

GANESH HOLDINGS LIMITED

(REG.OFF.: 7/5, MALAD CHS LTD., PODAR ROAD, MALAD (E) MUMBAI 400 097)

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the members of GANESH HOLDINGS LIMITED will be held at the registered office of the company at 7/5, Malad CHS Ltd., Poddar Road Malad (East) Mumbai 400 097 on Thursday 25th September, 2008 at 10:00 A.M. for transacting the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Profit & Loss Account of the company for the year ending 31st March, 2008 and the Balance Sheet as at 31st March, 2008 together with the report of the Board of Directors and Auditors thereto.
2. To reappoint Smt. Smriti Ranka , a Director of the Company, who retires by rotation and being eligible, offers herself for re-appointment.
- 3 To appoint Auditors and to fix their remuneration.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/ herself. A proxy need not be a member of the company. A blank form of proxy is enclosed and if intended to be used it should be returned to the Company not less than forty-eight hours before the commencement of the Annual General Meeting, duly completed.
2. The Share Transfer Books and Register of Members of the company will remain closed from 23-09-2008 to 25-09-2008 (both days inclusive).

Dated : 05-08-2008

Mumbai

By order of the Board

Sd/-

(MEENAKUMARI RANKA)

DIRECTOR

GANESH HOLDINGS LIMITED

(REGD.OFF.7/5, MALAD CHS LTD., PODDAR ROAD, MALAD (E), MUMBAI 400 097)

DIRECTOR'S REPORT

To,
The Members,

The Directors of your company have pleasure in presenting their Report and Audited Statements of Accounts for the year ended March 31, 2008.

FINANCIAL RESULTS

The salient features of the Company's financial results for the year under review are summarized below :

Particulars	For the year Ended 31/03/2008 (Amount in Rs.)	For the year Ended 31/03/2007 (Amount in Rs.)
Profit/(Loss) before taxation	12,04,615	579,351
Less : Provision for Taxation	124,100	70,000
Profit for the year	10,80,515	509,351
Add : Balance brought forward	60,50,023	55,40,672
Balance carried to Balance Sheet	71,30,538	60,50,023

DIVIDEND

To Conserve the Resources and to strengthen the financial position of the company, your directors have not recommended any dividend for the year under review.

PARTICULARS OF EMPLOYEES

There was no employee during the year, covered by section 217 (2A) of the Companies Act 1956, read with the Companies (Particulars of Employees) Rules, 1975.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

The company is not covered under any of the industry specified in schedule under rule 2(A) of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 as such the company is not required to submit particulars of Energy Conservation as required under Rule 2(A) and there is no activity which should be disclosed as per Rule 2(B) and 2(C) about Technology Absorption and Foreign Outgo.

AUDITORS

M/s Karnavat & Co., Chartered Accountants, Mumbai will cease to be Auditors of the Company at the conclusion of the ensuing Annual General Meeting and being eligible, they offered themselves for re-appointment.

COMPLIANCE CERTIFICATE

Your company has complied with all the provisions of companies Act, 1956, a certificate to this effect has been obtained from M/s. Alka Modi & Associates, Company Secretaries, Mumbai.

RESPONSIBILITY STATEMENT

Your Directors confirm :

- That in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

- b) That they 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 affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for the period;
- c) That they 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;
- d) That they have prepared the Annual accounts on a going concern basis.

CORPORATE GOVERNANCE

The Company is making all efforts for complying the provisions relating to Corporate Governance pursuant to clause 49 of the Listing Agreement with Stock Exchange.

FOR AND ON BEHALF OF THE BOARD

**Sd/-
(Meenakumari Ranka)
DIRECTOR**

**Place : Mumbai
Dated : 05-08-2008**

AUDITORS' REPORT

TO THE MEMBERS OF GANESH HOLDINGS LIMITED

1. We have audited the attached Balance Sheet of **GANESH HOLDINGS LIMITED** as at **31st March, 2008** and also the Profit and Loss Account for the year ended on that date annexed thereto and the 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.
2. 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together the 'order'), issued by the Government of India 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.
4. We have to further report that:
 - (a) 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;
 - (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 and the profit and loss account dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the balance sheet and the profit and loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

(Cont..2)

- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes on accounts 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:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at **31st March 2008**; and
 - (ii) in the case of the Profit and Loss Account, of the **Profit** for the year ended on that date.
 - (iii) in the case of the Cash Flow Statement , of the Cash Flows for the year ended on that date.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants

192, Dr. D.N. Road
Mumbai-400001
Dated: 05-08-2008

Sd/-
(Shashikant Gupta)
Partner
Membership No. 45629

GANESH HOLDINGS LIMITED

ANNEXURE TO THE AUDITORS' REPORT

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

- (i) (a) The company has no fixed assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory.
- (iii) (a) The company has not granted interest free loans to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence provisions of clause (iii)b), (iii)(c), (iii)(d) of Paragraph 4 of the Order are not applicable to the Company.
 - (b) The company has during the year taken interest free loan from one party covered in the register maintained under section 301 of the Companies Act, 1956, which has been repaid in full during the year. The maximum amount outstanding during the year was Rs. 30,000/-.
 - (c) In our opinion the other terms and conditions are not prima facie prejudicial to the interest of the company.
 - (d) In our opinion since the loan amount has been repaid in full, requirement of clauses (iii)(g) of paragraph 4 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory and with regard to the sale of inventory. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) (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 transactions that need to be entered into the register maintained under section 301 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

(cont..2)

- (vi) In our opinion and according to the information and explanations given to us, the company has complied with provisions of Sections 58 A and 58 AA of the companies Act, 1956 and the companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- (vii) *The company does not have formal internal audit system during the year.*
- (viii) In view of nature of company's business the matters specified in paragraph 4 (viii) of the order are not applicable to the company.
- (ix) (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise-duty, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31-3-2008 for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us, there are no dues of income tax, wealth tax, service tax, sales tax, customs duty, and excise duty and cess, which have not been deposited on account of any dispute.
- (x) The company has no accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institution or bank.
- (xii) Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or nidhi, mutual benefit fund/ society. Therefore the provision of clause 4 (xiii) of the Order are not applicable to the company.
- (xiv) Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other investments in its own name.
- (xv) The company has not given any guarantee for loans taken by others from bank or financial institution.
- (xvi) The company has not raised term loans during the year of audit.

(cont..3)

- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that, no funds raised on short-term basis have been used for long-term investment.
- (xviii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The company has not issued any debentures during the year.
- (xx) The end use of money raised by public issue in earlier years as disclosed in the financial statements has been verified by us.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants

192, Dr. D.N. Road
Mumbai-400001
Dated: 05-08-2008

(Shashikant Gupta)
Partner
Membership No. 45629

GANESH HOLDINGS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2008

	Sche dule	As at 31-03-2008 (Rupees)	As at 31-03-2007 (Rupees)
SOURCES OF FUNDS			
<i>Shareholders Funds</i>			
Share Capital	1	2,400,000	2,400,000
Reserves and Surplus	2	10,256,613	9,176,098
TOTAL		<u>12,656,613</u>	<u>11,576,098</u>
APPLICATION OF FUNDS			
Investments	3	12,044,315	11,625,000
Current Assets, Loans and Advances	4	826,823	33,458
Less: Current Liabilities and Provisions	5	214,525	82,360
Net Current Assets		<u>612,298</u>	<u>(48,902)</u>
TOTAL		<u>12,656,614</u>	<u>11,576,098</u>
Significant Accounting Policies and Notes Forming Part of Accounts	9		

As per our Report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants

Sd/-
(Meena Kumari Ranka)

192, Dr.D.N.Road
Mumbai 400 001
Dated : 05-08-2008

sd/-
(Shashikant Gupta)
Partner
Membership No.45629

Sd/-
(Pawankumar Varma)
Directors

GANESH HOLDINGS LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	Sche dule	2007-2008 (Rupees)	2006-2007 (Rupees)
INCOME			
Sales		7,284	-
Other Income	6	1,253,923	617,010
		<u>1,261,207</u>	<u>617,010</u>
EXPENDITURE			
Cost of sales	7	8,477	-
Administrative Expenses	8	48,115	37,659
		<u>56,592</u>	<u>37,659</u>
Profit/(Loss) before Taxation		1,204,615	579,351
Less: Provision for Taxation			
Current Year Tax		124,100	70,000
Net/(Loss) Profit after tax		1,080,515	509,351
Balance brought forward		6,050,023	5,540,672
Balance carried to Balance Sheet		<u>7,130,538</u>	<u>6,050,023</u>

Earning per Equity Share
(Face value of Rs. 10/- per share)
Basic and diluted

Significant Accounting Policies and
Notes Forming Part of Accounts 9

As per our Report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Sd/-

(Meena Kumari Ranka)

Sd/-

(Shashikant Gupta)

Partner

Membership No.45629

Sd/-

(Pawankumar Varma)

Directors

192, Dr.D.N.Road
Mumbai 400 001
Dated : 05-08-2008

GANESH HOLDINGS LIMITED
SCHEDULES FORMING PART OF ACCOUNTS

	As at 31-03-2008 (Rupees)	As at 31-03-2007 (Rupees)
SCHEDULE - 1 SHARE CAPITAL		
<i>Authorised</i>		
2,50,000 Equity shares of Rs.10 each	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>
<i>Issued, Subscribed & paid up</i>		
2,40,000 Equity shares of Rs.10 each fully paid up	2,400,000	2,400,000
	<u>2,400,000</u>	<u>2,400,000</u>
SCHEDULE - 2 RESERVE AND SURPLUS		
General Reserve	314,000	314,000
Capital Reserve	2,812,075	2,812,075
Profit and Loss Account	7,130,538	6,050,023
	<u>10,256,613</u>	<u>9,176,098</u>
SCHEDULE - 3 INVESTMENTS (At Cost)		
<i>Non-Trade, Unquoted</i>	Face Value	Paidup value
Investment in Bonds		
ICICI Bank -Bonds (No. of Bonds-151)	10000	-
NABARD- Bhavishya Nirman Bonds (No. of Bonds-182)	8250	-
Investment in Mutual Fund		
HDFC FMP 24M May07(5) - Retail Growth (Units 200000,)	10	10
HDFC FMP 367D Sep.07(2) Retail Growth (Units 143281.525,)	10	10
Tata Fixed Income Fund Scheme C3 Reg. Growtl (60000Units)	10	10
ICICI Prudential FMP Series 36-18 Month Plan B (R (Units 330000,)	10	10
Grindlays fixed maturity 7th plan B growth (Units NIL, Prev. Year 150000)	10	10
HDFC FMP 13 Month August 2006 (1) (Units Nil, Prev. Year 132500)	10	10
HDFC FMP 26 Month August 2006 (1) (Units Nil, Prev. Year 50000)	10	10
HDFC MF MIP Long Term Growth (Units-Nil, Prev. Year 287962)	10	10
HSBC Fixed Term Series 9 Growth (Units Nil, Prev. Year 150000)	10	10
ICICI Prudential FMP Series 30-13 Month (Retail-G (Units Nil, Prev. Year 50000)	10	10
Franklin Templeton:		
Fixed Tenure Fund Series I(G) 60 M Plan (Units 17000, Prev. Year 170000)	1,700,000	1,700,000
Fixed Tenure Fund Series I(G) 13 M Plan (Units NIL, Prev. Year 60000)	-	600,000
	<u>12,044,315</u>	<u>11,625,000</u>
[Aggregate Market Value of Investmets I.e repurchase price of units in case of unquoted Mutual Funds is Rs.1,03,39,140 Prev.yr. Rs.1,27,96,628 And in case of Bonds is Rs. 30,11,500]		

(cont..2)

	As at 31-03-2008 (Rupees)	As at 31-03-2007 (Rupees)
SCHEDULE - 4 CURRENT ASSETS, LOANS AND ADVANCES		
A) CURRENT ASSETS		
<i>Quoted:</i>		
20 Shares of Videocon Industries Ltd. [Aggregate Market Value of Stock in Trade Rs. NIL/- prev. year. Rs.8952]	-	8,477
Cash and Bank Balances		
Cash in hand	12,238	12,238
Balance with scheduled banks		
Current Accounts	47,112	12,743
FDR with UCO Bank	500,000	-
	(A) <u>559,350</u>	<u>33,458</u>
B) LOANS AND ADVANCES		
	267,473	-
	(B) <u>267,473</u>	<u>-</u>
TOTAL (A + B)	<u><u>826,823</u></u>	<u><u>33,458</u></u>
SCHEDULE - 5 CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	20,425	12,360
PROVISIONS		
Provisions for Taxation	194,100	70,000
	<u>214,525</u>	<u>82,360</u>
	<u>2007-08</u>	<u>2006-07</u>
	<u>(Rupees)</u>	<u>(Rupees)</u>
SCHEDULE - 6 OTHER INCOME		
Interest on Bonds & FDR	101,293	-
Dividend	70	-
Profit on Sale of Investment	1,152,560	617,009
Sundry Balances Written back	-	1
	<u>1,253,923</u>	<u>617,010</u>
SCHEDULE - 7 COST OF SALES		
Opening stock	8,477	8,477
Add: Purchases	-	-
	<u>8,477</u>	<u>8,477</u>
Less: Closing Stock	-	8,477
	<u>8,477</u>	<u>-</u>
SCHEDULE - 8 ADMINISTRATIVE AND OTHER EXPENSES		
Legal & Professional charges	16,046	12,872
Interest On Bank O/D	449	-
Filing Fees	3,742	1,528
Listing & SEBI Fees	10,000	10,000
Auditors' Remuneration		
Audit Fees	14,000	11,000
Service Tax on audit fees	1,730	1,360
Reimbursement of expenses	910	-
Bank charges	263	81
Fringe Benefit Tax (Prev. Year)	-	188
Postage & Courier Expenses	-	30
Printing & Stationary Exp.	390	-
Miscellaneous Expenses	585	600
	<u>48,115</u>	<u>37,659</u>

(Cont.. 3)

SCHEDULE – 9

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

A BASIS OF PREPARATION:

Accounting Convention:

The accounts have been prepared under historical cost convention on accrual basis and comply with the applicable Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.

B USE OF ESTIMATES

The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimate and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and the result of operation during the reporting period end. Although these estimate are based upon management's best knowledge of current events and action, actual result could differ from these estimates.

C SIGNIFICANT ACCOUNTING POLICIES :

1. REVENUE RECOGNITION:

The Income and Expenses are accounted on accrual basis.

2. INVENTORIES:

Stock of shares is valued on average cost basis.

3. INVESTMENTS:

Investments held for long term are stated at cost.

4. CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for in accounts.

5. PROVISION FOR DEFERRED TAX:

The Deferred Tax for the timing difference between the books and tax profits has been recognized by the company in terms of Accounting Standard 22, issued by the Institute of Chartered Accountants of India.

D Notes forming Part of Accounts

- 1) In the opinion of the Board of Directors the current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the foregoing Balance Sheet and adequate provision for all known liabilities of the company have been made.
- 2) The Company has a single segment namely " Shares and Securities". Therefore the Company's business does not fall under different business segments as defined by AS- 17- " Segmental Reporting" issued by ICAI.

(Cont.. 4)

3) Related Parties Disclosures (AS-18)

a) Information about related parties:

1. Key Management Personnel
Meena Ranka
Pawan Kumar Ranka

2. Enterprises owned or significantly influenced by management (Relating to transaction during the year)

- (i) Bombay Vyapar Pratisthan (Prop. Meena Ranka)
- (ii) Jumbo Finance Limited

b) Information about related parties Transaction:

- (1) Enterprises owned or significantly influence by management

(a) Bombay Vyapar Pratisthan (Prop. Meena Ranka)	<u>2007-08</u>	<u>2006-07</u>
Loan taken and repaid	10,000	--
Loan given and received	2,00,000	--
(b) Jumbo Finance Limited		
Loan given and received	4,50,000	--

4) EPS is calculated as under:

	<u>Year Ended</u> <u>31-03-2008</u>	<u>Year Ended</u> <u>31-03-2007</u>
i. Numerator – Net Profit disclosed in P & L A/c.	1204615	509351
ii. Denominator – No. of Equity Shares	240000	240000
iii. Basic & Diluted (Rs.)	4.50	2.12
iv. Nominal Value of Shares	10.00	10.00

5) There is no tax affect of timing difference and therefore no provision for deferred tax has been made in the books of accounts during the year, in terms of Accounting Standard 22, "Accounting for taxation of Income" issued by The Institute of Chartered Accounts of India.

6) Additional information pursuant to the provisions of Part II of Schedule VI of the Companies Act 1956 has been given to the extent applicable.

Quantitative Details:

SHARES & SECURITIES	2007-08		2006-07	
	NOS.	AMOUNT	NOS.	AMOUNT
Opening Stock	20	8,477	20	8,477
Purchases	-	-	-	-
Sales	20	8,477	-	-
Closing Stock*	-	-	20	8,477

(Cont.. 5)

- 7) a) Previous year figures have been regrouped and rearranged wherever necessary to make them comparable with current year's figures.
b) Figures have been rounded off to nearest rupee.

8) The Balance Sheet abstract and Company's general business profile:

i) Registration Details :

Registration No.	:	11-28251
State Code	:	11
Balance Sheet Date	:	31-03-2008

ii) Capital raised during the year

Public Issue	:	Nil
Right Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

iii) Position of mobilization and deployment of funds **Amt. In thousands**

Total Liabilities	:	12871
Total Assets	:	12871

Source of Funds:

Paid up Capital	:	2400
Reserves and Surplus	:	10257
Secured Loans	:	--
Unsecured Loans	:	--
Convertible Debentures	:	--

Application of Funds:

Net Fixed Assets	:	-
Investments	:	12044
Net Current Assets	:	613
Miscellaneous Expenditure	:	--
Accumulated Losses	:	--

iv) Performance of Company

Turnover / Income	:	1261
Total Expenditure	:	566
Profit / (Loss) before Tax	:	1205
Profit / (Loss) after Tax	:	1081
Earnings per share	:	5.00
Dividend Rate	:	Nil

- v) Generic Names of principal products / services of the Company

Item Code No. (ITC No.)	:	--
Product Description	:	Shares & Securities

(Signatures to Schedules "1" to "9")

AS PER OUR REPORT OF EVEN DATE ATTACHED

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Sd/-

(Meena Kumari Ranka)

Sd/-

(Shashikant Gupta)

Partner

Membership No. 45629

Sd/-

(Pawankumar Varma)

Directors

192, Dr. D.N. Road

Mumbai – 400001

Dated: 05-08-2008