

MADHUR CAPITAL & FINANCE LIMITED

NOTICE

The Annual General Meeting of Madhur Capital & Finance Limited will be held at Regd. Office at Madhur Complex, Stadium Cross Road, Navrangpura, Ahmedabad on 30th September, 2010 at 10.30 A.M. at the registered office of the company to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Accounts of the company for the year ended 31st March 2010 and the Report of the Directors and auditors thereon.
2. To appoint Auditors, and to fix their remuneration.
3. To appoint Director in place of Mr.Narendra Chavda, who retires by rotation and eligible for re-appointment.

Place: Ahmedabad

By order of the Board of Directors,

Date: 03/09/2010

FOR MADHUR CAPITAL & FINANCE LTD.

Sd/- 
CHAIRMAN

NOTES: -

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24th Sept. 2010 to 30th Sept. 2010 (both days inclusive).
3. As a measure of economy, Annual Report will not be distributed at the Meeting. So, members are requested to bring their copy of Annual Report with them to the Annual General Meeting.

MADHUR INDUSTRIES LIMITED

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Accounts for the financial year ended on 31st March 2010.

(Rs. in lacs)

Particulars	2009-10	2008-09
Sales	---	---
Other income	---	---
Depreciation	0.85	2.06
Other Expenditure	1.91	25.93
Profit/ Loss before Tax	(2.90)	(28.11)
Profit/Loss after Tax	(2.90)	(28.11)

2. Dividend

On account of accumulated losses, your directors' did not recommend any dividend.

3. Personnel

Your directors' wish to place on record their appreciation for the contribution to growth of the business made by employees at all levels. Information as required pursuant to section 217(2A) of the companies Act,1956 has not been given , as it is not applicable.

4. Auditors

M/s. Ram N. Agarwal & Co., Chartered Accountants, Ahmedabad, Auditor of the Company has resigned during the year. Shareholders of the company has appointed M/S Purushottam Khandelwal & co, Chartered Accountants, Ahmedabad as statutory auditors of the company for the F.Y 2009-10 and they will hold office till the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for Re-appointment.

5. Deposits

During the year, Company has not accepted inter corporate Deposits, which falls under Section 58A of Companies Act,1956.

6. Directors:

Mr. Narendra Chavda Director of the company retires at the ensuing AGM and eligible for reappointment.

7. Energy, Technology And Foreign Exchange

The additional information required to be disclosed in terms of notification No.1029 dated 31st December, 1998 issued by the Department of Company Affairs, Ministry of Finance is not applicable.

8. Directors' Responsibility Statement

Pursuant to Section 217(2A) of Companies Act, 1956, the Directors confirm that:

- i. In the preparation of Annual Accounts, appropriate accounting standard have been followed.
- ii. Appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give true and fair view of state of affairs of the company at the end of financial year ended 31st March, 2010.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Annual Accounts have been prepared on going concern basis.

9. Auditor's Qualification

Auditors have qualified their report to the members of the Company. In this connection directors of the Company have discussed the same at arm's length on the recommendation of audit committee and have imitated to take necessary action so as to show fair view of state of affairs of the company in the coming financial year.

10. Report on Corporate Governance

Compliance Report on Corporate Governance is a part of Annual Report is annexed herewith.

11. Acknowledgements

Your Directors wish to please on record their appreciation of the whole hearted co-operation extended to company from various departments of the central and state governments, company' bankers and financial institutions and employees of the company and look forward for the same cordial relationship in coming years.

PLACE: AHMEDABAD
DATE: 03/09/2010

FOR AND ON BEHALF OF THE BOARD

Sd/-
CHAIRMAN

ANNEXURE 'A'

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) constituted the committee on Corporate Governance to promote and raise the standard of corporate governance of listed companies. The committee made recommendations on the composition of the board of directors, audit committee, board procedure etc.

The Company has taken necessary steps to comply with the newly amended clause 49 of the Listing Agreement. Given below is the report of the Directors on the corporate governance:

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company believe in functioning in a transparent manner with the basic philosophy being to enhance the shareholder value, keeping in mind the needs and interest of other share holders. In compliance thereof, the following information is placed before the shareholders.

(1) BOARD OF DIRECTORS

Name of Director	Category	Date of Board Meeting						AGM
		30/04/2009	31/07/2009	12/08/2009	31/10/2009	31/01/2010	31/03/2010	30/09/2009
Shri Narendra chavda	Non executive Indpt.Director	P	P	P	P	P	P	P
Shri Bhopal Shaktawat	Non executive Indpt.Director	P	P	P	P	P	P	P
Shri Hitesh Gandhi	Mg. Director	P	P	P	P	P	P	P

P – Present

A – Leave of absence granted

Details of other Directorships

Name of Director	Other Directorship
Shri Narendra Chavda	4
Shri Bhopalsingh Shaktawat	Nil
Shri Hitesh Gandhi	3

In line with the requirements of the code of the Corporate Governance, the board of directors comprises four members. The composition of the Board is in conformity with the revised agreement, having one Whole Time Director, One promoter Director and remaining two directors are Non – Executive independent Directors.

Company do not have any system of payment of remuneration to independent Directors.

Further during the year, meeting of Board of Directors was held six times.

A declaration signed by Shri Hitesh Gandhi, Mg. Director of the Company according compliance of sub – Clause (1D) of Clause 49 of Listing Agreement as amended is attached herewith forming part of this Annual Report.

(2) AUDIT COMMITTEE

Presently the company has three Directors. The company has independent internal Auditors who submit the report to the management on monthly basis and action is taken on the same by the Managing Director on regular basis.

Pursuant to the revised clause 49 of the listing agreement, the company has appointed Audit Committee consisting of followings:

- (i) Mr. Hitesh Gandhi – Chairman
- (ii) Mr. Bhopalsingh Shaktawat – Member

Function of audit committee is as under.

- (a) To review financial reporting process and financial statement.
- (b) To review internal control system and functioning of internal audit process.
- (c) Post Audit review with statutory auditors.

During the year Audit Committee met six times and reviewed performance of the company.

(3) REMUNERATION COMMITTEE

Remuneration paid to Directors of the company was NIL. No sitting fees are payable to any Director.

Remuneration committee consists of Mr Hitesh Gandhi and Mr. Narendra Chavda.

(4) SHAREHOLDERS COMMITTEE

The company has complied the requirements of the Clause 49 of the Listing Agreement. Mr. Narendra chavda , Director heads the committee.

During the year, the company and their Registrar and Share Transfer Agents M/S Link Intime Share Registry Pvt. Limited received no complaint. It is policy of the company to give reply of shareholders complaint within the time frame prescribed by the SEBI / Stock Exchanges.

The Share received for transfer is approved on 15th and 30th of the each month and are given effect by the Registrar and Share Transfer Agent.

M/s Link Intime Share Registry Pvt. Limited was appointed as common Agent for electronic as well as physical share transfer work.

(5) **GENERAL BODY MEETING**

The Company's shares are listed on Bombay Stock Exchange and Ahmedabad Stock Exchange. Annual General Meeting of the Shareholders was held on 30-09-2009 at 10.00 A.M. at Registered office of the Company.

(6) **DISCLOSURES**

- (a) Company has followed all accounting standards diligently.
- (b) Further, Company is in the process of laying down risk assessment systems.
- (c) Further, Company has not received any funds through capital market during the year.
- (d) Management Discussion & Analysis report is attached and forms part of this Report.
- (e) During the year, transaction with related parties has been properly disclosed in Notes to accounts and discussed at arms length by Audit Committee.
- (f) Further, Shri Hitesh Gandhi, Mg. Director of the company has certified to Board of Directors of the company regarding compliance of sub – clause (v) of clause 49 of listing Agreement.

(7) **MEANS OF COMMUNICATION**

The means of communication between the Shareholders and Company are transparent and investor friendly. The quarterly results of the Company are published in English and Gujarati news papers as required

by the listing agreement. Steps are being taken to display the same on the corporate website, which is being developed.

(8) **GENERAL SHAREHOLDER INFORMATION**

Date of Annual General Meeting : 30/09/2010.
Financial Calendar : 1st April, 2009 to 31st March, 2010
Dividend Payment Date : No dividend declared.
Date of Book Closure : 24th September 2010 to 30th September, 2010.

(9) **LISTING OF STOCK EXCHANGE**

Bombay Stock Exchange Limited	
Ahmedabad Stock Exchange Limited	-

(10) **MARKET PRICE DATA AT BOMBAY STOCK EXCHANGE LIMITED**

MONTH	HIGH (Rs.)	LOW (Rs.)
April, 2009	---	
May, 2009		
June, 2009		
July, 2009		
August, 2009		
September, 2009		
October, 2009		
November, 2009		
December, 2009		
January, 2010		
February, 2010		
March, 2010		

Performance in Comparison to board based indices such as BSE sensex, CRISIL Index etc.	Not applicable.
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(11) **REGISTRAR AND SHARE TRANSFER AGENT**

M/S Link Intime Share Registry Pvt. Ltd.
Sudarshan Complex, Mithakhali,
Ashram Road,
Ahmedabad.

(12) **SHARE TRANSFER SYSTEM**

The share transfer work is handled by registrar and transfer agent for the company.

Share Transfers are registered and dispatched within a period of thirty days from the date of the lodgments if the transfer documents are correct and valid in all respects.

(13) **DISTRIBUTION PATTERN AS ON 31st March, 2010**

	No of Shares	Percentage
Promoters and Relatives	4986775	51.99
Banks / FII / FI	--	--
Public	4513725	47.07
Body Corporate	90400	00.94
NRI	100	---

(14) **DEMATERIALIZATION OF SHARES AND LIQUIDITY**

Outstanding GDRs / ADRs / Warrants or any Convertibles instruments and conversion date and likely impact on equity	Not Applicable
Address for Correspondence	3 rd Floor, Madhur Complex, Stadium Corss Road, Navrangpura, Ahmedabad-380009.
Registrar for electronic connectively as well as physical share transfer dept	M/S Link Intime Share Registry pvt. Ltd., Sudarshan Complex, Mithakhali, Ahmedabad.

5388483 shares out of 959100 Equity shares of the company have been dematerialized as at 31st March, 2010 representing 56.18% of total paid up capital of the company.

Place: Ahmedabad

Date: 03/09/2010

By order of the Board of Directors
For Madhur Capital & Finance Ltd.


(Mr. Hitesh Gandhi)
Mg.. Director

ANNEXURE 'B'

MANAGEMENT DISCUSSION AND ANALYSIS

1. Overall Review

The overall performance during the financial year 2009–2010 has not been satisfactory at all.

2. Financial Review

The Company has not carried any business during the year.

3. Internal Control System and their adequacy

Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or deposition.

4. Business Environment

The Performance of the company for the year under review was satisfactory.

5. Risk and Concern

The building, plant and machinery, vehicle and stocks of the Company are adequately insured.

6. Cautionary Statement

Statements in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information of events.

Place: Ahmedabad
Date: 03/09/2010

By order of the Board of Directors
For Madhur Capital & Finance Ltd.


(Hitesh Gandhi)

CERTIFICATION BY MANAGING DIRECTOR TO THE BOARD

I, Mr. Hitesh Gandhi, Mg. Director of Madhur Capital & Finance Limited, certify that:

1. I have reviewed the financial statements for the year and that to the best of my knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b. These statements give a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. These are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. I accept overall responsibility for the company's internal control system and financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all the levels of management and statutory auditors, and reports significant issues to the Audit Committee of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies and material weakness.
4. I indicate to the auditors and to the audit committee :
 - a. Significant changes in internal control over financial reporting during the year.
 - b. Significant changes in accounting policies during the year;
 - c. Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.However, during the year there were no such changes or instances.

Date : 03/09/2010
Place: AHMEDABAD


Shri Hitesh Gandhi
Mg. Director

Declaration by the Managing Director about Corporate Governance.

I, Mr. Hitesh Gandhi, Mg. Director of Madhur Capital & Finance Ltd hereby confirm pursuant to clause 49(1) (d) of the listing agreement that :

1. The board of directors of Madhur Capital & Finance Ltd has laid down a code of conduct for all board members and senior management of company. The said code of conduct has been placed on the company's website.
2. All the members of the board as well as senior management personal have complied with the said code of conduct for the year ended 31st March 2010.

Place : Ahmedabad
Date : 03/09/2010


Mr. Hitesh Gandhi
Mg. Director

AUDITORS' REPORT

**TO
THE MEMBERS OF
MADHUR CAPITAL & FINANCE LTD.**

1. We have audited the attached Balance Sheet of **MADHUR CAPITAL & FINANCE LTD., as at 31 March 2010**, the Profit and Loss Account of the Company for the year ended on that date and Cash Flow statement, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These 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 test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. This report includes statement on the matters specified in the paragraph 4 of the Companies (Auditor's Report) Order, 2005 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained the available information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books
- c. The Balance Sheet , the Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet ,Profit & 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;
Except Accounting Standard -15 on Retirement benefits as no provision has been made for retirement benefits , The effect of the same can not be quantified, to that extent loss for the year and balance of Profit & Loss account and balance of current liabilities is understated.
- e. **Accounting Standard -13 on Accounting for investments as No no provision is made for diminution in the value of investment of group concern amounting to Rs. 24.81 lacs.**
- f. On the basis of written representations received from the directors as at 31 March, 2010 and taken on record by the Board of Directors and in accordance with the information and explanations as made available, the directors of the company do not have prima – facie have any disqualification as at 31March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956. It has been explained that one of the Company in which the director of the Company is also director, has issued Cheques for repayment of the fixed deposits received by it but due to frizzling of the said bank accounts by CBI BS & FC, Mumbai, the said amount have not been encashed, therefore it is construed that the said Company has not defaulted in repayment of interest/principal of fixed deposits.
- g. The Bank accounts of the Company was frizzed by the CBI BS & FC, Mumbai in the financial year 2001-02 , therefore no provision has been made for bank balance of Rs. 495.53 lacs , cheques on hand of Rs. 132 lacs which are also time barred under time limit prescribed under negotiable instrument act and for no provision is made for diminution in the value of investment of group concern amounting to Rs. 24.81 lacs.
- h. The Company has not carried out any business activity during the year as non banking financial company & consequently not entitled to hold certificate of registration in term of assets/income pattern notified by RBI.

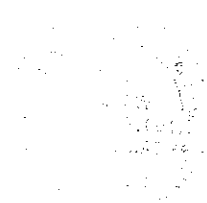
i. Subject to the above, In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and given a true and fair view in conformity with the accounting principles generally accepted in India:

- i In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2010.
- ii In the case of the Profit and Loss Account, of the loss of the Company for the period ended on that date.
- iii In the case of Cash Flow Statement, of the Cash Flow of the Company for the year ended on that date.

Date:- 03/09/2010
Place: - Ahmedabad

For Purushottam Khandelwal & Co.
Chartered Accountants

P. H. Khandelwal
(P.H. Khandelwal)
Proprietor
M.No.100601
FRN:123825W



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

1. (a) As per the information and explanation given to us the Company has not maintained details regarding fixed assets to show full particulars, including quantitative details and situation of fixed assets.

(b) As per the information and explanation given to us the assets have been physically verified by the management during the regular interval. However the details regarding the same are not available for our verification.

(c) The Company has not disposed of any substantial part of its fixed assets during the year as would affect its going concern status.
2. As per the information and explanations given to us , the Company does not have and stock of goods or shares .
3. (a) As per the information and explanations given to us, the Company has granted unsecured loans to companies covered in the registered maintained u/s 301 of the Companies Act, 1956. The maximum balance outstanding during the year was Rs. 2206

(b) In our opinion, the rate of interest and other terms and conditions of such loan are not, prime facie, prejudicial to the interest of the Company.

(c) The company is neither regular in making repayment of the principal amount nor its interest.

(d) There is no overdue amount of loans granted to the Parties covered in the register maintained under section 301 of the Companies Act,1956.

(e) As per the information and explanations given to us, the Company has taken unsecured loans parties covered in the Register maintained u/s. 301 of the Companies Act, 1956. The maximum balance outstanding during the year was Rs. 2, 74,289.

(f) The terms and conditions of the above loans are prima facie not prejudicial to the interest of the company.

(g) The company is neither regular in making repayment of the principal amount nor its interest.
4. In our opinion and according to information and explanation given to us; there is inadequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed

assets, and for the sale of goods and services. Further on the basis of our examination of books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

5. In our opinion and according to the information and explanations given to us, there is no transaction during the year as referred to in Section 301 of the Companies Act, 1956.
6. The company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the act and the rules framed there under.
7. The Company does not have formal internal Audit system.
8. In our opinion and according to the information and explanations given to us, the central government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
9. (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, excise duty, cess and other material statutory dues applicable to it. and the Company had no arrears of such outstanding statutory dues as at 31st March, 2010 for a period more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of Income tax which have not been deposited on account of any dispute.
10. In our opinion and according to the information and explanations given to us, the company has been registered for a period more than five years and its accumulated losses at the end of the financial year is not exceeding fifty percent of its net worth however the company has incurred cash loss of Rs. 2,04,774 during the year.
11. According to the records of the company examined by us and on the basis of information and explanations given to us, the company has not taken any loan from financial institutions or Bank during the year.
12. The company has not granted any loans and advances on the basis of securities by way 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, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. According to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments.

Accordingly, the provision of clause 4(xiv) of the companies (Auditors' Report) Order, 2003 are not applicable to company.

15. In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions during the year.
16. As per the information and explanation given to us, the company has not taken term loans during the financial year.
17. In our opinion and according to the information and explanations given to us, the Company has not used any funds raised on short term basis for long term investment.
18. The Company has not made any preferential allotment to parties covered in the register maintained under Section 301 of the Companies Act, 1956.
19. During the period covered by our audit report, the company has not issued any debentures.
20. As the company has not raised money by making Public issue during the financial year.
21. 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, Purushottam Khandelwal & Co.
Chartered Accountants

P. H. Khandelwal

Purushottam Khandelwal

Proprietor

Mem. No. 100601

FRN: - 123825W

Place : Ahmedabad.

Date : 03/09/2010

Madhur Capital & Finance Ltd
BALANCE SHEET AS ON 31-03-2010

PARTICULARS	SCH.	AS AT 31.3.2010	AS AT 31.3.2009
SOURCE OF FUNDS			
SHARE CAPITAL Equity Share Capital	A	95,932,500	95,932,500
RESERVE & SURPLUS	B	9,205,000	9,205,000
LOAN FUNDS Unsecured Loan	C	274,290	154,515
TOTAL		105,411,790	105,292,015
APPLICATION OF FUNDS			
FIXED ASSETS Gross Block Less: Depreciation Net Blocks	D	3,526,276 3,283,041 243,235	3,526,276 3,197,133 329,143
INVESTMENT	E	2,481,000	2,481,000
CURRENT ASSETS AND LOAN ADVANCES			
Inventories	F	1,656,122	1,656,122
Sundry Debtors	G	63,708,486	63,708,486
Cash & Bank Balances	H	2,122,228	2,194,227
Loans & Advances		67,486,836	67,558,835
TOTAL (A)			
LESS :CURRENT LIABILITIES & PROVISIONS			
	I	986,041	973,041
TOTAL(B)		986,041	973,041
NET CURRENT ASSEST (A - B) Miscellance Expenditure (To the extent not written off) Profit & Loss A/c	J	- 36,186,760	- 35,896,078
TOTAL		105,411,790	105,292,015

(0)

NOTES ON ACCOUNTS :AS PER SCHEDULE
AS PER REPORT OF EVEN DATE

FOR ,PURUSHOTTAM KHANDLWAL & CO
CHARTERED ACCOUNTANTS

P. H. Khandlwal
PROPRIETOR
PURUSHOTTAM H.KHANDLWAL
M.NO.100601
FRN : 123825W

PLACE AHMEDABAD
DATE

"L"

FOR,MADHUR CAPITAL & FINANCE LTD

Hitesh Gandhi
DIRECTOR
(HITESH GANDHI)

Narendra Chavada
DIRECTOR
(NARENDRA CHAVADA)

Madhur Capital & Finance Ltd
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-2010

PARTICULARS	SCH.	AS AT 31.3.2010	AS AT 31.3.2009
INCOME			
Sales		-	-
Opening Stock		-	-
Purchases		-	-
Less: Closing stock		-	-
Cost of Good Sold		-	-
Gross Profit		191,774	2,593,631
Less: Administrative Expenses	K	(191,774)	(2,593,631)
		13,000	11,800
Less: Auditors Remuneration		(204,774)	(2,605,431)
Net Profit /(Loss) Befor Depriciation and tax		85,908	206,051
Less: Depreciation		(290,682)	(2,811,482)
Net Profit/(Loss)befor ax		35,896,078	33,084,596
LESS: Profit /(Loss) A/c B/F		(36,186,760)	(35,896,078)
Balance Carried to Balance Sheet			

NOTES ON ACCOUNTS :AS PER SCHEDULE
AS PER REPORT OF EVEN DATE

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FOR ,PURUSHOTTAM KHANDELWAL & CO
CHARTERED ACCOUNTANTS

FOR,MADHUR CAPITAL & FINANCE LTD

P. H. Khandelwal
PROPRIETOR
PURUSHOTTAM H.KHANDELWAL
M.NO.100601
FRN : 123825W

Hitesh Gandhi
DIRECTOR (HITESH GANDHI) *Narendra Chavada*
DIRECTOR (NARENDRA CHAVADA)

PLACE AHMEDABAD
DATE

SCHEDULE "G" CASH & BANK BALANCES		
Bank Balance		
Balance with Scheduled Bank	50,475,413	50,475,413
Cheques in hand	13,200,000	13,200,000
In Fixed Deposit Lying with Central	24,000	24,000
Total	63,699,413	63,699,413
Cash in Hand		
Cash	9,073	9,073
Total	9,073	9,073
TOTAL	63,708,486	63,708,486
SCHEDULE "H" LOAN & ADVANCES		
Advance Recoverable In Cash or In Kind Or Value to Be Received	-	-
Deposits	123,260	123,260
Income Tax & TDS	1,374,362	1,374,361
Advance Rent	607,400	679,400
	2,105,022	2,177,021
Loans Considered Doubtful	2,206	2,206
Less: Provision for Bad & Doubtful Debts	-	-
	2,206	2,206
Hire Purchase	80,000	80,000
Provision for Doubtful	(65,000)	(65,000)
	15,000	15,000
Total	2,122,228	2,194,227
SCHEDULE "I" CURRENT LIABILITIES		
Creditors For Expenses		
Other Liabilities	464,314	464,314
Unpaid Expenses	23,800	10,800
	488,114	475,114
Sundry Creditors		
Sundry Creditors	497,927	497,927
Total	497,927	497,927
	986,041	973,041
SCHEDULE "J" ADMINISTRATIVE EXPENSES		
Legal Expenses	65,157	40,995
Listing Fees	11,030	10,000
Loss on Investment	-	2,441,143
Municipal Tax	20,424	18,257
Rent	72,000	72,000
National Securities Depository Ltd.	-	11,236
Annual Custody Fee	23,163	-
Total	191,774	2,593,631
SCHEDULE "K" PROFIT & LOSS A/C		
Opening Balance	35,896,078	33,084,596
Add: Loss during the Year	290,682	2,811,482
TOTAL	36,186,760	35,896,078

SCHEDULE :- D FIXED ASSET

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	AS ON 01-04-2009	ADDITION	DEDUCT.	AS ON 31-03-2010	AS ON 01-04-2009	ADDITION	DEDUCT	AS ON 31-03-2010	AS ON 31-03-2010	AS ON 31-03-2009	AS ON 31-03-2009
	Plant & Machinery	116100	0	0	116100	67876	5515	0	73391	42709	48224
Computers	587667	0	0	587667	587667	0	0	587667	0	0	0
Vehicles	1408503	0	0	1408503	1408503	0	0	1408503	0	0	0
Equipments	132443	0	0	132443	81101	6291	0	87392	45051	51342	51342
Air Conditioners	288000	0	0	288000	195709	13680	0	209389	78611	92291	92291
Furnitures & Fixtures	993563	0	0	993563	856277	60422	0	916699	76864	137286	137286
TOTAL	3526276	0	0	3526276	3197133	85908	0	3283041	243235	329143	329143
Previous Year	3526276	0	0	3526276	2991082	206051	0	3197133	329143	535194	535194

MADHUR CAPITAL & FINANCE LIMITED

SCHEDULE-L

NOTES FORMING PART OF ACCOUNTS

1. Significant accounting Policies

(a) Basis of Accounting:

The financial statements are prepared under historical cost convention and to comply in all material respect with the notified accounting standards by the Companies Accounting standard Rules - 2006 and the relevant provision of Companies Act, 1956.

(b) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. The cost of fixed asset comprise of its purchase price and any directly attributable cost of bringing the assets in an operational condition for its intended use.

(c) Depreciation:

Depreciation has been provided at the rates and in the manner prescribed in Schedule XIV of the Companies act, 1956 on SLM Method. Depreciation on addition or on sale/ disposal of assets is calculated pro-rata from the date of such addition or sale/ disposal as the case may be.

(d) Valuation of Inventories:

Inventories of Securities which are intend to trade, are valued at lower of cost and net realizable value.

(e) Investment:

Long term investments are stated at cost. Provision of diminution in the value of Long term investments is made only if such decline is other than temporary in nature in the opinion of the Management.

(f) Revenue Recognition:

All the items of Income and expenses are recognized on accrual basis, except dividend and interest on overdue installments/defaults and Municipal Tax are accounted on cash basis.

The company has followed prudential norms for income recognition for provisioning of non – performing assets as prescribed by RBI for Non-Banking Financial Companies to the extent applicable to it.

(g) Retirement/ Post retirement Benefits:

No Provision for has been made for liabilities for retirement benefits including gratuity and leave encashment in respect of employees as required by the Accounting Standards -15 on Retirement Benefits.

(h) Taxation:

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between the taxable incomes and accounting income that originate in, one period and are capable of reversal in one or more subsequent period.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(i) Provisions, Contingent Assets and Contingent Liabilities:

A provision involving substantial degree of estimation are recognized when there is a present obligation as a result of recognized when there is a present obligation as a result of past event and it is probable that there will be on outflow or resources.

2. NOTES FORMING PART OF ACCOUNTS

- (a) No provision is made for liabilities for retirement benefits. The effect of the same can not be quantified, to that extent loss for the year and balance of Profit & Loss account is understated and balance of current liabilities is understated.
- (b) The Scheme for amalgamation Of Madhur Housing Finance Ltd. With the company has been approved by the Hon'ble high court of Gujarat vide its order dated 6th July, 1999, accordingly Madhur Housing Finance Ltd. Which was carrying on business of loans and advances and trading in shares has been amalgamated with the Company w.e.f. 01.04.1997.

The amount of consideration payable on amalgamation of Madhur Housing Finance Ltd. has been calculated on the basis of paid up capital of Madhur Housing Finance Ltd. This is subject to reconciliation regarding adjustment of allotment Money & the same has been shown under the head of Share Capital Suspense Account.

- (c) Cheques on hand amounting to Rs. 132.00 lacs belonging to the frizzed Bank accounts by CBI BS & FC, Mumbai, no action / provision has been taken in this respect.
- (d) The Company has invested an amount of Rs. 24.81 lacs in the shares of group concerns and no provision is made for diminution in the value of investment.
- (e) The Company has received a show cause notice no. DNBS (AH) No. 1676/R-321 2000-01 dated 7th april ,2001 mentioning various irregularities in the working of the Company and calling upon the company as to why the Certificate of Registration issued to the company u/s 45JA of the RBI act.1934 should not be cancelled and same was duly replied by the company but the matter is yet under Scrutiny with RBI.
- (f) The group concerns loan account contains frequent transactions. As per the explanation given by the company, many times the loan amount has not been repaid due to liquidity of the fund; the said transaction does not make the transaction/loan repayable on demand.

- (g) No provision has been made in respect of doubtful debtors amounting to Rs. 1656.12 lacs (Outstanding for more than six months Rs.2105.50 lacs less provision made Rs. 449.38 lacs) during the year. The Company is in the process of initiating available recourse against the said debtors and the Company is hopeful of the recovery of the same.
- (h) Bank Account relating to refund or equity shares / dividend is pending for reconciliation with unclaimed amounts.
- (i) In view of non-availability of bank statements for bank account balance with banks are subject to confirmation and reconciliation will be made on receipt of the same.
- (j) Related Party Disclosure :

1. Key Managerial Personnel

- i) Hitesh R.Gandhi
- ii) Narendra I.Chavda
- iii) Bhopal Singh M.Sakhavat

2. ASSOCIATES

- i) Madhur Shares & Stock Pvt. Ltd.

3. Transactions with related parties

There is no transaction with related parties.

- (k) Additional information pursuant to the provision of para 4C & 4D of part II of Schedule-VI of the Companies Act,1956.

	2009-2010	2008-2009
a. Licensed Capacity	N. A.	N. A.
b. Installed Capacity	N. A.	N. A.
c. The Company does not have any stock.		
e. C.I.F. Value of Imports is Rs. Nil.		
f. Expenditure in foreign currency is Rs. Nil.		

(l) Earnings in Foreign Exchange is Rs. Nil.

(m) Particulars of payment made to Auditors :

Particulars	2009-10 Amount (Rs.)	2008-09 Amount (Rs.)
Audit Fees	13000/-	11800/-

(n) Particulars of payment made to Directors :

Particulars	2009-10 Amount (Rs.)	2008-09 Amount (Rs.)
Remuneration		
(1) Hitesh R.Gandhi	-	-
(2) Narendra I.Chavda	-	-
(3) Bhopal Singh M.Sakhavat	-	-

(o) The balances shown in the Balance sheet under the head of unsecured loans, Creditors, Debtors and Loans and Advances are each subject to confirmation from respective parties and are subject to adjustment if any, on receipt of confirmation.

(p) The Company has not received any intimation from Suppliers regarding their status under Micro and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act have not been given.

(q) The Figures for the previous year have been rearranged and regrouped wherever considered necessary so as to conform to the current year classification.

AS PER OUR REPORT OF EVE DATE ATTACHED

FOR PURUSHOTTAM KHANDELWAL & CO.
CHARTERED ACCOUNTANTS

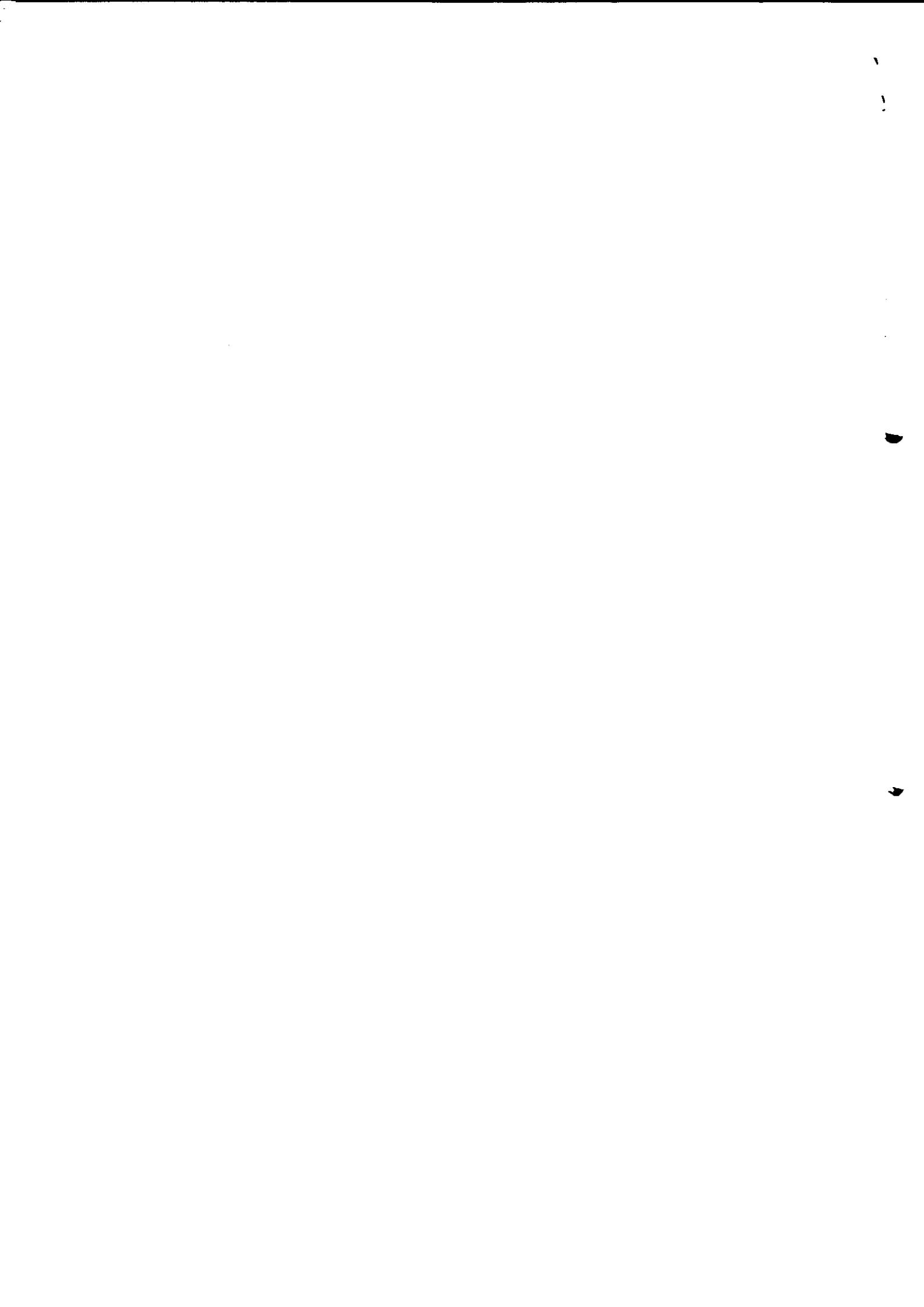
P. H. Khandelwal
(P.H.KHANDELWAL)
PROPRIETOR
MEM.NO. 100601
FIRM Reg. No.123825W

AHMEDABAD
DATE:

FOR AND ON BEHALF OF BOARD

[Signature]
DIRECTOR DIRECTOR

AHMEDABAD
DATE:



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

1. Registration Details
Registration no. 20844 State Code 04

Balance Sheet date 31-3-2010

2. Capital raised during the year (Amount in rupees)

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

3. Position of mobilization and deployment of funds (Amount in Thousand..)

Total Liabilities	105412	Total Assets	105412
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Sources of Fund:

Share Capital	95933
Reserves Surplus	9205
Secured Loans	NIL
Unsecured Loans	274
Deferred Tax	NIL

Application Of Funds:

Net Fixed Assets	243.24
Investments	2481
Deferred Tax	-
Net Current Assets	66500.80
Misc. Expenditure	NIL

4. Performance of Company (Amount in Thousand)

Turnover & other Income	NIL
Total Expenditure	(290.68)
Profit /(loss) Before tax	(290.68)
Profit /(loss) after tax	(290.68)
Earnings per share in Rs.	NIL
Dividend rate	NIL

5. Generic Name of Principal Products/Services of the company (as per monetary Terms)

Item Code. (ITC Code) NA

Production Description
FOR PURUSHOTTAM KHANDELWAL & CO.
CHARTERED ACCOUNTANTS

P. H. Khanelwal
(P.H.KHANDELWAL)
PROPRIETOR
MEM.NO. 100601
FIRM Reg. No.123825W

FOR AND ON BEHALF OF BOARD

[Signature]
DIRECTOR *[Signature]*
DIRECTOR

AHMEDABAD
DATE: 3/3/10

AHMEDABAD
DATE: 3/3/10