

# **TWENTY EIGHTH ANNUAL REPORT**

**HEALTHY INVESTMENTS LIMITED**

# **HEALTHY INVESTMENTS LIMITED**

**28<sup>th</sup> 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, 8<sup>th</sup> Floor, Maker Chambers V  
Nariman Point, Mumbai – 400 021.

**Annual Report and Accounts for the period ended 31<sup>st</sup> March 2010**

# HEALTHY INVESTMENTS LIMITED

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

## NOTICE

NOTICE is hereby given that Twenty Eight Annual General Meeting of M/s. Healthy Investment Ltd. will be held on Thursday 30<sup>th</sup> September 2010 at 11.00 a.m. at the Registered office of the Company at 805, 8<sup>th</sup> 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 31<sup>st</sup> March 2010 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 *Sri K. Harishchandra Prasad* who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

Regd. Office :  
805, 8<sup>th</sup> Floor, Maker Chamber V,  
Nariman Point ,  
Mumbai – 400 021.

BY ORDER OF THE BOARD

Murali D. Kanuri  
DIRECTOR

Dated : 30<sup>th</sup> July 2010

### 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. Members are requested to notify change of address, if any to the company's Registered office at Mumbai.
3. The Register of members and share transfer books of the Company will be closed from the 26/09/2010 to 30/09/2010 (both days inclusive).

# HEALTHY INVESTMENTS LIMITED

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

## DIRECTORS' REPORT

To the Shareholders,

Your Directors present the Twenty Eight Annual Report together with the audited statement of accounts for the year ended 31<sup>st</sup> March 2010.

### 1. FINANCIAL RESULTS :

	Current Year Rupees	Previous Year Rupees
Profit before depreciation	7,22,143/-	1,69,22,976/-
Less : Depreciation	2,019/-	4,015/-
Profit before taxes	7,20,124/-	1,69,18,925/-
Less : Provision for current taxation	21,000/-	36,15,000/-
Provision for fringe benefit tax	-	1,333/-
Provision for deferred taxation	45,755/-	589/-
Profit available for appropriation	6,53,369/-	1,33,03,181/-
Prior year taxes written back	(2,343/-)	2,832/-
Reserve fund	1,30,000/-	26,65,000/-
	5,21,026/-	1,06,41,013/-
Surplus brought forward from last year	2,02,77,656/-	96,36,643/-
Surplus carried to balance sheet	2,07,98,682/-	2,02,77,656/-

### 2. DIRECTORS:

*Sri K. Harishchandra Prasad* Director of the Company, retire by rotation and being eligible, offer himself 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:

- i) in preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2010, the applicable accounting standard have been followed along with proper explanation relating to material departures;
- ii) 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;
- 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 31<sup>st</sup> March 2010 on a going concern basis.

# HEALTHY INVESTMENTS LIMITED

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

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. APPOINTMENT OF COMPANY SECRETARY :  
As per section 383A of the Companies Act, 1956, the company is supposed to appoint a company secretary in whole time employment. The management has made efforts to comply with the same, but could not succeed in appointing a company secretary. Hence the company has obtained the compliance certificate from a practicing company secretary.
6. 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 thereunder.
7. 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.

FOR & ON BEHALF OF THE BOARD

Place : Mumbai  
Dated: 30<sup>th</sup> July 2010

Sd/-  
(Murali D. Kanuri)  
Director

Sd/-  
(K. Harishchandra Prasad)  
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 31<sup>st</sup> March 2010, 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. 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.
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 31<sup>st</sup> March 2010 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 2010,
  - 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.

Ganesh Mehta  
Partner  
Membership No. 32939  
For and on behalf of  
Ganesh & Rajendra Associates  
Chartered Accountants  
ICAI Firm Registration No. 103055W

Place : Mumbai  
Dated : 30<sup>th</sup> July 2010

**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 substantial part of the fixed assets during the year.
- (ii) The Company has not granted or taken any loans secured or unsecured to/ from any companies, firms 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 2010 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.
- (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.

Ganesh Mehta  
Partner  
Membership No. 32939  
For and on behalf of  
Ganesh & Rajendra Associates  
Chartered Accountants  
ICAI Firm Registration No. 103055W

Place : Mumbai  
Dated : 30<sup>th</sup> July 2010

HEALTHY INVESTMENTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	Rupees	31st March 2010 Rupees	31st March 2009 Rupees
<b>I SOURCES OF FUNDS :</b>				
(1) Shareholders' funds :				
(a) Capital	(1)		2,450,000	2,450,000
(b) Reserves and surplus	(2)		25,726,182	25,075,156
			<u>28,176,182</u>	<u>27,525,156</u>
<b>II APPLICATION OF FUNDS :</b>				
(1) Fixed assets :	(3)			
(a) Gross block		143,698		143,698
(b) Less : Depreciation		<u>134,412</u>		<u>132,393</u>
(c) Net block			9,286	11,305
(2) Investments	(4)		28,110,811	27,397,555
(3) Current assets, loans & advances :				
(a) Cash and bank balances	(5)	23,669		17,341
(b) Loans and advances	(6)	<u>50,558</u>		<u>3,666,829</u>
		<u>74,227</u>		<u>3,684,170</u>
Less : Current liabilities & provisions :				
(a) Liabilities	(7)	23,628		23,782
(b) Provisions	(8)	<u>21,000</u>		<u>3,616,333</u>
		<u>44,628</u>		<u>3,640,115</u>
Net current assets			29,599	44,055
(4) Deferred tax asset ( Net )			26,486	72,241
			<u>28,176,182</u>	<u>27,525,156</u>

Notes to the accounts

(10)

As per our report attached

For and on behalf of the Board

**Ganesh Mehta**

Partner

Membership No. 32939

For and on behalf of

**Ganesh & Rajendra Associates**

Chartered Accountants

ICAI Firm Registration No. 103055W

Murali D. Kanuri

Director

K. Harischandra Prasad

Director

Place : Mumbai

Dated : 30th July 2010

## HEALTHY INVESTMENTS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	31st March 2010 Rupees	31st March 2009 Rupees
<b>INCOME :</b>			
Dividend		584,663	743,304
Interest (TDS Rs. 1,054/- Pr. Yr. Rs. 4,872/-)		10,540	47,300
Profit on sale of assets		-	16,578,792
Profit on sale of investment		500,937	-
		<u>1,096,140</u>	<u>17,369,396</u>
<b>EXPENDITURE :</b>			
Loss on sale of investment		-	128,662
Administrative and other expenses	(9)	373,997	317,758
Depreciation		2,019	4,051
		<u>376,016</u>	<u>450,471</u>
Profit before taxes		720,124	16,918,925
Provision for current taxation		21,000	3,615,000
Provision for fringe benefit tax		-	1,333
Provision for deferred taxation		45,755	589
		<u>653,369</u>	<u>13,303,181</u>
Prior years taxes written back		(2,343)	2,832
Profit available for appropriation		651,026	13,306,013
Reserve fund		130,000	2,665,000
		<u>521,026</u>	<u>10,641,013</u>
Surplus brought forward from last year		20,277,656	9,636,643
Surplus carried to balance sheet		<u>20,798,682</u>	<u>20,277,656</u>
Earning per share		2.66	54.31
Nominal value of share		10	10
[Refer note 1 (xii) of schedule 10]			

Notes to the accounts

(10)

As per our report attached

For and on behalf of the Board

**Ganesh Mehta**  
Partner  
Membership No. 32939  
For and on behalf of  
**Ganesh & Rajendra Associates**  
Chartered Accountants  
ICAI Firm Registration No. 103055W

Murali D. Kanuri  
Director

K. Harischandra Prasad  
Director

Place : Mumbai  
Dated : 30th July 2010

## HEALTHY INVESTMENTS LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	31st March 2010 Rupees	31st March 2009 Rupees
<b>1 SHARE CAPITAL :</b>		
Authorised :		
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>
<b>2 RESERVES AND SURPLUS :</b>		
Reserve fund	4,927,500	4,797,500
Profit and loss account	20,798,682	20,277,656
	<u>25,726,182</u>	<u>25,075,156</u>

**3. FIXED ASSETS :**

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS AT 4/1/2009	ADDITIONS (DEDUCTION)	AS AT 3/31/2010	ASON 4/1/2009	FOR THE YEAR	ADDITIONS (DEDUCTION)	ASON 3/31/2010	ASON 3/31/2010	ASON 3/31/2009
Office equipments	47,775	-	47,775	41,867	821	-	42,688	5,087	5,908
Computers	62,062	-	62,062	61,055	403	-	61,458	604	1,007
Furniture & fixtures	33,861	-	33,861	29,471	795	-	30,266	3,595	4,390
<b>TOTAL</b>	<b>143,698</b>	<b>-</b>	<b>143,698</b>	<b>132,393</b>	<b>2,019</b>	<b>-</b>	<b>134,412</b>	<b>9,286</b>	<b>11,305</b>
PREVIOUS YEAR	313,950	(170,252)	143,698	141,386	4,051	(13,044)	132,393	11,305	172,564

**4 INVESTMENTS : (Long term, at cost)**

Quoted, fully paid and other than trade :

**A Equity Shares :**

	No. of Shares	Face Value		
Aluforide Industries Ltd.	-	10	-	32,538
	(2,111)			
Amara Raja Batteries Ltd.	26,000	2	344,709 ✓	430,620
	(30,000)			
* Andhra Printers Ltd.	501	100	24,299 ✓	24,299
	(501)			
Bartronics India Ltd.	39,258	10	7,003,041 ?	8,534,190 ✓
	(45,258)			
* Laxmi Finance & Inds. Corp. Ltd.	217,340	10	2,154,841 ✓	2,154,841
	(217,340)			
Navabharat Venture Ltd.	-	2	-	1,992,781
	(8,293)			
			C/d. <u>9,526,890</u>	<u>13,169,270</u>

## HEALTHY INVESTMENTS LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

			31st March 2010 Rupees	31st March 2009 Rupees	
4	INVESTMENTS : (Long term, at cost)	No. of Shares	Face Value		
			B/d.	9,526,890	13,169,270
A	Equity Shares :				
	Nelcast Ltd	108,053 (74,876)	10	8,881,708 ✓	7,386,342 ✓
	Suven Life Sciences Ltd.	- (100)	1	-	4,576
	MIC Electronics Ltd.	55,000	2	2,417,346 ✓	-
	Tectron Poly Ltd.	- (4,900)	10	-	139,196
	* Unijolly Investments Ltd.	20,000 (20,000)	10	50,600 ✓	50,600
	Vivimed Labs Ltd.	15,000 (15,000)	10	3,646,212 ✓	3,646,212
B	Units of Mutual Fund :				
	HSBC Ultra ST Bond Fund - RG	286,631 (259,224)	10	3,588,055 ✓	3,001,360
				<u>28,110,811</u>	<u>27,397,555</u>
				<u>28,331,291</u>	<u>8,150,994</u>
	Aggregate Market / Repurchase value of quoted investment * Market price not available				
5	CASH AND BANK BALANCES :				
	Cash on hand			4,944	7,001
	Balance with scheduled banks in current account			18,725	10,341
				<u>23,669</u>	<u>17,341</u>
6	LOANS AND ADVANCES : (Unsecured, considered good)				
	Advances recoverable in cash or kind for value to be received			2,300	5,236
	Prepaid taxes			48,258	3,661,593
				<u>50,558</u>	<u>3,666,829</u>
7	LIABILITIES :				
	Sundry creditors			16,391	16,545
	Other liabilities			7,237	7,237
				<u>23,628</u>	<u>23,782</u>

## HEALTHY INVESTMENTS LIMITED

## SCHEDULES FORMING PART OF THE BALANCE SHEET

	31st March 2010 Rupees	31st March 2009 Rupees
8 PROVISIONS :		
Provision for current taxation	21,000	3,615,000
Provision for fringe benefit tax	-	1,333
	<u>21,000</u>	<u>3,616,333</u>

## SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

## 9 ADMINISTRATIVE, FINANCIAL &amp; OTHER EXPENSES :

Salaries & allowances	118,032	151,400
Conveyance charges	7,554	2,125
Accounting expenses	-	15,000
Printing & stationery	7,855	10,101
Auditors' remuneration	24,582	32,416
Legal & professional fees	9,500	32,500
Postage & telephone	5,626	15,099
Rent	36,000	36,000
Miscellaneous expenses	8,756	8,875
Filing fees	122,814	-
Listing fees	15,514	10,000
Motor car expenses	4,500	3,100
Securities transaction tax	13,263	1,143
	<u>373,997</u>	<u>317,758</u>

## 10 NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS.

## 1) Statement on Accounting Policies :

## i) SYSTEM OF ACCOUNTING :

## a) Basis of accounting :

The financial statements have been prepared under the historical cost convention in accordance with the accounting standards issued by the Institute of Chartered accountants of India and the provisions of the Companies act, 1956, as adopted consistently by the Company. All income & expenditure having the material bearing on the financial statements are recognized on accrual basis.

## b) Use of estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect, the reported amount of assets and liabilities on the date of financial statements and a reported amount of revenues and expenses during the reporting period. Difference between the actual expenses and estimates is recognized in the period in which the results are known/materialised.

## ii) REVENUE RECOGNITION :

Dividend income is accounted for as and when declared. Sale / purchase of shares / securities are considered on contract basis. Interest income is considered on accrued basis over the full financial year.

## iii) INVESTMENTS :

Investments are stated at cost of acquisition inclusive of brokerage and stamp duty.

HEALTHY INVESTMENTS LIMITED

10 NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS.

1) Statement on Accounting Policies :

iv) FIXED ASSETS :

Fixed assets are capitalised at cost inclusive of legal and/or installation expenses.

v) DEPRECIATION :

Depreciation is provided under the 'Written Down Value Method' at rates provided by Schedule XIV to the Companies Act, 1956.

vi) STOCK IN TRADE :

Shares and securities are carried at lower of cost or market value.

vii) PURCHASE/SALE :

Purchases of shares/securities is accounted for inclusive of stamp & transfer fees.

viii) CONTINGENCY & EVENT OCCURRING AFTER THE BALANCE SHEET DATE :

There has been no material events occurring after the balance sheet date that require adjustments to as disclosure in the financial statements.

ix) RETIREMENT BENEFITS :

The laws relating to payment of Provident Fund, E.S.I.C. and Gratuity to employees are not applicable to the Company. The Company does not have any scheme for retirement benefits for its employees is considered necessary. Other benefits such as Leave Encashment etc are provided in accordance with the service rules of the company.

x) BORROWING COST :

Borrowing cost are charged to profit & loss account in the year in which they are incurred.

xi) SEGMENT REPORTING :

The Company is engaged primarily in the business of investments and accordingly there are no separate reportable segments as per Accounting Standard - AS - 17 'Segment Reporting' issued by ICAI.

xii) EARNING PER SHARE :

	31st March 2010 Rupees	31st March 2009 Rupees
1) Profit after taxation	651,026	13,306,013
2) Average number of Equity shares outstanding	245,000	245,000
3) Earnings per share in Rs. ( Face value Rs. 10/- per share )	2.66	54.31

xiii) FOREIGN EXCHANGE :

- Earnings in Foreign Currency : Rs NIL (Previous Year Rs. NIL )
- Expenditure in Foreign Currency : Rs NIL (Previous Year Rs. NIL )

xiv) RELATED PARTY DISCLOSURES :

Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" are given below :

a) List of Related Parties :

Associate Companies :

- Unijolly Investments Company Ltd.
- Lakshmi Finance & Corporation Ltd.

