 Rs. In Lacs | Previous Year Rs. In Lacs |
|--|----------------------------------|--------------------------------------|
| Gross profit before interest and depreciation | 90.86 | 184.41 |
| Adjusting therefrom interest of | 38.21 | 51.37 |
| And Depreciation of | 0.91 | 0.72 |
| The net profit comes to | <u>51.74</u> | <u>132.32</u> |
| | | |
| The balance of profit brought forward from last year of | 396.33 | 297.94 |
| Total : | <u>448.07</u> | <u>430.26</u> |
| | | |
| Adjusting against this amount the following namely: | | |
| Provision for Taxation of | 6.28 | 26.96 |
| Provision for deferred tax expense/(saving) of | (0.19) | 0.23 |
| Income tax of earlier years of | 0 | 6.74 |
| Total : | <u>6.09</u> | <u>33.93</u> |
| | | |
| There remains a balance of which the Directors propose to carry forward to next year's accounts. | 441.98 | 396.33 |

Consolidated Financial Statements

As required by Listing Agreement with the stock exchange, the Consolidated Financial Statements prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India are attached.

Director's Responsibility Statement

The Directors confirm ;

- i) that in preparation of the annual accounts, the applicable accounting standards have been followed and there have not been any material departure;

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- ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March 2011 and of the profit of the company for that period.
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- iv) that the directors have prepared the annual accounts on a going concern basis.

Operations

During the year under review the company showed a profit of Rs. 51.74 lacs as against Rs. 132.32 lacs in the previous year. The directors are hopeful for further improvement in the profits in the next year. The wholly owned subsidiary of the company, namely Fujisan Technologies Ltd. has been carrying out its activities successfully.

Dividend

In order to strengthen the financial resources of the company, your Directors do not recommend any dividend on equity shares for the year ended 31st March 2011.

Directors

Mr. A.K. Jatia and Mr. B.K. Khaitan, Directors of the company retire by rotation, and being eligible, offer themselves for re-appointment.

Auditors

Members are requested to appoint Auditors to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General meeting, and to fix their remuneration.

M/s. Mittal & Associates, Chartered Accountants, Mumbai have confirmed that the appointment, if made, will be with in accordance with the limits prescribed under section 224 (1B) of the companies Act, 1956.

Auditor's Report

The Notes to the Accounts as referred to by the Auditors in their Report are self-explanatory.

Audit Committee of Directors

The Audit Committee comprises of Mr. A. K. Jatia (Chairman), Mr. S. K. Bansal and Mrs. Vandana Jatia. The Committee has powers similar to those stated in the listing agreements and shall exercise most of the functions stated there under.

Public Deposits

The Company has not accepted any "Deposit" from the public during the year under review.

THACKER AND COMPANY LIMITED

Statement of Particulars of Employees

During the year under review no employees has drawn remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended to date.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The Company being basically an investment and trading company the provisions of Section 217(1) (e) read with the provisions of Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 do not apply to the Company.

There is no foreign technology involved.

Foreign exchange outflow during the year under review is Rs. 480.00 Lacs and there has been no inflow.

Listing

The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd., Mumbai, and the necessary listing fees for the year 2011-12 has already been paid to the Stock Exchange.

For and on behalf of the Board of Directors

Arun Kumar Jatia
Director

Vandana Jatia
Director

Place: Mumbai
Dated: 26th May, 2011

Registered Office:

Bhogilal Hargovindas Bldg.,
Mezzanine Floor,
18/20, K. Dubash Marg,
Mumbai-400001.

MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS

105, M. K. Bhavan,
300, S. B. S. Marg, Fort,
Mumbai - 400 001.
☎ : 30287900 / 01 / 02 / 03

**Auditor's Report on Abridged Financial Statements to the Members of
Thacker And Company Limited**

We have examined the attached abridged Balance Sheet of **Thacker And Company Limited** ("the Company") as at 31st March, 2011 and the related abridged Profit and Loss Account for the year ended on that date annexed there to and the Cash Flow Statement for the year ended on that date, together with the notes thereon. These abridged financial statements have been prepared by the Company pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 and are based on the financial statements of the Company for the year ended March 31, 2011 prepared in accordance with Schedule VI of the Companies Act, 1956 and is covered by our report of even date to the members of the Company which report is attached herewith.

M. Mehta
Partner
M. No.42990
For and on behalf of
For Mittal & Associates
Chartered Accountants
Firm Registration No. : 106456W

Place: Mumbai
Dated: May 26, 2011

THACKER AND COMPANY LIMITED

MITTAL & ASSOCIATES **CHARTERED ACCOUNTANTS**

105, M.K. Bhavan,
300, Shahid Bhagat Singh Road,
Fort, MUMBAI -400 001.
Phone: 30287900/1/2/3 Fax: 30287904
Email: mm@mittal-associates.com

AUDITOR'S REPORT

REPORT TO THE MEMBERS OF THACKER AND COMPANY LIMITED.

We have audited the attached Balance Sheet of, **THACKER AND COMPANY LIMITED** as at 31st March, 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto and cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, as amended by Companies (Auditor's Report)(Amendment) Order,2004, and on the basis of such checks of the books and records of the company, as we considered appropriate, we enclosed in the annexure a statement on the matters specified in the said order to the extent applicable.

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

- i). We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii). In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- iii). The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
- iv). In our opinion, the Profit & Loss Account and Balance Sheet comply with the Accounting Standards referred in sub-section 3(c) of section 211 of the Companies Act, 1956.
- v). On the basis of written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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- vi). In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to notes appearing in schedule '12' read together with significant Accounting Policies and other notes appearing elsewhere, 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, 2011;
 - b). In the case of the Profit and Loss Account, of the '**Profit**' for the year ended on that date; and
 - c). In the case of cash flow statement, of the cash flows for the year ended on that date.

M. Mehta
Partner
M. No 42990
For and on behalf of
MITTAL & ASSOCIATES
F R No. : 106456W
Chartered Accountants

PLACE : Mumbai
DATE : May 26, 2011

THACKER AND COMPANY LIMITED

ANNEXURE TO THE AUDITOR'S REPORT

Annexure Referred to in paragraph 3 of the Auditors' Report to the members of **THACKER AND COMPANY LIMITED**, on the accounts for the year ended 31st March, 2011.

- 1) (a) The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.
 - (b) As per information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its business.
 - (c) During the year, the Company has not disposed off any fixed assets.
- 2) (a) The management has conducted physical verification of inventory at reasonable intervals.
 - (b) In our opinion, the procedure followed by the management for such physical verification is reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) The Company is maintaining proper records of Inventory. No discrepancies were noticed on verification between physical Inventory and the books records.
- 3) (a) The Company has granted loans to Two parties covered in the register maintained under section 301 of the Companies Act 1956 including its subsidiary company and maximum amount involved during the year was Rs. 434.00 Lacs and year end balance of loan granted to such parties was Rs. 162.72 Lacs.
 - (b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the company.
 - (c) The company is regular in receipt of principal amount and interest wherever stipulated.
 - (d) There is no overdue more than Rs.100000/- from such parties.
 - (e) The Company has taken loans from five parties covered in the register maintained u/s 301 of the Companies Act 1956 and maximum amount involved during the year was Rs. 364.40 Lacs and the year end balance of loan taken from such parties was Rs. 352.14Lacs.
 - (f) The rate of interest and other terms and conditions of loans taken by the company from such parties are prima-facie is not pre-judicial to the interest of the company.
 - (g) The Company is regular in payment of principal amount and interest wherever stipulated.

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- 4) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the Size of the Company and the nature of its business for purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weakness in the internal Control system.
- 5) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the companies Act, 1956 and exceeding the value of Rs. Five Lakhs in respect of any party during the period, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act 1956 and the rules framed there under. Hence clause (vi) of the order is not applicable.
- 7) **No formal internal audit carried during the year.** However, there are effective internal controls exercised departmentally, commensurate with the size and nature of its business.
- 8) As informed to us, the maintenance of cost records has not been prescribed by the Central Government u/s. 209(1) (d) of the Companies Act 1956, in respect of the activities carried on by the Company.
- 9) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March 2011 for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of Sales tax, wealth tax, service tax, custom duty, excise duty and cess as at last day of the Financial Year. According to information and explanation given to us the disputed amount in respect of Income Tax are as under:

| Nature of Statute | Assessment Year | Amount (Rs.) | Forum where dispute is pending |
|----------------------|-----------------|--------------|--------------------------------|
| Income Tax Act, 1961 | 2007-08 | 478303 | CIT Appeal |
| | 2008-09 | 720214 | CIT Appeal |

THACKER AND COMPANY LIMITED

- 10) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- 11) According to the information and explanations given to us and the records examined by us, the company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- 12) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of Shares, Debentures and other securities.
- 13) In our opinion the Company is not a Chit fund or a nidhi / mutual benefit fund / Society. Therefore clause 4(XIII) of the Companies (Auditor's Report) order 2003 is not applicable to the Company.
- 14) The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name.
- 15) According to the information and explanations given to us and the records examined by us the company has not given any guarantees for loan taken by others from banks or financial institutions, the terms and conditions whereof are prima-facie prejudicial to the interest of the company.
- 16) In our opinion, the term loans have been applied for the purposes for which they were obtained.
- 17) On the basis of an overall examination of the balance sheet and cash flow of the Company and the information and explanations given to us, we report that the company has not utilised any funds raised on short-term basis for long-term investments.
- 18) The Company has not made any preferential allotment of shares during the year.
- 19) The Company has not issued any debentures.
- 20) The Company has not raised any money by way of public issue during the year.
- 21) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

As required by the Non Banking Financial Companies Auditors Report (Reserve Bank) Directions, 1998. We further state that we have submitted a Report to the Board of Directors of the Company containing a statement on the matters as specified in the said directions namely the followings:

- (i) The Company incorporated prior to January 9, 1997 had applied for registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and has been granted Registration Certificate No. 13.00292 dated 09.03.1998.

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- (ii) The Board of Directors has passed a Resolution for non-acceptance of any Public Deposits on 01-04-2006.
- (iii) The Company has not accepted any Public Deposits during the year under reference.
- (iv) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.
- (v) The company is engaged in the business of non- banking financial institution in the year under reference requiring it to hold a Certificate of Registration under section 45-IA of the Reserve Bank of India Act, 1934.

M. Mehta
Partner
M. No 42990
For and on behalf of
MITTAL & ASSOCIATES
F R No. : 106456W
Chartered Accountants

PLACE : Mumbai
DATE : May 26, 2011

THACKER AND COMPANY LIMITED

ABRIDGED BALANCE SHEET AS AT 31ST MARCH, 2011

(Statement containing salient features of Balance Sheet as per Section 219(1)(b)(iv) of the Companies Act, 1956)

| | Amount as at 31st March 2011 (Rs.in'000) | Amount as at 31st March 2010 (Rs.in'000) |
|---|--|--|
| SOURCES OF FUNDS | | |
| 1) Shareholders' Funds | | |
| (a) Capital - Equity | 787.88 | 787.88 |
| (b) Reserves and surplus | | |
| (i) Capital Redemption Reserve | 0.05 | 0.05 |
| (ii) Capital Reserve | 7.95 | 7.95 |
| (iii) Revenue Reserve | 48,041.72 | 48,041.72 |
| (iv) Surplus in Profit and Loss | 44,197.50 | 39,632.66 |
| | <u>92,247.22</u> | <u>87,682.38</u> |
| | 93,035.10 | 88,470.26 |
| 2) Loan Funds | | |
| Unsecured Loans | 35,214.30 | 45,618.20 |
| 3) Deferred Tax Liability | 168.16 | 187.03 |
| | <u>128,417.56</u> | <u>134,275.49</u> |
| APPLICATION OF FUNDS | | |
| (1) Fixed Assets | | |
| Net Block - (Original cost less depreciation) | 24,977.30 | 25,068.49 |
| (2) Investments | | |
| (a) Investment in subsidiary companies-unquoted | | |
| (i) Equity | 1,000.00 | 1,000.00 |
| (ii) Preference | - | 4,000.00 |
| (iii) Others | - | 5,000.00 |
| (b) Others | | |
| (a) Quoted | 17,199.44 | 17,230.65 |
| (b) Unquoted | 13,725.10 | 16,225.10 |
| (c) Share Application Money (Allotment pending) | - | - |
| | <u>31,924.54</u> | <u>38,455.75</u> |
| (3) (i) Current Assets, Loans & Advances : | | |
| a) Inventories | 28,392.12 | 28,392.12 |
| b) Sundry Debtors | 84,793.47 | 24,076.32 |
| c) Cash and Bank Balances | 10,303.81 | 15,508.08 |
| d) Loans and Advances | | |
| (i) To subsidiary companies | 8,200.00 | 9,900.00 |
| (ii) To Others | 27,093.73 | 40,161.05 |
| | <u>35,293.73</u> | <u>50,061.05</u> |
| | 158,783.13 | 118,037.57 |
| (ii) Current Liabilities & Provisions | | |
| (a) Liabilities | 73,822.08 | 34,469.01 |
| (b) Provisions | 13,445.33 | 12,817.31 |
| | <u>87,267.41</u> | <u>47,286.32</u> |
| Net Current Assets (i) - (ii) | <u>71,515.72</u> | <u>70,751.25</u> |
| | <u>128,417.56</u> | <u>134,275.49</u> |

Notes as per Schedule - "2"

Compiled from the Audited Accounts of the Company referred to in our Report dated May 26, 2011

For Mittal & Associates
F R No. : 106456W
Chartered Accountants

M. Mehta
Partner
M. No.42990
Place: Mumbai,
Date: May 26, 2011

On behalf of the Board of Directors

Arun Kumar Jatia
Director

Vandana Jatia
Director

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ABRIDGED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

(Statement containing salient features of Profit & Loss Account as per Section 219(1)(b)(iv) of the Companies Act, 1956)

| | 2010-11 (Rs. in'000) | 2009-10 (Rs. in'000) |
|---|-------------------------|-------------------------|
| 1) INCOME | | |
| Sales - Goods | 4,21,895.41 | 2,90,990.78 |
| - Shares | - | - |
| Dividend | 1,785.90 | 1,041.68 |
| Interest | 3,633.18 | 8,156.03 |
| License Fees | 8,100.43 | 6483.43 |
| Exchange Rate Difference | 179.04 | 1,281.51 |
| Other Income | 197.61 | 3,559.39 |
| TOTAL | 4,35,791.57 | 3,11,512.82 |
| 2) EXPENDITURE | | |
| Trading Purchases - Goods | 418025.60 | 287744.81 |
| Selling expenses | 63.55 | 12.59 |
| Salaries, Wages & Other Employee benefits | 1059.25 | 437.68 |
| Director's remuneration | 518.35 | 523.08 |
| Interest | 3821.44 | 5136.90 |
| Bank Charges | 2305.14 | 2076.92 |
| Depreciation | 91.19 | 71.83 |
| Auditor's remuneration | 50.00 | 50.00 |
| Legal & Profesional Charges | 1700.88 | 1435.35 |
| Other Expenses | 997.54 | 791.72 |
| Extra Ordinary Item | 1984.64 | - |
| TOTAL | 430617.58 | 298280.88 |
| Profit/Loss before tax | 5173.99 | 13231.94 |
| Provision for Taxation | 609.15 | 2,719.40 |
| Income tax adjustment for earlier years | 0.00 | 673.86 |
| Profit / Loss after tax | 4564.84 | 9838.68 |
| Balance brought forward from earlier year | 39632.66 | 29793.98 |
| Transfer to Reserves and surplus | 44197.50 | 39632.66 |

Notes as per Schedule - "2"

Compiled from the Audited Accounts of the Company referred to in our Report dated May 26, 2011

For Mittal & Associates
F R No. : 106456W
Chartered Accountants

M. Mehta
Partner
M. No.42990
Place: Mumbai,
Date: May 26, 2011

On behalf of the Board of Directors

Arun Kumar Jatia
Director

Vandana Jatia
Director

THACKER AND COMPANY LIMITED

SCHEDULE - 1

1 Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company (as required in terms of Paragraph 13 of Non-Banking Financial (non-deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(Rs. in Lakhs)

| Particulars Liabilities side: | Year Ending 31.03.2011 | |
|--|-------------------------------|-----------------------|
| | Amount Outstanding | Amount Overdue |
| (1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid: | | |
| (a) Debentures : Secured | — NIL — | — NIL — |
| : Unsecured (other than falling within the meaning of Public Deposits) | — NIL — | — NIL — |
| (b) Deferred Credits | — NIL — | — NIL — |
| (c) Terms Loans | — NIL — | — NIL — |
| (d) Inter-corporate loans and borrowing | 352.14 | — NIL — |
| (e) Commercial Paper | — NIL — | — NIL — |
| (f) Other Loans | — NIL — | — NIL — |

(Rs. in Lakhs)

| Assets side : | Amount Outstanding |
|--|---------------------------|
| (2) Break-up of Loans and Advances including Bills Receivables [other than those included in (3) below] : | |
| (a) Secured | — NIL — |
| (b) Unsecured (Including Interest Accrued and Due) | 162.72 |
| (3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities | |
| (I) Lease assets including lease rentals under Sundry Debtors | — NIL — |
| (a) Financial lease | |
| (b) Operating lease | |
| (II) Stock on hire including hire charges under Sundry Debtors | — NIL — |
| (a) Assets on hire | |
| (b) Repossessed Assets | |
| (III) Other Loans counting towards AFC activities | — NIL — |
| (a) Loans where assets have been repossessed | |
| (b) Loans other than (a) above | |

THACKER AND COMPANY LIMITED

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

(Rs. in Lakhs)

| Category | Market Value Break-up or fair Value or NAV | Book Value (Net of Provisions) |
|---|--|--------------------------------|
| 1. Related Parties ** (a) Subsidiaries (b) Companies in the same group (c) Other related parties | —NIL— | 10.00 |
| | | 308.81 |
| | | —NIL— |
| 2 Other than related parties | | 0.44 |
| Total | 0.00 | 319.25 |

** As per Accounting Standard of ICAI

(7) Other information

| Particulars | Amount |
|--|----------------|
| (i) Gross Non-Performing Assets (a) Related Parties (b) Other than related parties | —NIL— —NIL— |
| (ii) Net Non-Performing Assets (a) Related Parties (b) Other than related parties | —NIL— —NIL— |
| (iii) Assets acquired in satisfaction of debt | —NIL— |

Note: In respect of unquoted Investments cost price has been considered in absence of break up/ fair value/ NAV and impact thereof is unascertainable.

SCHEDULE 2:**NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2011****I) SIGNIFICANT ACCOUNTING POLICIES:****1) Accounting Convention:**

- a) The accompanying financial statements have been prepared in accordance with the historical cost convention.
- b) The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis

2) Fixed Assets:

Fixed Assets are carried at cost of acquisition less depreciation.

3) Depreciation:

Depreciation on Fixed Assets has been provided on written Down Value method at rates specified in Schedule XIV to the Companies Act, 1956. Depreciation in respect of assets acquired during the year has been provided on pro-rata basis.

4) Inventories:

- a) Inventories are valued on FIFO at cost or market value whichever is less.
- b) Materials lying at Port and with third party are recognized upon receipt of commercial invoice from the supplier.

5) Investments:

- a) Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if, such a decline in the opinion of the management is other than temporary.
- b) Investments include shares and securities purchased with the intention of holding them as investments as per Board resolutions.

6) Sales:

Sales are exclusive of Vat and recognized when goods are supplied in accordance with the terms of sale. Export Sales is recognized only when the Bills of Lading is received by the company.

7) Purchase:

Purchases are recognized as per terms of purchase with buyer and exclusive of VAT.

8) Rent:

Income from rent is accounted as per the terms of agreements on accrual basis.

9) Interest and Dividend:

Interest income is accounted on accrual basis. Dividend is accounted on receipt basis

THACKER AND COMPANY LIMITED

10) Employees Benefits:

Company's contributions to Provident Fund Pension Scheme for the year are charged to Profit & Loss account. Provision for Leave encashment to employees is made on payment basis.

11) Taxation:

a) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961 and considering assessment orders and decisions of appellate authorities in Company's case.

b) Deferred tax for timing differences between tax profits and book profits is accounted by using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets in respect of unabsorbed Losses are recognized to the extent there is reasonable certainty that these assets can be realized in future.

12) Accounting policies not specifically referred to above are consistent with earlier years and in consonance with generally accepted accounting principles.

13) Segment Reporting:

The accounting policies adopted for Segment reporting are on line with the accounting policy of the Company. Revenue and Expenditure have been identified to Segments on the basis of their relationship to operating activities of the segment. Revenue and Expenditure which relate to the enterprises as a whole and are not allocable to segments on a reasonable basis have been included under "Un-allocated Expenses"

14) Foreign currency Transactions:

Foreign currency transactions entered during the year are recorded at the prevailing exchange rate on the date of transaction. Gain / Loss arising on all transactions settled during the year are recognized in profit and loss account. Unsettled foreign currency transactions at the year end are translated at year – end rates.

15) Provisions and Contingent Liabilities:

The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

II) NOTES ON ACCOUNTS & CONTINGENT LIABILITIES:

1) Contingent Liabilities not Provided for in respect of:

| | 31/03/2011 | 31/03/2010 |
|--|------------|------------|
| a) Income Tax demands under dispute | 1198517 | 3542991 |
| b) Letter of credit issued by the bank | NIL | NIL |

2) Payments made to auditors:

| | 31/03/2011 | 31/03/2010 |
|----------------------------|--------------|--------------|
| | Rupees | Rupees |
| Audit Fees | 33090 | 33090 |
| For Tax Audit | 16545 | 16545 |
| For Other Taxation matters | 5515 | 5515 |
| TOTAL | 55150 | 55150 |

THACKER AND COMPANY LIMITED

7) Deferred tax :

Deferred tax has been provided at the end of the year in accordance with Accounting Standard 22 - Accounting for Taxes on income issued by the Institute of Chartered Accountants of India.

8) Earning Per Share:

| | 31/03/2011 | 31/03/2010 |
|---|------------|------------|
| a) Net Profit after tax available for Equity shareholders | 4564854 | 9838678 |
| b) Weighted average number of Equity shares of Rs. 10/-each | 78765 | 78765 |
| c) Basic/Diluted Earnings Per Share (Rs.) (a/b) | 57.96 | 124.91 |

9) On the basis of information available with the company regarding the status of suppliers as defined under the "Micro Small & Medium Enterprises Act 2006", there are no suppliers covered under the above mentioned act and hence the question of provision or payment of interest and related disclosure under the said act does not arise.

10) Market value of Quoted Investment as on 31st March, 2011 is Rs. 200.15 Lacs (Previous Year Rs. 189.83 Lacs)

11) Figures have been rounded off to nearest rupee.

12) Previous year's figures have been regrouped or recast in order to make them comparable with current year's figures.

13) Disclosure of Related Party transactions as required by para 23 of Accounting Standard 18 issued by ICAI Related Party Disclosure (as identified by the management)

a) Related Party

(A) Subsidiary Company:

- (i) Fujisan Technologies Ltd.

(B) Associate Companies:

- (i) Apposite Trading Pvt. Ltd.
- (ii) Chem Mach Pvt. Ltd.
- (iii) Cheerful Commercial Pvt. Ltd.
- (iv) Gelid Commercial Pvt. Ltd.
- (v) Winterpark Investment & Finance Pvt. Ltd.
- (vi) Suma Commercial Pvt. Ltd.
- (vii) Ubiquitous Trading Pvt. Ltd.
- (viii) Pudumjee Pulp & Paper Mills Ltd.
- (ix) Pudumjee Industries Limited
- (x) Pudumjee Plant Laboratories Limited

(C) Partnership Firms

- (i) Suma & Sons
- (ii) Prime Developers

(D) Key Management Personnel:

- (i) Mrs. Vandana Jatia

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(E) Relatives of Key Management Personnel:

- (i) Mr. M. P. Jatia
- (ii) Mr. Shyam M. Jatia
- (iii) Mr. A. K. Jatia

b) Transactions during the year with Related Parties:

| Particulars | Subsidiary | Associates | Key Managerial personnel & Relatives | Total |
|----------------------------------|------------|------------|--------------------------------------|------------|
| | Rupees | Rupees | Rupees | Rupees |
| Sale of Shares | - | - | - | - |
| | | | (481491) | (481491) |
| Purchase of Shares | - | - | - | - |
| | | | (1704533) | (1704533) |
| Managerial Remuneration | - | - | 480000 | 480000 |
| | | | (446500) | (446500) |
| Director sitting fee | | | 750 | 750 |
| | | | (1000) | (1000) |
| Interest Paid | - | 3821443 | - | 3821443 |
| | | (3688477) | | (3688477) |
| Interest Received | 1209480 | 1688533 | - | 2898013 |
| | (1666747) | (5797842) | | (7464589) |
| Finance & Investments | | | | |
| Unsecured Loans Received | - | 10397995 | - | 10397995 |
| | | (46195796) | | (46195796) |
| Unsecured Loans Repaid | - | 7467995 | - | 7467995 |
| | | (52490796) | | (52490796) |
| Loan Advanced | 62277000 | 111630000 | - | 173907000 |
| | (32300000) | (4875604) | | (37175604) |
| Loan Advanced Refund | 63977000 | 115110566 | - | 179087566 |
| | (34000000) | (16200000) | | (50200000) |
| Amount Invested | | 20832913 | | 20832913 |
| | | (23332913) | | (23332913) |
| Amount redeemed | | - | | - |
| | | (47296) | | (47296) |
| Outstandings | | | | |
| Interest Payables | - | 3439299 | - | 3439299 |
| | | (3319629) | | (3319629) |
| Interest Receivables | 1088532 | 933696 | - | 2022228 |
| | (1500072) | | | (1500072) |
| Loan Advanced | 8200000 | 6050000 | - | 14250000 |
| | (9900000) | (21680566) | | (31580566) |
| Loan Taken | - | 31775000 | - | 31775000 |
| | | (28845000) | | (28845000) |
| Investments | 1000000 | 30880578 | - | 31880578 |
| | (5000000) | (33380578) | | (38380578) |
| Stock-in-Trade | - | 28392123 | - | 28392123 |
| | | (28392123) | | (28392123) |

Note : Figures in bracket shows previous year figure.

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14) Disclosure of Segmentwise Revenue, Results and Capital Employed:

- a) Segmentwise Revenue, Results and Capital Employed.
- b) The Company operates in three segments i.e. Investment and Finance, Business Centre and Trading Business the summary of which is as under:

| | Investment & Finance Rupees | Business Centre Rupees | Trading Business Rupees | Un- Allocated Rupees | Total Rupees |
|---|--|---------------------------------------|--|-------------------------------------|-------------------------|
| 1. SEGMENT REVENUE | | | | | |
| Income from Operations | 3436243 | 8100432 | 424254897 | - | 435791572 |
| 2. SEGMENT RESULTS | | | | | |
| Profit/(Loss) before Tax & before extra ordinary items | 1006784 | 6283098 | 532877 | (664117) | 7158642 |
| 3. CAPITAL EMPLOYED (Segment Assets – Segment Liabilities) | | | | | |
| | 13902594 | 13254533 | 65877918 | - | 93035045 |

15) Important Ratios:

- a) Profit Before Tax to Sales 1.23%

On Behalf of the Board of Directors

Arun Kumar Jatia
Director

Vandana Jatia
Director

PLACE : MUMBAI
DATE: MAY 26, 2011

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011

| | 2010-11 | 2009-10 |
|--|---------------------|---------------------|
| | Rs. | Rs. |
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit before tax | 5,174,006 | 13,231,934 |
| Adjustments for: | | |
| Add: Depreciation | 91,193 | 71,833 |
| Less: Rental income & Licence Fee | (8,100,432) | (6,483,432) |
| Operating profit before working capital changes | (2,835,233) | 6,820,335 |
| Adjustments for: | | |
| (Increase) / decrease in current asset | (44,381,458) | 50,316,880 |
| Inventories | - | - |
| Increase / (decrease) in current Liabilities | 39,353,058 | (18,611,631) |
| Cash Generated from Operation | (7,863,632) | 38,525,584 |
| Direct Taxes Paid/Refund | (1,568,370) | (4,507,446) |
| NET CASH FROM OPERATING ACTIVITIES | (9,432,003) | 34,018,138 |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Fixed Assets | - | (24,064,170) |
| (Purchase)/Sale of Investment | 6,531,211 | (21,143,725) |
| Rental Income | 8,100,432 | 6,483,432 |
| NET CASH USED IN INVESTING ACTIVITIES | 14,631,643 | (38,724,463) |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Proceeds from Borrowings | (10,403,911) | 7,087,386 |
| NET CASH USED IN FINANCING ACTIVITIES | (10,403,911) | 7,087,386 |
| Net increase in cash and cash equivalents | (5,204,271) | 2,381,061 |
| Openig Balance of Cash and cash equivalents | 15,508,082 | 13,127,021 |
| Closing Balance of Cash and cash equivalents | 10,303,811 | 15,508,082 |

Notes: 1 The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.

THACKER AND COMPANY LIMITED

2. Figures of the previous year have been regrouped/ reclassified, wherever necessary.

As per our report of even date attached

M. Mehta
Partner
M. No. 42990
For and on behalf of
MITTAL & ASSOCIATES
F R No. : 106456W
Chartered Accountants
PLACE : Mumbai
DATE : May 26, 2011

For and on Behalf of the Board

Arun Kumar Jatia
Director

Vandana Jatia
Director

STATEMENT PURSUANT TO SECTION 212 (I) (C) OF THE COMPANIES ACT 1956

1. The Company held 100% of the paid up Equity Capital of Rs. 10 lacs in Fujisan Technologies Limited, (FTL) a subsidiary of this Company as on 31st March, 2011 which is the financial year end of both the Companies.
2. No part of the net profit of Rs. 35.88 Lacs for the current financial year ended 31st March, 2011 and no part of net profit of Rs. 32.76 Lacs for the previous financial year of FTL, since it became a subsidiary of this company, have been dealt with in the Comany's accounts for the year ended 31st March, 2011.

For and on Behalf of the Board

Arun Kumar Jatia
Director

Vandana Jatia
Director

MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS

105, M.K. Bhavan,
300, S. B. S. Marg,
Fort, MUMBAI -400 001.
☎: 30287900 / 01 / 02 / 03

**Auditor's Report on the Abridged Consolidated Financial Statements of
Thacker and Company Limited**

We have examined the attached abridged Consolidated Balance Sheet of **Thacker and Company Limited** ("the Company") as at 31st March, 2011 and the related consolidated abridged Profit and Loss Account for the year ended on that date annexed thereto and the consolidated Cash Flow Statement for the year ended on that date, together with the notes thereon. These abridged financial statements have been prepared by the Company pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956.

These abridged consolidated financial statements are based on the consolidated financial statements of the Company for the year ended March 31, 2011 prepared on the basis of separate financial statements of constituents, in accordance with the requirements of Accounting Standard 21- consolidated Financial Statements, Accounting Standard 23- Accounting for investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and is covered by our report of even date which report is attached herewith.

M. Mehta
Partner
M. No.42990
For and on the behalf of
For Mittal & Associates
Chartered Accountants
Firm Registration No. : 106456W

Place: Mumbai
Dated: May 26, 2011

THACKER AND COMPANY LIMITED

ABRIDGED CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

(Statement containing salient features of Balance Sheet as per Section 219(1)(b)(iv) of the Companies Act, 1956)

| | Amount as at 31st March 2011 (Rs.in'000) | | Amount as at 31st March 2010 (Rs.in'000) | |
|---|--|-------------------|--|-------------------|
| SOURCES OF FUNDS | | | | |
| (1) Shareholders' Funds | | | | |
| (a)Capital - Equity | | 787.88 | | 787.88 |
| (b)Reserves and surplus | | | | |
| Capital Redemption Reserve | 0.05 | | 0.05 | |
| Capital Reserve | 7.95 | | 7.95 | |
| Revenue Reserve | 48,041.72 | | 48,041.72 | |
| Surplus in Profit and Loss | 51,061.26 | 99,110.98 | 42,908.62 | 90,958.34 |
| | | 99,898.86 | | 91,746.22 |
| (2) Loan Funds | | | | |
| Secured Loans (Other than debentures) | | - | | 5,224.08 |
| Unsecured Loans | | 35,214.30 | | 45,618.20 |
| | | 35,214.30 | | 50,842.28 |
| (3) Deferred tax liability | | | | |
| | | 55.09 | | 101.77 |
| | | 135,168.25 | | 142,690.27 |
| APPLICATION OF FUNDS | | | | |
| Fixed Assets | | | | |
| (1) Fixed Assets | | | | |
| Net Block - (Original cost less depreciation) | | 27,607.97 | | 27,505.76 |
| (2) Investments | | | | |
| Others | | | | |
| (a) Quoted | 17,199.44 | | 17,230.65 | |
| (b) Unquoted | 13,725.10 | | 16,225.10 | |
| (c) Share Application money | - | 30,924.54 | - | 33,455.75 |
| | | 30,924.54 | | 33,455.75 |
| (3) (i) Current Assets, Loans & Advances: | | | | |
| (a) Inventories | | 32,890.43 | | 39,090.28 |
| (b) Sundry Debtors | | 101,137.40 | | 47,854.92 |
| (c) Cash and Bank Balances | | 10,748.30 | | 15,841.66 |
| (d) Loans and Advances | | 33,816.90 | | 42,492.45 |
| | | 178,593.03 | | 145,279.31 |
| Less : (ii) Current Liabilities & Provisions | | | | |
| (a) Liabilities | 85,365.40 | | 49,282.57 | |
| (b) Provisions | 16,591.89 | 101,957.29 | 14,267.98 | 63,550.55 |
| Net Current Assets | | 76,635.74 | | 81,728.76 |
| | | 135,168.25 | | 142,690.27 |

Notes as per Schedule - "2"

Compiled from the Audited Accounts of the Company referred to in our Report dated May 26, 2011

For Mittal & Associates
F R No. : 106456W
Chartered Accountants

M. Mehta
Partner
M. No.42990
Place: Mumbai,
Date: May 26, 2011

On behalf of the Board of Directors

Arun Kumar Jatia
Director

Vandana Jatia
Director

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ABRIDGED CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011 (Statement containing salient features of Profit & Loss Account as per Section 219(1)(b)(iv) of the Companies Act, 1956)

| | 2010-11 (Rs.in'000) | 2009-10 (Rs.in'000) |
|---|------------------------|------------------------|
| (1) INCOME | | |
| Sales - Goods | 516,265.86 | 357,920.75 |
| Dividend | 1,785.90 | 1,041.68 |
| Interest | 2,446.65 | 6,579.81 |
| License Fees | 8,100.43 | 6,483.43 |
| Other Income | 320.65 | 3,755.70 |
| Service Charges | 3,103.77 | 1,528.14 |
| Exchange Rate Difference | 593.47 | 2,546.42 |
| Increase in stock | (6,199.85) | (5,586.92) |
| TOTAL | 526,416.88 | 374,269.01 |
| (2) EXPENDITURE | | |
| Trading Purchases - Goods | 490,852.86 | 333,088.10 |
| Interest | 3,833.55 | 5,137.54 |
| Administrative & other expenses | 18,349.33 | 16,087.27 |
| Depreciation | 693.84 | 658.36 |
| Extra Ordinary Items | 1,984.64 | - |
| Prior period expenses | 0.61 | 5.40 |
| TOTAL | 515,714.83 | 354,976.67 |
| Profit/Loss before tax | 10,702.05 | 19,292.34 |
| Provision for Taxation | 2,397.52 | 3,860.25 |
| Income tax adjustment for earlier years | 151.89 | 673.86 |
| Profit / Loss after Tax | 8,152.64 | 14,758.23 |
| Balance brought forward from earlier year | 42,908.62 | 28,150.39 |
| Transfer to Reserves and surplus | 51,061.26 | 42,908.62 |

Notes as per Schedule - "2"

Compiled from the Audited Accounts of the Company referred to in our Report dated May 26, 2011

For Mittal & Associates
F R No. : 106456W
Chartered Accountants

M. Mehta
Partner
M. No.42990
Place: Mumbai,
Date: May 26, 2011

On behalf of the Board of Directors

Arun Kumar Jatia
Director

Vandana Jatia
Director

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(4) Break-up of Investments:

| | | |
|---|--|---------|
| Current Investments: | | |
| 1. Quoted: | | |
| (i) Shares : (a) Equity | | — NIL — |
| (b) Preference | | — NIL — |
| (ii) Debentures and Bonds | | — NIL — |
| (iii) Units of Mutual Funds | | — NIL — |
| (iv) Government Securities | | — NIL — |
| (v) Others (please specify) | | — NIL — |
| 2. Unquoted: | | |
| (i) Shares : (a) Equity | | — NIL — |
| (b) Preference | | — NIL — |
| (ii) Debentures and Bonds | | — NIL — |
| (iii) Units of Mutual Funds | | — NIL — |
| (iv) Government Securities | | — NIL — |
| (v) Others (please specify) | | — NIL — |
| Long Term Investments: | | |
| 1. Quoted: | | |
| (i) Shares : (a) Equity | | 171.99 |
| (b) Preference | | — NIL — |
| (ii) Debentures and Bonds | | — NIL — |
| (iii) Units of Mutual Funds | | — NIL — |
| (iv) Government Securities | | — NIL — |
| (v) Others (please specify) | | — NIL — |
| 2. Unquoted: | | |
| (i) Shares : (a) Equity | | 90.75 |
| (b) Preference | | 46.50 |
| (ii) Debentures and Bonds | | — NIL — |
| (iii) Units of Mutual Funds | | — NIL — |
| (iv) Government Securities | | — NIL — |
| (v) Others (please specify) | | — NIL — |
| Share application money (pending allotment) | | |

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :

| Category | Amount of Net of Provisions | | |
|---------------------------------|-----------------------------|--------------|--------------|
| | Secured | Unsecured | Total |
| 1. Related Parties ** | / | | |
| (a) Subsidiaries | | —NIL— | —NIL— |
| (b) Companies in the same group | | —NIL— | —NIL— |
| (c) Other related parties | | 69.83 | 69.83 |
| 2. Other than related parties | | —NIL— | —NIL— |
| Total | —NIL— | 69.83 | 69.83 |

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(6) **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**

(Rs. in Lakhs)

| Category | Market Value Break-up or fair Value or NAV | Book Value (Net of Provisions) |
|---|--|--------------------------------|
| 1. Related Parties ** (a) Subsidiaries (b) Companies in the same group (c) Other related parties | —NIL— | 308.81 —NIL— |
| 2 Other than related parties | | 0.44 |
| Total | 0 | 309.25 |

** As per Accounting Standard of ICAI

(7) **Other information**

| Particulars | Amount |
|--|----------------|
| (i) Gross Non-Performing Assets (a) Related Parties (b) Other than related parties | —NIL— —NIL— |
| (ii) Net Non-Performing Assets (a) Related Parties (b) Other than related parties | —NIL— —NIL— |
| (iii) Assets acquired in satisfaction of debt | —NIL— |

Note: In respect of unquoted Investments cost price has been considered in absence of break up/ fair value/ NAV and impact thereof is unascertainable.

SCHEDULE 2:**NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2011****I) SIGNIFICANT ACCOUNTING POLICIES:****1) Accounting Convention:**

- a) The accompanying financial statements have been prepared in accordance with the historical cost convention.
- b) The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2) Basis of consolidation:

The Financial Statements of the company and its wholly owned subsidiary ("The Group") have been consolidated on line-by-line after eliminating all significant inter-company transactions in accordance with the Accounting Standard '21' 'Consolidated Financial Statement' issued by The Institute of Chartered Accountants of India (ICAI).

3) Fixed Assets:

Fixed Assets are carried at cost of acquisition less depreciation.

4) Depreciation:

Depreciation on Fixed Assets has been provided on written Down Value method at rates specified in Schedule XIV to the Companies Act, 1956. Depreciation in respect of assets acquired during the year has been provided on pro-rata basis.

5) Inventories:

- a) Inventories are valued on FIFO at cost or market value whichever is less.
- b) Materials lying at Port and with third party are recognized upon receipt of commercial invoice from the supplier.

6) Investments:

- a) Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if, such a decline in the opinion of the management is other than temporary.
- b) Investments include shares and securities purchased with the intention of holding them as investments as per Board resolutions.

7) Sales:

Sales are exclusive of Vat and recognized when goods are supplied in accordance with the terms of sale. Export Sales is recognized only when the Bills of Lading is received by the company.

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- 8) Purchase:**
Purchases are recognized as per terms of purchase with buyer and exclusive of VAT.
- 9) Rent:**
Income from rent is accounted as per the terms of agreements on accrual basis.
- 10) Interest and Dividend:**
Interest income is accounted on accrual basis. Dividend is accounted on receipt basis.
- 11) Employees Benefits:**
Company's contributions to Provident Fund Pension Scheme for the year are charged to Profit & Loss account. Provision for Leave encashment to employees is made on payment basis.
- 12) Taxation:**
- a) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961 and considering assessment orders and decisions of appellate authorities in Company's case.
 - b) Deferred tax for timing differences between tax profits and book profits is accounted by using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets in respect of unabsorbed Losses are recognized to the extent there is reasonable certainty that these assets can be realized in future.
- 13)** Accounting policies not specifically referred to above are consistent with earlier years and in consonance with generally accepted accounting principles.
- 14) Segment Reporting:**
The accounting policies adopted for Segment reporting are on line with the accounting policy of the Company. Revenue and Expenditure have been identified to Segments on the basis of their relationship to operating activities of the segment. Revenue and Expenditure which relate to the enterprises as a whole and are not allocable to segments on a reasonable basis have been included under "Un-allocated Expenses"
- 15) Foreign currency Transactions:**
Foreign currency transactions entered during the year are recorded at the prevailing exchange rate on the date of transaction. Gain / Loss arising on all transactions settled during the year are recognized in profit and loss account. Unsettled foreign currency transactions at the year end are translated at year – end rates.
- 16) Provisions and Contingent Liabilities:**
The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

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II) NOTES ON ACCOUNTS & CONTINGENT LIABILITIES:

1) Contingent Liabilities not Provided for in respect of :

| | 31/03/2011 | 31/03/2010 |
|--|------------|------------|
| a) Income Tax demands under dispute | 1198517 | 3542991 |
| b) Letter of credit issued by the bank | NIL | NIL |

2) Sunday Debtors, creditors, loans and advances, unsecured loans are subject to confirmation.

3) Payments made to auditors :

| | 31/03/2011 | 31/03/2010 |
|----------------------------|---------------|---------------|
| | Rupees | Rupees |
| Audit Fees | 66180 | 66180 |
| For Tax Audit | 33090 | 33090 |
| For Other Taxation matters | 11030 | 11030 |
| TOTAL | 110300 | 110300 |

4) Deferred tax :

a) Deferred tax has been provided at the end of the year in accordance with Accounting Standard 22-Accounting for Taxes on income issued by the Institute of Chartered Accountants of India.

5) Quantitative details in respect of items dealt in by the Company are given below:

| | AS ON 31/03/2011 | | AS ON 31/03/2010 | |
|---|------------------|--------------|------------------|--------------|
| | Quantity | Value | Quantity | Value |
| | | Rupees | | Rupees |
| A) Shares(Qty in Nos): | | | | |
| Opening Stock | 5818637 | 28392123 | 3150117 | 28392123 |
| Spilt of shares | NIL | NIL | 2668520 | NIL |
| Purchases | NIL | NIL | NIL | NIL |
| Sales | NIL | NIL | NIL | NIL |
| Closing Stock | 5818637 | 28392123 | 5818637 | 28392123 |
| B) Trade Goods – Iron & Steel(Qty in M. T.): | | | | |
| Opening Stock | NIL | NIL | NIL | NIL |
| Purchases | 2007.34 | 72110971.82 | 568.349 | 19229196.20 |
| Sales | 2007.34 | 75648667.59 | 568.349 | 20175684.47 |
| Closing Stock | NIL | NIL | NIL | NIL |
| C) Trade Goods – Fabric (Qty IN Mtrs.): | | | | |
| Opening Stock | NIL | NIL | NIL | NIL |
| Purchases | 2809310 | 238166460 | 2025900 | 154143531 |
| Sales | 2809310 | 235137744 | 2025900 | 153826610 |
| Closing Stock | NIL | NIL | NIL | NIL |
| D) Other (Pulp)-(Qty IN M.T.): | | | | |
| Opening Stock | NIL | NIL | NIL | NIL |
| Purchases | 3755.399 | 107528263.76 | 5250.849 | 114319956.05 |
| Sales | 3755.399 | 111108997.45 | 5250.849 | 116195232.07 |
| Closing Stock | NIL | NIL | NIL | NIL |

THACKER AND COMPANY LIMITED

F) Scanners(Qty in Nos):

| | | | | |
|---------------|------|----------|------|----------|
| Opening Stock | 941 | 9381535 | 1114 | 11257211 |
| Purchases | 1336 | 66793396 | 1201 | 44015089 |
| Sales | 1590 | 94190625 | 1374 | 65068084 |
| Closing Stock | 687 | 3573418 | 941 | 9381535 |

G) Accesories

| | | | | |
|---------------|----|---------|----|---------|
| Opening Stock | NA | 1316620 | NA | 5027866 |
| Purchases | NA | 6033866 | NA | 1331323 |
| Sales | NA | 6746245 | NA | 4408117 |
| Closing Stock | NA | 924892 | NA | 1316620 |

NOTE : The figures have been regrouped wherever necessary.

6) Earning Per Share:

| | 31/03/2011 | 31/03/2010 |
|--|------------|------------|
| a) Net Profit after tax available for Equity shareholders | 8152665 | 14358218 |
| b) Weighted average number of Equity shares of Rs.10/-each | 78765 | 78765 |
| c) Basic/Diluted Earnings Per Share (Rs.) (a/b) | 103.51 | 182.29 |

7) On the basis of information available with the company regarding the status of suppliers as defined under the "Micro small & medium Enterprises Act 2006" there are no suppliers covered under the above mentioned act & hence the question of provision or payment of interest and related disclosure under the said act does not arise.

8) Figures have been rounded off to nearest rupee.

9) Previous year's figures have been regrouped or recast in order to make them comparable with current year's figures.

10) Disclosure of Related Party transactions as required by para 23 of Accounting Standard 18 issued by ICAI Related Party Disclosure (as identified by the management)

a) Related Party

(A) Associate Companies:

- (i) Apposite Trading Pvt. Ltd.
- (ii) Chem Mach Pvt. Ltd.
- (iii) Cheerful Commercial Pvt. Ltd.
- (iv) Gelid Commercial Pvt. Ltd
- (v) Winterpark Investment & Finance Pvt. Ltd.
- (vi) Suma Commercial Pvt. Ltd.
- (vii) Ubiquitous Trading Pvt. Ltd.
- (viii) Pudumjee Pulp & Paper Mills Ltd.
- (ix) Pudumjee Industries Ltd.
- (x) Pudumjee Hygiene Product Limited
- (xi) Pudmumjee Plant Laboratories Limited

(B) Partnership Firms

- (i) Suma & Sons
- (ii) Prime Developers

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(C) Key Management Personnel:

- (i) Mrs. Vandana Jatia
- (ii) Mr. Paresh H. Gathani (Resigned wef. December 1st, 2010)
- (iii) Mr. Shyam M. Jatia
- (iv) Mr. Arun K. Jatia
- (v) Mr J W Patil

(D) Relatives of Key Management Personnel:

- (i) Mr. M. P. Jatia
- (ii) Mrs. Monica Gathani
- (iii) Mr. Shyam M. Jatia

b) Transactions during the year with Related Parties:

| Particulars | Associates | Key Managerial personnel & Relatives | Total |
|----------------------------------|-------------------------|---|-------------------------|
| | Rupees | Rupees | Rupees |
| Sale of Shares | - | Nil (481491) | Nil (481491) |
| Purchase of Shares | - | Nil (1704533) | Nil (1704533) |
| Sale Of Scanners | | 118500 (56680) | 118500 (56680) |
| Managerial Remuneration | - | 480000 (446500) | 480000 (446500) |
| Director sitting fee | | 750 (1000) | 750 (1000) |
| Interest Paid | 3821443 (3688477) | - | 3821443 (3688477) |
| Interest Received | 1688533 (5797842) | - | 1688533 (5797842) |
| Professional Fees | | 1502880 (2400000) | 1502880 (2400000) |
| Finance & Investments | | | |
| Unsecured Loans Received | 10397995 (46195796) | - | 10397995 (46195796) |
| Unsecured Loans Repaid | 7467995 (52490796) | - | 7467995 (52490796) |
| Loan Advanced | 111630000 (4875604) | - | 111630000 (4875604) |
| Loan Advanced Refund | 115110566 (16200000) | - | 115110566 (16200000) |
| Amount Invested | 20832913 (23332913) | - | 20832913 (23332913) |
| Amount redeemed | Nil (47296) | - | Nil (47296) |
| Outstandings | | | |
| Interest Payables | 3439299 (3319629) | - | 3439299 (3319629) |
| Interest Receivables | 933696 (Nil) | - | 933696 (Nil) |
| Loan Advanced | 6050000 (21680566) | - | 6050000 (21680566) |
| Unsecured Loans | 31775000 (28845000) | - | 31775000 (28845000) |
| Investments | 30880578 (33380578) | - | 30880578 (33380578) |
| Stock-in-Trade | 28392123 (28392123) | - | 28392123 (28392123) |

Note : Figures in bracket shows previous year figure.

THACKER AND COMPANY LIMITED

Note : Figures in bracket shows Previous year figures.

11) Disclosure of Segmentwise Revenue, Results and Capital Employed:

- a) Segmentwise Revenue, Results and Capital Employed.
 b) The Company operates in three segments i.e. Investment and Finance, Business Centre and Trading Business the summary of which is as under:

| | Investment & Finance Rupees | Business Centre Rupees | Trading Business Rupees | Un- Allocated Rupees | Total Rupees |
|---|-----------------------------------|------------------------------|-------------------------------|----------------------------|-----------------|
| 1. SEGMENT REVENUE | | | | | |
| Income from Operations | 3436243 | 8100432 | 424254897 | - | 435791572 |
| 2. SEGMENT RESULTS | | | | | |
| Profit/(Loss) before Tax & before extra ordinary items | 1006784 | 6283098 | 532877 | (664117) | 7158642 |
| 3. CAPITAL EMPLOYED (Segment Assets – Segment Liabilities) | | | | | |
| | 13902594 | 13254533 | 65877918 | - | 93035045 |

Note: Subsidiary Company does not have any reportable segment hence not consolidated.

12) Financial Information of Fujisan Technologies Ltd., subsidiary of Thacker And Company Ltd.

| | 31/03/2011 | (Rs. In Lacs) 31/03/2010 |
|------------------------------|------------|-----------------------------|
| i) Share Capital | 10.00 | 10.00 |
| ii) Reserves & Surplus | 68.64 | 32.76 |
| iii) Total Assets | 171.52 | 249.00 |
| iv) Total Liabilities | 171.52 | 249.00 |
| v) Investments | - | - |
| vi) Turnover | 943.70 | 669.30 |
| vii) Profit Before Taxation | 55.28 | 60.60 |
| viii) Provision for Taxation | 19.40 | 11.40 |
| ix) Profit After Taxation | 35.88 | 49.20 |
| x) Proposed Dividend | - | - |

13) Important Ratios:

- a) Profit Before Tax to Sales 2.07%
 b) Fixed Assets to Sales 5.35%

On Behalf of the Board of Directors

Arun Kumar Jatia
Director

Place : Mumbai
Dated : May 26, 2011

Vandana Jatia
Director

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CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011

| | 2010-11 Rs. | 2009-10 Rs. |
|--|---------------------|---------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit before tax and extraordinary items | 10,702,072 | 19,292,327 |
| Adjustments for: | | |
| Depreciation | 693,838 | 658,356 |
| Rental Income | (8,100,432) | (6,483,432) |
| Loss on Sale of Fixed Assets | 4,523 | |
| Operating profit before working capital changes | 3,300,001 | 13,467,251 |
| Adjustments for: | | |
| Trade and other receivables | (48,444,991) | 21,906,277 |
| Inventories | 6,199,845 | 5,586,922 |
| Trade and other Payables | 35,810,646 | (8,714,237) |
| Cash Generated from Operation | (3,134,498) | 32,246,212 |
| Direct Taxes Paid/Refund | (3,338,929) | (6,323,299) |
| NET CASH FROM OPERATING ACTIVITIES | (6,473,427) | 25,922,913 |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| (Purchase)/Sales of Fixed Assets | (800,574) | (24,106,670) |
| (Purchase)/Sales of Investments | 6,531,211 | (21,143,725) |
| Rental Income | 8,100,432 | 6,483,432 |
| NET CASH USED IN INVESTING ACTIVITIES | 13,831,069 | (38,766,963) |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Proceeds from issuance of Share Capital | (4,000,000) | - |
| Proceeds from Borrowings | (8,451,000) | 15,296,873 |
| NET CASH USED IN FINANCING ACTIVITIES | (12,451,000) | 15,296,873 |
| Net increase in cash and cash equivalents | (5,093,359) | 2,452,823 |
| Opening Balance of Cash and cash equivalents | 15,841,656 | 13,388,833 |
| Closing Balance of Cash and cash equivalents | 10,748,297 | 15,841,656 |

Compiled from the Audited Accounts of the Company referred to in our Report dated May 26, 2011.

For Mittal & Associates
F R No. : 106456W
Chartered Accountants
M. Mehta
Partner
M. No.42990
Place: Mumbai,
Date: May 26, 2011

On behalf of the Board of Directors
Arun Kumar Jatia
Director
Vandana Jatia
Director

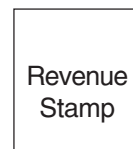
PROXY FORM

THACKER AND COMPANY LIMITED

Registered Office: Bhogilal Hargovindas Building, Mezzanine Floor,
18/20, K. Dubash Marg, Mumbai 400 001.

I/We of in the district of being a
member/members of the above named Company hereby appoint of in the
district of or failing him ofin the district of
..... as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of
the Company to be held on Monday, the 12th day of September 2011 and at any adjournment thereof.

Signed at this day of 2011.



Signature

This form must be deposited at the Company’s Registered Office not less than 48 hours before the holding
of the Meeting. Please affix Revenue Stamp of Re. 1

THACKER AND COMPANY LIMITED

Registered Office: Bhogilal Hargovindas Building, Mezzanine Floor,
18/20, K. Dubash Marg, Mumbai 400 001.

ATTENDANCE SLIP

Please complete and sign this attendance slip and hand over at the entrance of the meeting hall.

I hereby record my presence at the One Hundred and Thirty Third Annual General Meeting of the Company
at its Registered Office at Bhogilal Hargovindas Building, Mezzanine Floor, 18/20, K. Dubash Marg,
Mumbai 400 001 at 10.00 a.m. on Monday, the 12th day of September 2011.

Name of Shareholder.....

Folio No./Depository A/c No.

Name of Proxy (If any)

No. of Shares held

Signature of Member / Proxy

BOOK-POST

Under Certificate of Posting

If undelivered, please return to :

THACKER AND COMPANY LIMITED

Registered Office : Bhogilal Hargovindas Building,
Mezzanine Floor, 18/20, K. Dubash Marg,
Mumbai 400 001.