

TWENTY SEVENTH ANNUAL REPORT

HEALTHY INVESTMENTS LIMITED

HEALTHY INVESTMENTS LIMITED

27th Annual Report

BOARD OF DIRECTORS

MR.MURALI D.KANURI
MR.HARISCHANDRA PRASAD KANURI
MRS.C.SHANTA PRASAD

AUDITORS

M/S Ganesh & Rajendra Associates
Chartered Accountants
4/04, Tradeo Air Conditioned Market
Tardeo, Mumbai – 400 034.

BANKERS

HDFC BANK LIMITED
ANDHRA BANK

REGISTERED OFFICE

805, 8th Floor, Maker Chambers V
Nariman Point, Mumbai – 400 021.

Annual Report and Accounts for the period ended 31st March 2009

HEALTHY INVESTMENTS LIMITED

Regd. Office : Flat No. 805, 8th Floor, Makers Chambers V, Nariman Point, Mumbai – 400 021

NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of Healthy Investment Ltd. will be held on Wednesday, 30th day of September 2009 at 11.00 a.m., at the Registered office of the Company at 805, 8th Floor, Makers Chambers V, Nariman Point, Mumbai-400 021, to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March 2009 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Smt. C. Shanta Prasad who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

4. To alter the Objects Clause of Memorandum of Association:

To consider and if thought fit to pass the following resolution with or without modification(s) as Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 17, read with Section 192A and other applicable provisions, if any, of Companies Act, 1956, Clause 2 of the Main Objects of the Memorandum of Association of the Company be substituted with the following new Clause:

“ To carry on and undertake the business of portfolio investments and trading and dealing in equity shares, derivative products including futures and options, preference shares, stocks, debentures, company deposits, commercial paper, commodities and to deal in Government securities, including Government bonds, loans, National saving certificates, Post office savings schemes, Units of investments, Mutual funds, Insurance products and the like.”

BY ORDER OF THE BOARD

Place: Hyderabad
Dated: 30th July 2009

Murali D. Kanuri
Director

HEALTHY INVESTMENTS LIMITED

Regd. Office : Flat No. 805, 8th Floor, Makers Chambers V, Nariman Point, Mumbai - 400 021

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
2. Duly filled proxy forms must be deposited at the Registered Office of the Company before 48 hours of the time fixed for holding the Meeting.
3. Members are requested to notify change of address, if any to the Registered Office of the Company.
4. Explanatory Statement to pursuant Section 173 of the Company Act, 1956 in respect of Special Business is annexed hereto and forms a part of this Notice.
5. The Register of members and share transfer books of the Company will be closed from the 26/09/2009 to 30/09/2009 (both days inclusive).

Explanatory Statement

(Pursuant Section 173 of the Company Act, 1956 in respect of Special Business)

Item No.4

In view of the opportunities in the investment segments like Commodities, futures and options etc., the Board of Directors felt that it would be beneficial if the Company also takes up investment / trading in the segments of business such as commodities, futures and options etc. Hence, it is proposed to replace the existing Clause 2 of the Main Objects of the Memorandum of Association with the proposed clause, incorporating the new business. None of the directors are interested or concerned in the proposed resolution.

BY ORDER OF THE BOARD

Munali D. Karnat
Director

Place: Mumbai
Date: 30th Jan 2009

HEALTHY INVESTMENTS LIMITED

Regd. Office : Flat No. 805, 8th Floor, Makers Chambers V, Nariman Point, Mumbai – 400 021

DIRECTORS' REPORT

To the Shareholders,

Your Directors present the Twenty Seventh Annual Report together with the audited statement of accounts for the year ended 31st March 2009.

1. FINANCIAL RESULTS :

	Current Year Rupees	Previous Year Rupees
Profit before depreciation	1,69,22,976/-	3,56,907/-
Less : Depreciation	4,051/-	13,778/-
Profit before taxes	1,69,18,925/-	3,43,129/-
Less : Provision for current taxation	36,15,000/-	-
Provision for fringe benefit tax	1,333/-	4,700/-
Provision for deferred taxation	589/-	460/-
Profit available for appropriation	1,33,03,181/-	3,38,889/-
Prior year taxes written back	2,832/-	42,038/-
Reserve fund	26,65,000/-	77,000/-
Surplus brought forward from last year	1,06,41,013/-	3,03,927/-
Surplus carried to balance sheet	<u>2,02,77,656/-</u>	<u>96,36,643/-</u>

2. DIRECTORS:

Smt. C. Shanta Prasad Director of the Company, retires by rotation and being eligible, offers herself for reappointment.

3. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility statement, the directors hereby confirm that:

- in preparation of the accounts for the financial year ended 31st March, 2009, the applicable accounting standard have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgment and estimate 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 of the company for the year under review;

HEALTHY INVESTMENTS LIMITED

Regd. Office : Flat No. 805, 8th Floor, Makers Chambers V, Nariman Point, Mumbai - 400 021

- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the accounts for the financial year ended 31st March 2009 on a going concern basis.

4. **AUDITORS:**

M/s. Ganesh & Rajendra Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

5. **PARTICULARS OF EMPLOYEES:**

The Company had no employees whose particulars are required to be mentioned pursuant to the provisions of Section 217 (2A) of the Companies Acts, 1956 read with the rules there under.

6. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Being an investment company, there are no particulars to be furnished in this report as required by Section 217 (1)(e) of the Companies Act, 1956 relating to conservation of energy and technology absorption. There was no foreign exchange earnings or outgo during the year.

7. **AMENDMENT TO OBJECT CLAUSE IN MEMORANDUM OF ASSOCIATION:**

It is proposed to substitute the Clause 2 of the Main Objects Clause in the Memorandum of Association of the Company to include investments, trading and dealing in commodities, futures & options, to take advantage of the market conditions.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Hyderabad

(Murali D. Kanuri)

(Harishchandra Prasad Kanuri)

Dated : 30th July 2009

Director

Director

AUDITORS' REPORT

To The Members of
HEALTHY INVESTMENTS COMPANY LIMITED

1. We have audited the attached Balance Sheet of HEALTHY INVESTMENTS COMPANY LIMITED as at 31st March 2009, Profit and Loss Account and also cash flow statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These 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.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central 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. Further to our comments in the Annexure referred to in Paragraph (3) above, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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 the 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 are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 in so far as they apply to Company;
 - e) in our opinion and based on information and explanations given to us, none of the director is disqualified as on 31st March 2009 from being appointed as directors in terms of clause (g) of subsection (1) of section 274 of Companies Act 1956;
 - f) 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 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 2009,
- ii) In the case of the Profit and Loss Account, of the profit of the Company for year ended on that date, and
- iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For GANESH & RAJENDRA ASSOCIATES
CHARTERED ACCOUNTANTS

(GANESH MEHTA)

PARTNER

Membership No. : 32939

MUMBAI, DATED : 30 July 2009

ANNEXURE TO AUDITORS' REPORT

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

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) The company has not disposed off any part of the fixed assets during the year.
- (ii) The Company has not granted/taken any loans secured or unsecured to/ from any company, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956
- (iii) 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 purchase of inventory, fixed assets and for the sales of goods and services. There is no continuing failure to correct major weakness in internal control system.
- (iv) According to the information and explanations given to us, there were no contracts or arrangement that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (v) The Company has not accepted any deposit from public therefore clause 4 (vi) of CARO 2003 is not applicable.
- (vi) Considering the size of business and number of transactions as carried out, the management is of the opinion that the company did not require internal audit system.
- (vii) (a) As informed to us, the Company is not required to deduct Provident Fund and Employees' State Insurance due
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of income tax, sales tax, service tax, wealth tax, customs duty, excise duty, cess and other statutory dues which have remained outstanding as at 31st March 2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- (viii) The company has no accumulated losses at the end of the financial year and has not incurred cash losses in the current and immediately preceding financial year.
- (ix) The company has not granted loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (x) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/ society. Hence the clause 4(xiii) of the CARO, 2003 are not applicable to the company.

ANNEXURE TO AUDITOR'S REPORT

- (xi) The Company has maintained proper records in respect of the transactions and contracts in respect trading in shares, securities, debentures and other securities and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company in its own name.
- (xii) According to the information and explanations given to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xiii) 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.

In view of the nature of business carried on by the company and absence of conditions prerequisite to the reporting requirements of clauses 4 (ii), (viii), (xi), (xvi), (xvii), (xviii), (xix) and (xx) of CARO, 2003, the said clauses are, at present, not applicable.

For GANESH & RAJENDRA ASSOCIATES
CHARTERED ACCOUNTANTS

(GANESH MEHTA)
PARTNER
Membership No. 32939
MUMBAI, DATED: 30 July 2009

HEALTHY INVESTMENTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	Rupees	31st March 2009 Rupees	31st March 2008 Rupees
I SOURCES OF FUNDS :				
(1) Shareholders' funds :				
(a) Capital	(1)		2,450,000	2,450,000
(b) Reserves and surplus	(2)		25,075,156	11,769,143
			<u>27,525,156</u>	<u>14,219,143</u>
II APPLICATION OF FUNDS :				
(1) Fixed assets :	(3)			
(a) Gross block		143,698		313,950
(b) Less : Depreciation		<u>132,393</u>		<u>141,386</u>
(c) Net block			11,305	172,564
(2) Investments	(4)		27,397,555	13,561,091
(3) Current assets, loans & advances :				
(a) Sundry debtors	(5)	-		391,528
(b) Cash and bank balances	(6)	17,341		11,334
(c) Loans and advances	(7)	<u>3,666,829</u>		<u>55,609</u>
		<u>3,684,170</u>		<u>458,471</u>
Less : Current liabilities & provisions :				
(a) Liabilities	(8)	23,782		38,635
(b) Provisions	(9)	<u>3,616,333</u>		<u>6,000</u>
		<u>3,640,115</u>		<u>44,635</u>
Net current assets			44,055	413,836
(4) Deferred tax asset (net)			72,241	71,652
			<u>27,525,156</u>	<u>14,219,143</u>

Notes to the accounts

(11)

As per our report attached
For GANESH & RAJENDRA ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board

Murali D. Kanuri
Director

(GANESH MEHTA)
PARTNER
Membership No. 32939
MUMBAI, DATED: 30 July 2009

Harischandra Prasad Kanuri
Director

HEALTHY INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	31st March 2009 Rupees	31st March 2008 Rupees
INCOME :			
Dividend		743,304	659,524
Interest (TDS Rs. 4,872/- Pr. Yr. Rs. 46,162/-)		47,300	206,993
Profit on sale of assets		16,578,792	563,627
		<u>17,369,396</u>	<u>1,430,144</u>
EXPENDITURE :			
Loss on derivative tradings		-	696,461
Loss on sale of investment		128,662	-
Administrative and other expenses	(10)	317,758	376,776
Depreciation		4,051	13,778
		<u>450,471</u>	<u>1,087,015</u>
Profit before taxes		16,918,925	343,129
Provision for current taxation		3,615,000	-
Provision for fringe benefit tax		1,333	4,700
Provision for deferred taxation		589	460
		<u>13,303,181</u>	<u>338,889</u>
Prior years taxes written back		2,832	42,038
Profit available for appropriation		13,306,013	380,927
Reserve fund		2,665,000	77,000
		<u>10,641,013</u>	<u>303,927</u>
Surplus brought forward from last year		9,636,643	9,332,717
Surplus carried to balance sheet		<u>20,277,656</u>	<u>9,636,643</u>
Earning per share (Basic / Diluted)		54.31	1.55
Nominal value of share		10	10

[Refer Note 1 (xii) of Schedule 11]

Notes to the accounts (11)

As per our report attached
For GANESH & RAJENDRA ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(GANESH MEHTA)
PARTNER
Membership No. 32939
MUMBAI, DATED: 30 July 2009

Murali D. Kanuri
Director
Harischandra Prasad Kanuri
Director

HEALTHY INVESTMENTS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

	31st March 2009 Rupees	31st March 2008 Rupees
1 SHARE CAPITAL :		
Authorized : 2,50,000 equity shares of Rs.10/- each	<u>2,500,000</u>	<u>2,500,000</u>
Issued, subscribed and paid up : 2,45,000 equity shares of Rs.10/- each fully paid-up	<u>2,450,000</u>	<u>2,450,000</u>
2 RESERVES AND SURPLUS :		
Reserve fund	4,797,500	2,132,500
Profit and loss account	20,277,656	9,636,643
	<u>25,075,156</u>	<u>11,769,143</u>

3. FIXED ASSETS :

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 4/1/2008	ADDITIONS	DEDUCTION	AS AT 3/31/2009	AS ON 4/1/2008	FOR THE YEAR	DEDUCTION	AS ON 3/31/2009	AS ON 3/31/2009	AS ON 3/31/2008
Land	73,659	-	73,659	-	-	-	-	-	-	73,659
Building	96,593	-	96,593	-	11,589	1,455	13,044	-	-	85,004
Office equipments	47,775	-	-	47,775	40,913	954	-	41,867	5,908	6,862
Computers	62,062	-	-	62,062	60,383	672	-	61,055	1,007	1,679
Furniture & fixtures	33,861	-	-	33,861	28,501	970	-	29,471	4,390	5,360
TOTAL	313,950	-	170,252	143,698	141,386	4,051	13,044	132,393	11,305	172,564
PREVIOUS YEAR	328,450	-	14,500	313,950	137,890	13,778	10,282	141,386	172,564	192,355

4 INVESTMENTS : (Long term, at cost)

No. of
Shares

Face
Value

Quoted, fully paid and other than trade :

A Equity Shares :

Aluforide Industries Ltd.	2,111 (2,111)	10	32,538	32,538
Amara Raja Batteries Ltd.	30,000 (20,000)	2	430,620	430,620
Andhra Printers Ltd.	501 (501)	100	24,299	24,299
Bartronicsin	45,258 (17,125)	10	8,534,190	3,418,458
		C/d.	<u>9,021,647</u>	<u>3,905,915</u>

HEALTHY INVESTMENTS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

			31st March 2009 Rupees	31st March 2008 Rupees
4	INVESTMENTS : (Long term, at cost)	No. of Shares	Face Value	
	A Equity Shares :		B/d.	9,021,647
				3,905,915
	* Laxmi Finance & Inds. Corp. Ltd.	217,340 (163,005)	10	2,154,841
	Navabharat Venture Ltd.	8,293 (-)	2	1,992,781
	Nelcast Ltd	74,876 (19,653)	10	7,386,342
	Suven Life Sciences Ltd.	100 (26,294)	1	4,576
	Tectron Poly Ltd.	4,900 (4,900)	10	139,196
	* Unijolly Investments Ltd.	20,000 (20,000)	10	50,600
	Vivimed Labs Ltd.	15,000 (15,000)	10	3,646,212
	B Units of Mutual Fund :			
	HSBC Floating Regular - Daily - Short	- (2,127)	10	-
	HSBC Short Term Growth Fund	- (11,392)	10	-
	HSBC Ultra ST Bond Fund - RG	259,224 (-)	10	3,001,360
				<u>27,397,555</u>
				<u>13,561,091</u>
	Aggregate Market / Repurchase value of quoted investment		8,150,994	12,682,536
	* Market price not available			
5	SUNDRY DEBTORS (Unsecured, considered good)			
	a) Debts outstanding for a period exceeding six months		-	-
	b) Other debts		-	391,528
				<u>391,528</u>

