



MAFATLAL ENTERPRISES LIMITED

15th ANNUAL REPORT 2010-2011

BOARD OF DIRECTORS

SHRI PRADEEP R. MAFATLAL (*Chairman*)

SHRI SURENDRA B. SHAH

SHRI MAHESH K. SHAH

BANKERS

THE HONGKONG AND SHANGHAI BANKING CORPN. LIMITED

AUDITORS

M/s. S. U. KAPASI & CO.
Chartered Accountants

REGISTERED OFFICE

59, 'THE ARCADE', 1ST FLOOR,
WORLD TRADE CENTRE,
CUFFE PARADE, COLABA,
MUMBAI 400 005.

NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Members of Mafatlal Enterprises Limited will be held at the Registered Office of the Company at 59, 'The Arcade', 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400 005, on Friday the, 29th July, 2011, at 2.30 p.m. to transact the following business:

1. To receive, consider and adopt the Directors' Report and the Audited Profit and Loss Account of the Company for the Financial Year ended 31st March, 2011, and the Balance Sheet of the Company as on that date.
2. To appoint a Director in place of Shri S. B. Shah who retires by rotation but, being eligible, offers himself for re-appointment.
3. 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.

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Registered Office:

59, 'The Arcade', 1st Floor,
World Trade Centre,
Cuffe Parade,
Colaba,
Mumbai-400 005.

Mumbai

Dated: 26th May, 2011.

DIRECTORS' REPORT

To
The Members,
MAFATLAL ENTERPRISES LIMITED

Your Directors submit their 15th Annual Report together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2011.

During the Financial Year under review, the Company has incurred a loss of ₹ 8,269/-.

PARTICULARS OF EMPLOYEES

The Company has no employee and therefore, no information is required to be given in terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of employees) Rules 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not engaged in manufacturing activities during the year under review. Therefore, there is no information to submit in respect of conservation of energy and absorption of technology

The Company has no foreign exchange earnings and outgoings during the period under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the Final Accounts for the Financial Year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year, and of the profit or loss of the Company for the said period under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the Financial Year ended 31st March, 2011, on a 'going concern' basis.

DIRECTORATE

Shri Pradeep R. Mafatlal is due to retire by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 256 of the Companies Act, 1956, but being eligible offers himself for re-appointment.

AUDITORS

At the ensuing Annual General Meeting, members will be requested to appoint Auditors for the current year and to fix their remuneration.

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

*Mumbai,
Dated: 26th May, 2011.*

AUDITORS' REPORT TO THE SHAREHOLDERS

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

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

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, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

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 Balance Sheet and Profit and Loss Account comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (v) On the basis of the 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;
- (vi) In our opinion, and to the best of our information, and according to the explanations given to us, the said accounts, read with the significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011, and
 - (b) in the case of the Profit and Loss Account, of the loss for the year ended on that date

For S. U. KAPASI & CO.,
Chartered Accountants
(Registration No. 104799W)

(S. U. KAPASI)
Proprietor
Membership No: 30639

Mumbai
Dated: 26th May, 2011

ANNEXURE

Re: Mafatlal Enterprises Limited

(referred to in paragraph 1 of our report of even date)

1. The nature of the Company's activities during the year under report have been such that the requirements of clauses (xiii) and (xiv) of paragraph 4 of the Order are not applicable.
2. The Company did not have any fixed assets and hence clause (i) of paragraph 4 of the Order is not applicable to the Company, for the year.
3. The Company does not have an inventory, hence clause (ii a), (ii b) and (ii c) of paragraph 4 of the Order are not applicable.
4. The Company has not granted or taken any loans to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, requirements of clauses (iii b), (iii c), (iii d), (iii e), (iii f) and (iii g) of paragraph 4 of the Order are not applicable.
5. The Company does not have an inventory/fixed assets and does not sell goods or rendered services hence clause (iv) of paragraph 4 of the Order is not applicable to the Company, for the year.
6. In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into a register in pursuance of Section 301 of the Companies Act, 1956 and hence the question of commenting on reasonableness of prices does not arise.
7. The Company has not accepted deposits from the public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956, and the Rules framed thereunder.
8. Since the Company is not a listed Company and does not have paid up capital and reserves exceeding ₹ 50 lacs as at the commencement of the financial year or an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial year, the clause relating to internal audit system is not applicable.
9. The maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956
10. (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues, including provident fund, investor education and protection fund, employees state insurance, income-tax, sales tax, wealth-tax, service tax, custom duty, excise duty, cess and any other material statutory dues, where applicable with the appropriate authorities. There are no arrears of aforesaid statutory dues as at the last day of the financial year and outstanding for the period of six months from the date they became payable.
- (b) There are no cases of non-deposit with appropriate authorities of disputed dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess.
11. The Company has accumulated losses at the end of the financial year however, it does not exceed fifty percent of its net worth. The Company has incurred cash losses in the financial year under report and in the immediately preceding financial year.
12. The Company has not borrowed money from banks/ financial institutions nor issued any debentures and hence the question of default in repayment of dues does not arise.
13. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and securities.
14. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from any bank or financial institutions.
15. The Company has not obtained any term loan during the financial year.
16. The Company has not raised any funds on short term or long term basis.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
18. No debentures have been issued by the Company and hence the question of creating security in respect thereof does not arise.
19. The Company has not raised money by way of public issues during the year.
20. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For S. U. KAPASI & CO.,
Chartered Accountants
(Registration No. 104799W)

(S. U. KAPASI)
Proprietor
Membership No. 30639

Mumbai
Dated: 26th May, 2011

BALANCE SHEET
AS AT 31ST MARCH, 2011

	Schedule No.	₹	₹	As at 31.03.2010 ₹
I. SOURCES OF FUNDS:				
1. SHAREHOLDERS' FUNDS:				
Share Capital	1	5,00,070		5,00,070
Total		<u>5,00,070</u>		<u>5,00,070</u>
II. APPLICATION OF FUNDS:				
1. CURRENT ASSETS, LOANS AND ADVANCES:				
(a) Cash and Bank Balances	2	3,59,800		3,67,069
(b) Loans and Advances	3	3,213		3,213
		<u>3,63,013</u>		<u>3,70,282</u>
Less: CURRENT LIABILITIES AND PROVISIONS:				
(a) Liabilities	4	19,875		18,875
(b) Provisions		3,350		3,350
		<u>23,225</u>		<u>22,225</u>
NET CURRENT ASSETS		3,39,788		3,48,057
2. PROFIT AND LOSS ACCOUNT		1,60,282		1,52,013
Total		<u>5,00,070</u>		<u>5,00,070</u>
Significant Accounting Policies and Notes on Accounts	6			

As per our attached
Report of even date

PRADEEP R. MAFATLAL

Chairman

S. U. KAPASI & CO.
Chartered Accountants

S. B. SHAH

M. K. SHAH

Directors

(S. U. KAPASI)
Proprietor

Mumbai, Dated: 26th May, 2011

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

	Schedule No.	₹	Previous Year ₹
INCOME		—	—
 EXPENDITURE:			
Operation and Other Expenses	5	8,269	13,835
		<u>8,269</u>	<u>13,835</u>
Loss for the year.....		(8,269)	(13,835)
Balance brought forward from previous year.....		(1,52,013)	(1,38,178)
Deficit carried to Balance Sheet		<u>(1,60,282)</u>	<u>(1,52,013)</u>
Earnings per Share – (Basic/Diluted)		(0.17)	(0.28)
(Refer Note No. B1 of Schedule 6)			
 Significant Accounting Policies and Notes on Accounts	6		

As per our attached
Report of even date

PRADEEP R. MAFATLAL

Chairman

S. U. KAPASI & CO.
Chartered Accountants

S. B. SHAH

M. K. SHAH

Directors

(S. U. KAPASI)
Proprietor

Mumbai, Dated: 26th May, 2011

SCHEDULES**FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

	₹	As at 31.03.2010 ₹
Schedule — 1		
SHARE CAPITAL		
Authorised:		
80,00,000 Equity Shares of ₹ 10/- each	<u>8,00,00,000</u>	<u>8,00,00,000</u>
Issued and Subscribed:		
50,007 Equity Shares of ₹ 10/- each	<u>5,00,070</u>	<u>5,00,070</u>
(The above Equity Shares are held by the holding Company: Standard Industries Limited and its nominees)		
Total	<u>5,00,070</u>	<u>5,00,070</u>
 Schedule — 2		
CASH AND BANK BALANCES:		
Bank Balance:		
With Scheduled Bank:		
In Current Accounts	<u>3,59,800</u>	<u>3,67,069</u>
Total	<u>3,59,800</u>	<u>3,67,069</u>
 Schedule — 3		
LOANS AND ADVANCES:		
Advance payment of Taxes	<u>3,213</u>	<u>3,213</u>
Total	<u>3,213</u>	<u>3,213</u>
 Schedule — 4		
CURRENT LIABILITIES AND PROVISIONS:		
(A) Liabilities:		
Sundry Creditors		
(i) Total outstanding dues to Small Scale Industrial Undertakings	—	—
(ii) Total outstanding dues to Creditors other than Small Scale Industrial Undertakings	<u>19,875</u>	<u>18,875</u>
	<u>19,875</u>	<u>18,875</u>
(B) Provisions:		
For Tax	<u>3,350</u>	<u>3,350</u>
Total	<u>23,225</u>	<u>22,225</u>
 Schedule — 5		
OPERATION AND OTHER EXPENSES:		
Registration and Filing Fees	<u>1,000</u>	<u>1,000</u>
Bank Charges	—	—
Payments to Auditors	<u>5,515</u>	<u>11,030</u>
Professional & General Charges		
(i) Professional Charges	<u>1,754</u>	<u>1,805</u>
Total	<u>8,269</u>	<u>13,835</u>

SCHEDULES FORMING PART OF ACCOUNTS

Schedule — 6

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Revenue Recognition:

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

2. Contingent Liabilities:

These, if any, are disclosed in the notes on accounts. Provision is made in the accounts for those contingencies which are likely to materialise into liabilities after the year end, till the approval of the accounts by the Board of Directors and which have material effect on the position stated in the Balance Sheet.

3. Taxes on Income:

Tax expense comprise both current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of income tax payable/recoverable in respect of the taxable income/loss for the reporting period. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods.

B. NOTES ON ACCOUNTS:

B1. Earnings Per Share:

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

	₹	<i>Previous Year</i> ₹
Loss for the year (₹).....	8,269	13,835
Weighted average number of equity shares outstanding during the year.....	50,007	50,007
Earnings per share (Basic/Diluted) (₹).....	(0.17)	(0.28)
Nominal value per share (₹)	10.00	10.00

B2. Payments to Auditors:

(a) As Audit fees.....	5,000	5,000
(b) As fees for Taxation matters.....	—	5,000
(c) As Service Tax on fees.....	515	1,030
Total.....	5,515	11,030

SCHEDULES FORMING PART OF ACCOUNTS

Schedule 6 — (Contd.)

B. NOTES ON ACCOUNTS:

B3. Related Party disclosure:

A. Name of the related party	Relationship
Standard Industries Limited	Holding Company

B. Details of transactions with related parties:

<u>Nature of transactions</u>	<u>Holding Company</u>
Advance received during the year (net)	1,000 (1,000)
Advances payable as at 31.03.2011	14,360 (13,360)

Note: Figures shown in bracket pertain to previous year.

B4. No provision for income-tax has been made in the accounts for the year as it is estimated that there would be no taxable income under the provisions of Income-tax Act,1961.

B5. Figures of the previous year have been regrouped wherever necessary.

SIGNATURES TO SCHEDULES 1 TO 6

As per our attached Report of even date	PRADEEP R. MAFATLAL	<i>Chairman</i>
S. U. KAPASI & CO. <i>Chartered Accountants</i> (S. U. KAPASI) <i>Proprietor</i>	S. B. SHAH M. K. SHAH	} <i>Directors</i>

Mumbai, Dated: 26th May, 2011

FORM OF PROXY

MAFATLAL ENTERPRISES LIMITED

(Code No. & Name of the Shareholders/Jointholders & address as given on the envelope in BLOCK LETTERS to be furnished below.)

I/We

..... of

being a member/members of **MAFATLAL ENTERPRISES LIMITED**

hereby appoint..... of.....

or failing him..... of.....

as my/our proxy to vote for me/us and on my/our behalf at the 15th Annual General Meeting of the Company to be held on Friday, the 29th July, 2011 at 2.30 P.M. and at any adjournment thereof.

As witness my/our hand(s) this day of 2011.

Signed by the said

Note: The proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

Affix a
30 paise
Revenue
Stamp

