



**49th
ANNUAL REPORT
2009-2010**

**LYNX MACHINERY AND
COMMERCIALS LIMITED**

LYNX MACHINERY AND COMMERCIALS LIMITED

Directors	:	R. K. Choudhury Ashok Kumar Jajodia H. K. Jajodia, Chairman & Managing Director Pradyumna Jajodia Padmanabh Jajodia
Auditors	:	K. L. SINGHEE & CO. Chartered Accountants
Solicitors	:	KANGA & CO. KHAITAN & CO.
Registered Office	:	WARDEN HOUSE 340, J. J. ROAD BYCULLA, MUMBAI - 400 008
Head Office	:	504, "CENTRAL PLAZA" 2/6, SARAT BOSE ROAD KOLKATA - 700 020

"The practice of distributing copies of the Annual Report at the Annual General Meeting is being discontinued in view of the high cost of paper and printing. Shareholders are, therefore, requested to bring their copy of the Annual Report with them to the Meeting."

NOTICE

NOTICE is hereby given that the **Forty Ninth** Annual General Meeting of the Members of **Lynx Machinery and Commercials Limited** will be held on **Saturday** the **18th** day of **September, 2010**, at Sir Jacob Sassoon High School, 340, J.J. Road, Byculla, Mumbai 400 008 at **10.30 a.m.** to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended 31st March, 2010 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of **Mr. Pradyumna Jajodia**, who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of **Mr. Padmanabh Jajodia**, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS:

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATIONS, THE FOLLOWING RESOLUTIONS :

5. AS A SPECIAL RESOLUTION :

“RESOLVED THAT pursuant to Section 372A of the Companies Act, 1956 and any other applicable provisions, if any, of the Companies Act, 1956, or of any other law for the time being in force, the Board of Directors of the Company be and is hereby authorized to make investments in excess of 60% of the paid up share capital and free reserves of the company or 100% of the free reserves of the company whichever is more prescribed under section 372A in the Units of HDFC Mutual Funds upto a limit of Rs.1.50 Crores, ICICI Mutual Funds upto a limit of Rs.1.50 Crores, Reliance Mutual Funds upto a limit of Rs.1.50 Crores, in the equity capitals of (a) Reliance Industries Limited, (b) ICICI Bank Limited, (c) Laxmivilas Bank Limited, (d) State Bank of India and (e) Reliance Communication Limited, upto a limit of Rs.1.50 Crores, and in the “B” Class equity share capital of Warden International (Agencies) Private Limited upto a limit of Rs.3.00 Crores, such that the aggregate amount of investments does not exceed Rs.6.00 Crores, and that such investments be made in their absolute discretion as they may deem beneficial and in the interest of the company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution.”

6. AS A SPECIAL RESOLUTION:

“RESOLVED THAT in supersession of the earlier Resolution passed by the Shareholders in the Annual General Meeting held if any, consent under Section 293(1)(d) of the Companies Act, 1956, and the Articles of Association of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money from time to time

which together with the monies already borrowed by the Company (apart from temporary Loans obtained from the Company's Bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid up capital of the Company and its free Reserves, (that is to say, Reserves not set apart for any specific purpose) by a sum not exceeding Rs.10.00 Crores (Rupees Ten Crores) and that the Directors be and are hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may think fit."

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 A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 13th September, 2010 to 18th September, 2010 (both days inclusive).
4. Members desiring any information as regards to the Accounts are requested to write to the Company atleast 15 days before the date of Meeting, so as to enable the management to keep the information ready.
5. Notes on Director seeking appointment/re-appointment as required under Clause 49(VI)(A) of the Listing Agreement entered into with the Stock Exchange:

MR. PRADYUMNA JAJODIA

Mr. Pradyumna Jajodia is an Industrialist and has been associated with the Company since December, 1998 as Director. Mr. Pradyumna Jajodia has completed MBA course from London School of Business. He has also undergone a Post-Graduate Diploma course in Foreign Trade from World Trade Institute, Mumbai and attended various courses in leading Business Schools at India and abroad.

MR. PADMANABH JAJODIA

Mr. Padmanabh Jajodia is associated with the Company since August, 2003. Mr. Padmanabh Jajodia is a B.Com. Graduate from Mumbai University. He has good experience in Management and Petroleum related businesses.

6. The Companies (Amendment) Act, 1999 has introduced through Section 109A, the facility of nomination to the Shareholders. Nomination Form 2B is attached to the Annual Accounts.

Dated: 5th day of August, 2010
Head Office :
504, Central Plaza
2/6, Sarat Bose Road
Kolkata 700 020.

By Order of the Board of Directors

H. K. Jajodia
Chairman & Managing Director

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT AS REQUIRED BY SECTION
173(2) OF THE COMPANIES ACT, 1956**

ITEM NO. 5

In the prevailing environment, the Company foresees plenty of opportunities for earnings out of surplus funds available with the Company by investing in the stock market, units of Mutual Funds and in the Equity Capital of Private Companies. As a result, the investments may exceed the prescribed limit U/s 372A of the Companies Act, 1956. Therefore, a general power is required for the Board of Directors, authorizing them to invest in Equity Markets, Mutual Funds and Equity Capital of Private Companies, exceeding the limits specified under the above Section.

Accordingly, Item No. 5 is recommended for approval by the shareholders.

None of the Directors are concerned or interested in Resolution No.5 of the Notice.

ITEM NO. 6

In order that the Company be in a position to take advantage of the liberalized economic policy of the Government of India for its growth, it is proposed that the Company must have adequate funds to grab the opportunities available at the right time. In view of the above, it is proposed that the Board of Directors be authorized to borrow up to an amount of Rs.10.00 Crores, beyond the permitted limits as specified in Section 293(1)(d). With the Company's plans for diversification and trading activities, the Board thinks it necessary to acquire this power under Section 292(1)(c) and recommends passing of this Resolution.

Accordingly, Item No. 6 is recommended for approval by the shareholders.

None of the Directors are concerned or interested in Resolution No.6 of the Notice.

Dated: 5th day of August, 2010
Head Office :
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Kolkata 700 020.

By Order of the Board of Directors

H. K. Jajodia
Chairman & Managing Director

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting their Forty Ninth Annual General Report together with the Audited Statement of Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS	2009-2010 Rs.	2008-2009 Rs.
Operating Profit /(Loss) Before Depreciation	1,040,775	5,571,568
Add / (Less) : Depreciation	(249,992)	(205,653)
Net Profit / (Loss) Before Tax	790,783	5,365,915
Add / (Less) : Provision for Tax –		
For Current Year	(20,000)	(500,000)
For Fringe Benefit Tax	–	(46,000)
For Securities Transaction Tax	(1,795)	(21,640)
For Deferred Tax	(24,166)	41,050
Net Profit after Tax	744,822	4,839,325
Add / (Less)		
Income Tax for earlier year	–	2,071
Surplus Brought Forward	12,669,797	7,828,401
Surplus Carried to Balance Sheet	13,414,619	12,669,797
Basic / Diluted Earning Per Share	1.24	8.07

OPERATIONS

During the year under review, the Company has earned a net profit of Rs. 790,783 as against Rs.5,365,915 in the immediately preceding financial year. The reduction in profit is mainly on account of not undertaking any share transactions during the year.

Your Directors are hopeful that the Company will be able to fare much better during the current year.

The sub-lease deed with Oil & Natural Gas Corporation Limited (ONGC) expired on 31st December, 2009. The management has been negotiating with the sub-lessee, the new terms & conditions of the sub-lease. The Company has agreed in principle the terms and conditions of the new sub-lease Deed. However, the sub-lease agreement has not yet been signed.

DIVIDEND

Although the Company has earned profit during the year under review, your Directors do not recommend payment of any Dividend in order to conserve the funds for future growth of the Company.

DIRECTORATE

Mr. Pradyumna Jajodia, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Padmanabh Jajodia, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

INVESTOR SERVICES CENTRE

The securities of your company are listed in Mumbai Stock Exchange. The Investor Services Centre of the Company is with M/s. Sharex Dynamic (India) Pvt. Ltd., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai 400 001 who continue to provide prompt Investor Services through Quick Resolution of Investor grievances.

Your Company's shares are tradable in electronic form and your Company has established connectivity with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd., (CDSL). Shareholders of the Company are requested to avail this facility of keeping their holdings in electronic form in their respective Demat Account in order to facilitate easy transfer of shares.

DIRECTORS RESPONSIBILITY STATEMENT

Statement under sub-section (2AA) of Section 217 of the Companies Act, 1956:

In the preparation of the Annual Accounts:

- a) the applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give 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 that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Accounts have been prepared on a going concern basis.

PARTICULARS PRESCRIBED UNDER SECTION 217(1)(e) OF THE COMPANIES ACT

Information pursuant to Section 271(1)(e) regarding conservation of energy, technology absorption, foreign exchange earnings and outgo are not applicable to the Company.

AUDITORS' QUALIFICATION

The Qualifications made by the Auditors in their Report dated 4th August, 2010, vide Note No. (v) are explained as under:

(i) Regarding payment of managerial remuneration –

The management has sought opinion from experts. Based on the said opinion, the management is of the view that the payment of managerial remuneration is in compliance with the conditions stipulated under Schedule XIII to the Companies Act, 1956.

(ii) Regarding Storage and Hire Charges –

The sub-lease Deed with Oil & Natural Gas Corporation Limited (ONGC) expired on 31st December, 2009. The Company served a Notice to the sub-lessee to vacate and handover the peaceful possession of the premises. However, the sub-lessee has not vacated the premises and negotiations are under progress for the renewal of the sub-lease Deed. The terms and conditions have been finalized, but the final Agreement for sub-lease has still not been signed. As such, the changes in Storage & Hire Charges Income shall be accounted in the current Financial Year i.e. 2010-11.

(iii) Regarding non-provision for Doubtful Debtors –

Sundry Debtors, amounting to Rs.2,134,761 are in litigation at the Hon'ble High Court, Mumbai and the management is hopeful of recovering all the outstanding dues. Hence, the same is not provided in the accounts.

AUDITORS

M/s. K.L. Singhee & Co., Chartered Accountants, the Auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible have offered themselves for re-appointment.

PARTICULARS OF THE EMPLOYEES

one of the employee of the Company is drawing Salary in excess of the limits prescribed under section 217(2A) of the Companies, Act, 1956 read with the Companies (particulars of employees) Rules, 1975.

Dated: 5th day of August, 2010
Head Office :
504, Central Plaza
2/6, Sarat Bose Road
Kolkata 700 020.

By Order of the Board of Directors

H. K. Jajodia
Chairman & Managing Director

R. K. Choudhury
Director

AUDITORS' REPORT TO THE MEMBERS OF
LYNX MACHINERY AND COMMERCIALS LIMITED

We have audited the attached Balance Sheet of **LYNX MACHINERY AND COMMERCIALS LIMITED** as at 31st March, 2010 and also the Profit and Loss Account and the Cash Flow Statement 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 of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we report that :-

1. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. These fixed assets have been physically verified by the Management at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
2. The inventory has been physically verified by the Management at reasonable intervals. In our opinion, the procedures of physical verification of above followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business. In our opinion, the company is maintaining proper records of inventory and no material discrepancy was noticed on physical verification.
3. The company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the Register maintained under section 301 of the Act.

The company has not granted any loan or Advances in the nature of Loans to companies, firms or other parties covered in the Register maintained under section 301 of the Act.

4. In our opinion, the Company has an adequate internal control procedure commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for sale of goods and services. Further on the basis of our examination of the 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 failures to correct major weaknesses in the aforesaid internal control procedures.
5. As explained to us, there has not been any transaction during the year that need to be entered in the Register required to be maintained under section 301 of the Companies Act, 1956, and exceeding during the year to Rs five lacs or more in respect of each such party.

LYNX MACHINERY AND COMMERCIALS LIMITED

6. The Company has not accepted deposit from public during the year within the meaning of section 58A and section 58AA of the Companies Act, 1956 and the rules framed thereunder, as applicable.
7. The company has an internal audit system commensurate with its size and nature of its business.
8. As explained to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the activities carried on by the company.
9. According to the information and explanations given to us and according to the records of the company, the company is regular in depositing statutory dues, including provident fund, employees' state insurance, income tax, and other material statutory dues as applicable, with the appropriate authorities during the year. There were no amounts outstanding as at 31st March, 2010 in respect of undisputed sales-tax/income-tax etc. which were due for more than six months from the date they became payable. According to information and explanations given to us there are no cases of dues of sales tax/income tax/customs duty/wealth tax etc. which have not been deposited on account of any dispute.
10. The company does not have accumulated losses at the end of this financial year. The company has not incurred cash losses in this financial year and also in the immediately preceding financial year.
11. The company has not obtained any loans from financial institutions or bank or debenture holders, and hence the question of default does not arise.
12. The company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of special statute applicable to chit fund and nidhi / mutual benefit fund / society are not applicable to the company.
14. In our opinion, the company has maintained adequate records of its transactions and contracts in shares, securities, debentures and other investments, and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the company in its own name, except to the extent of exemption granted under section 49 of the Companies Act, 1956.
15. The company has not given any guarantee for loans taken by others from a bank or financial institutions.
16. The company has not obtained any term loan during the year.
17. On the basis of overall examination of the Balance Sheet and Cash Flow Statement of the Company, and according to the information and explanations given to us, in our opinion, funds raised on a short term basis have not been used for long term investment.
18. According to the information and explanations given to us, no preferential allotment of shares has been made by the company to companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures.

20. The company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

Further to our comments 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) On the basis of written representations received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (v) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, *subject to Note No 9 regarding payment of managerial remuneration, Note No 10 regarding accounting of storage & hire income and Note No 8 regarding non-provision for debtors under litigation*, comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; and 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, 2010;
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date, and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

15 India Exchange Place
Kolkata - 700 001
The 4th day of August, 2010

For **K. L. SINGHEE & CO.**
Chartered Accountants
Firm Registration No.: 303121E
K. L. SINGHEE
Partner
Membership No. 004964

BALANCE SHEET AS AT 31ST MARCH, 2010

		As at 31.3.2009			
<u>SCHEDULE</u>					
		Rs.	Rs.	Rs.	Rs.
<u>I. SOURCES OF FUNDS</u>					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	A	6,000,000		6,000,000	
(b) Reserves & Surplus	B	18,949,577	24,949,577	18,204,755	24,204,755
(2) DEFERRED TAX LIABILITY					
			280,202		256,036
			25,229,779		24,460,791
<u>II. APPLICATION OF FUNDS</u>					
(1) FIXED ASSETS					
(a) Gross Block	C	7,060,800		6,066,038	
(b) Less : Depreciation		3,770,140		3,526,043	
(c) Net Block			3,290,660		2,539,995
(2) INVESTMENTS					
			24,538,054		25,689,832
(3) CURRENT ASSETS, LOANS & ADVANCES					
(a) Inventories	E	45,000		45,000	
(b) Sundry Debtors	F	5,106,971		2,618,617	
(c) Cash & Bank Balances	G	658,611		1,571,526	
(d) Loans & Advances	H	35,40,128		3,583,686	
		9,350,710		7,818,829	
Less: CURRENT LIABILITIES & PROVISIONS					
		11,949,645		11,587,865	
NET CURRENT ASSETS					
			(2,598,935)		(3,769,036)
NOTES ON ACCOUNTS					
			25,229,779		24,460,791

As per our Report Annexed
For **K. L. SINGHEE & CO.**
Chartered Accountants
Firm Registration No.: 303121E
K. L. SINGHEE
Partner

Membership No. 004964
15 India Exchange Place
Kolkata - 700 001
The 4th day of August, 2010

H. K. Jajodia
Chairman & Managing Director

R. K. Choudhury
Director

2nd day of August, 2010

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

	<u>SCHEDULE</u>	Rs.	Year ended 31.3.2009 Rs.
<u>INCOME</u>			
Storage & Hire Charges		7,620,000	7,620,000
Other Income	J	747,045	5,620,996
		<u>8,367,045</u>	<u>13,240,996</u>
<u>EXPENDITURE</u>			
Administrative & Other Expenses	L	7,306,277	7,587,892
Loss on Sale of Investments		19,167	–
Interest		826	81,536
Depreciation/write off		249,992	205,653
		<u>7,576,262</u>	<u>7,875,081</u>
Profit / Loss before taxation		790,783	5,365,915
Less : Provision for Taxation			
Current Tax		(20,000)	(500,000)
Deferred Tax		(24,166)	41,050
Less : Provision for Fringe Benefits Tax		–	(46,000)
Less : Securities Transaction Tax paid		(1,795)	(21,640)
Profit after tax		744,822	4,839,325
Add/(Less) : Income Tax for earlier years		–	2,071
Profit Brought Forward from Last Account		12,669,797	7,828,401
Balance Carried to Balance Sheet		<u>13,414,619</u>	<u>12,669,797</u>
Basic / Diluted Earning Per Share		1.24	8.07

NOTES ON ACCOUNTS M

As per our Report Annexed

For **K. L. SINGHEE & CO.**

Chartered Accountants

Firm Registration No.:

303121E

K. L. SINGHEE

Partner

Membership No. 004964

15 India Exchange Place

Kolkata - 700 001

The 4th day of August, 2010

H. K. Jajodia
Chairman & Managing Director

R. K. Choudhury
Director

2nd day of August, 2010

SCHEDULE TO ACCOUNTS - 31st MARCH 2010

	Rs	As at <u>31.3.2009</u> Rs
<u>SCHEDULE - 'A' : SHARE CAPITAL</u>		
<u>Authorised –</u>		
2,500,000 Equity Shares of Rs.10/- each	<u>25,000,000</u>	<u>25,000,000</u>
	<u>25,000,000</u>	<u>25,000,000</u>
<u>Issued & Subscribed -</u>		
600,000 Equity Shares of Rs.10/- each fully paid-up in cash	<u>6,000,000</u>	<u>6,000,000</u>
	<u>6,000,000</u>	<u>6,000,000</u>
 <u>SCHEDULE 'B'- RESERVES & SURPLUS</u>		
Capital Reserve		
As per Last Account	5,534,958	5,534,958
Profit & Loss		
Balance as per annexed Account	<u>13,414,619</u>	<u>12,669,797</u>
	<u>18,949,577</u>	<u>18,204,755</u>

SCHEDULE TO ACCOUNTS - 31st MARCH 2010

SCHEDULE - "C": FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION	NET BLOCK	
	As at 1.4.2009	Addi- -ons	Deduc- -tions	Total to 31.3.2010	Total to 31.3.2010	As at 31.3.2010	As at 31.3.2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Leasehold Land & Development	248,411	-	-	248,411	240,691	7,720	7,720
Building on Leasehold /Rented Land	1,480,568	-	-	1,480,568	971,655	508,913	533,046
Plant & Machinery	15,400	-	-	15,400	5,740	9,660	9,660
Electric Fittings & Equipments	278,323	7,300	7,360	278,263	261,307	16,956	11,121
Furniture, Fixtures & Office Equipments	1,488,535	-	-	1,488,535	1,389,616	98,919	113,639
Generator Set	178,927	-	-	178,927	169,981	8,946	8,946
Motor Vehicles	1,932,752	994,822	-	2,927,574	420,936	2,506,638	1,718,730
Tube - well	259,197	-	-	259,197	135,485	123,712	127,937
Computers	183,925	-	-	183,925	174,729	9,196	9,196
	6,066,038	1,002,122	7,360	7,060,800	3,770,140	3,290,660	2,539,995
PREVIOUS YEAR	5,567,204	1,343,533	844,699	6,066,038	3,526,043	2,539,995	

LYNX MACHINERY AND COMMERCIALS LIMITED

SCHEDULE TO ACCOUNTS - 31st MARCH 2010

				<u>As at 31.3.2009</u>	
				Rs	Rs
<u>SCHEDULE - 'D' - INVESTMENTS (AT COST)</u>				Rs	Rs
(A) In Equity Shares					
Name of the Company-	Face	Nos.		Nos.	
<u>Quoted</u>	Value				
Abhinandan Enterprises Limited	10	24,500	125,250	24,500	125,250
Anil Products Ltd.	10	2,500	977,025	2,500	977,025
Bhairav Enterprises Limited	10	24,500	125,250	24,500	125,250
Hindustan Oil Exploration Co.Ltd.	10	2,000	730,080	-	-
ICICI Bank Limited	10	451	437,344	1,201	1,164,634
Mangalore Chemical & Fertilisers Ltd.	10	30,000	1,322,400	30,000	1,322,400
Mrugesh Trading Limited	10	24,000	78,000	24,000	78,000
Reliance Communication Ventures Limited	5	3,000	946,287	3,000	946,287
Rishi Laser Ltd.	10	6,500	1,159,665	6,500	1,159,665
Rishabh Enterprises Limited	10	24,500	125,250	24,500	125,250
Shri Gurudev En-Trade Limited	10	18,600	93,000	18,600	93,000
Tata Motors Ltd.	10	6	2,638	6	2,638
Vishvprabha Trading Limited	10	23,550	97,775	23,550	97,775
				6,219,964	6,217,174
<u>Unquoted</u>					
A-One Commerce Pvt Ltd	10	1,000	10,000	1,000	10,000
Cymose Metals Pvt Ltd	10	4,000	44,000	4,000	44,000
Konkan Investment Co Pvt Ltd	10	450	40,500	450	40,500
Subrosa Investment Ent Pvt Ltd	10	250	5,000	250	5,000
Warden International (AG) Pvt. Ltd	100	500	50,000	500	50,000
Warden & Company (I) Pvt. Ltd.	100	1,000	54,000	1,000	54,000
				203,500	203,500
(B) In Units					
HDFC Cash Management Fund -	880,325		8,830,977	1,019,537	10,227,485
Reliance Short Term Fund -	-		-	381.687	4,063,033
Reliance Medium Term Fund	251,819		4,304,973	-	-
			13,135,950	-	14,290,518
(C) In Immovabe Property					
				4,978,640	4,978,640
				<u>24,538,054</u>	<u>25,689,832</u>
Market Value of Quoted Investments				<u>3,349,866</u>	<u>2,610,388</u>

SCHEDULE TO ACCOUNTS - 31st MARCH 2010

	<u>As at 31.3.2009</u>	
	Rs.	Rs.
<u>SCHEDULE - 'E' : INVENTORIES</u>		
(As taken, valued and certified by the Management)		
Stock in Trade - Shares	45,000	45,000
	<u>45,000</u>	<u>45,000</u>
<u>SCHEDULE 'F' - SUNDRY DEBTORS</u>		
(Unsecured, Considered Good)		
Due for more than six months	2,801,541	2,474,516
Other Debts	2,305,430	144,101
	<u>5,106,971</u>	<u>2,618,617</u>
<u>SCHEDULE 'G' - CASH & BANK BALANCES</u>		
Cash - on - hand (As Certified)	50,453	46,513
Balance with Scheduled Banks - On Current Account	608,158	1,525,013
	<u>658,611</u>	<u>1,571,526</u>
<u>SCHEDULE 'H' - LOANS & ADVANCES</u>		
(Unsecured, Considered Good)		
Advances (Recoverable in cash or in kind or for value to be received)	515,279	513,923
Tender & Other Deposits (including Rs.1000/- in Post Office Savings Bank Account)	565,385	542,997
Payment of Income Tax & FBT	390,828	373,298
Tax Deducted at Source	2,068,636	2,153,468
	<u>3,540,128</u>	<u>3,583,686</u>
<u>SCHEDULE 'I' : CURRENT LIABILITIES & PROVISIONS</u>		
<u>CURRENT LIABILITIES</u>		
Sundry Creditors (Incl. Payable to Mg.Director Rs. 223,271/-)	8,555,645	8,213,865
Deposits	1,955,000	1,955,000
<u>PROVISIONS</u>		
For Taxation	1,295,000	1,275,000
For Fringe Benefits Tax	144,000	1,44,000
	<u>11,949,645</u>	<u>11,587,865</u>

SCHEDULE TO ACCOUNTS - 31st MARCH 2010

	<u>Year ended 31.3.2009</u>			
	Rs	Rs	Rs	Rs
<u>SCHEDULE - 'J' - OTHER INCOME</u>				
(Tax Deducted at Source Rs. 2,210/- Previous Year Rs. 30,296/-)				
Interest Received		63,781		147,071
Profit on Sale of Investments		-		4,908,058
Dividend Received		683,264		565,847
Miscellaneous Receipts		-		20
		<u>747,045</u>		<u>5,620,996</u>
<u>SCHEDULE 'K' - INCREASE/(DECREASE) IN INVENTORIES</u>				
Stocks at Close -				
Shares		45,000		45,000
Less: Stock at commencement				
Shares		<u>45,000</u>		<u>45,000</u>
		<u>-</u>		<u>-</u>

SCHEDULE TO ACCOUNTS - 31st MARCH 2010

	<u>Year ended 31.3.2009</u>			
	Rs	Rs	Rs	Rs
<u>SCHEDULE 'L' - ADMINISTRATIVE & OTHER EXPENSES</u>				
Payment & Provision for Employees				
Salaries, Bonus, Gratuity & Other Benefits	2,467,034		2,859,388	
Employer's Contribution to Provident & Other Funds	126,248		129,538	
Staff Welfare Expenses	150,292		145,064	
Rent & Services	325,547		310,615	
Storage Charges	60,000		60,000	
Rates & Taxes	19,810		27,010	
Electricity Charges (Net)	191,298		148,619	
Insurance	62,388		57,482	
Printing & Stationery	27,092		28,386	
Service Charges	42,679		43,582	
Office Usage Charges	240,000		240,000	
Travelling & Conveyance	184,691		190,655	
Motor Vehicles Up-Keep	203,415		162,833	
Legal & Professional Charges	556,812		539,815	
Telephone Charges	51,739		77,145	
Miscellaneous Expenses	282,847		253,993	
Advertisements	46,686		34,276	
Repairs & Maintenance :-				
Other Assets	110,992		82,494	
Managing Director's Remuneration	2,100,000		2,100,000	
Auditors Remuneration				
As Auditors	34,193		31,000	
For Tax Audit	5,515		5,000	
For Others	3,585	43,293	3,250	39,250
E.S.I. for earlier Year		12,949		-
Loss on disposal of Fixed Assets		465		57,747
		7,306,277		7,587,892

SCHEDULE TO ACCOUNTS : 31st MARCH. 2010

SCHEDULE - 'M' : NOTES ON ACCOUNTS

(A) Statement of Significant Accounting Policies and Practices –

I. Recognition of Income and Expenditure –

Revenue / Income and Costs / Expenditure are generally accounted on accrual basis as and when they are earned or incurred except as otherwise stated in the Accounts.

II. Fixed Assets –

Fixed Assets are stated at cost less accumulated depreciation.

III. Method of Depreciation –

Depreciation on all assets other than Plant & Machinery & Others (being not in use) is provided for on the straight line method in accordance with the provisions of Section 205(2)(b) as per the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions or on disposal of assets is calculated pro-rata from the month of such additions or upto the month of such disposal, as the case may be.

IV. Valuation of Inventories –

Stocks of quoted equity shares are valued at cost or Market value whichever is lower and where the quotations are not available, at cost. Unquoted shares are valued at cost.

V. Investments –

Investments in Shares & Securities are all long term and are valued at cost. Temporary diminution in the value of Investments meant to be held for long period of time is not recognised.

VI. Taxes on income -

Tax expense comprise both current tax and deferred tax at the applicable 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 differences between taxable and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods.

VII. Retirement Benefits –

The Company contributes to Provident Fund administered by Government and such contributions are charged to revenue. The company's liabilities in respect of gratuity have been accounted for and is funded with Life Insurance Corporation of India under its Group Gratuity Scheme.

VIII. Contingent Liabilities –

Contingent Liabilities are generally not provided for in the accounts and are separately shown by way of Note.

Schedule - 'M' : Notes on Accounts (Cont...)

(B) Notes on Accounts –

1. Claims against the Company not acknowledged as debts Rs 46.58 lacs and interest thereon (Previous year same position).
2. The company's liability in respect of Gratuity payable to employees has been funded with Life Insurance Corporation of India (LIC). The contribution for the year to LIC Rs. 3,108/- has been duly paid and provided for in the Accounts.
3. Components of deferred tax assets and (liabilities) are as under :-

<u>Particulars</u>	Year ended 31.03.2010 Rupees	Year ended 31.03.2009 Rupees
Depreciation	<u>(280,202)</u>	<u>(256,036)</u>
Total	<u>(280,202)</u>	<u>(256,036)</u>

4. Computation of Net Profit under section 349 of the Companies Act, 1956

Particulars	Year ended 31.03.2010 Rupees	Year ended 31.03.2009 Rupees
Profit before taxation as per Profit & Loss Account	790,783	5,365,915
Add : Managerial Remuneration (Rs 2,100,000 and others Rs 277,428 debited under different heads of Profit & Loss Account)	2,377,428	2,492,448
Less : Excess of Expenditure over Income arisen in computation of net profit u/s 349 in an earlier year and lying unadjusted	(-)	(6,355,564)
Net Profit under section 349	3,168,211	1,502,799

5. The total managerial remuneration paid/payable to the Managing Director amounted to Rs 2,377,428/- (Previous year Rs 2,492,448/-).
6. This is a single segment company in accordance with AS-17 (Segment Reporting) issued by the ICAI. Hence the question of disclosure of segment information does not arise.
7. Interest charged to Profit & Loss Account includes Rs Nil paid (payable) to a Director (Previous Year Rs 81,536).
8. Sundry Debtors outstanding for more than six months include Rs 2,134,761 which are under litigation. The management is hopeful of recovering the same.
9. As regards payment of managerial remuneration, the management has sought opinion from experts. The management, based on the said opinion of the experts, is of the view that the payment of managerial remuneration is in compliance with the conditions stipulated under Schedule XIII to the Companies Act, 1956.

LYNX MACHINERY AND COMMERCIALS LIMITED

10. With regard to Storage & Hire Income, the sub-lease deed with Oil & Natural Gas Corporation Limited (ONGC) has expired on 31st December, 2009. The Company served a Notice to the sub-lessee to vacate and handover peaceful possession of the premises. However, the sub-lessee has not vacated the premises so far and negotiations are under progress for the renewal of sub-lease deed. Considering the fact that the management is negotiating fresh lease terms with the sub-lessee, Storage & Hire Income (Lease Rentals) has been taken into account as per the prevailing terms with the sub-lessee. In case of any changes, the same shall be considered in the accounts when the fresh sub-lease deed is signed with the sub-lessee.

11. Related party disclosure as required by Accounting standard - 18 issued by the ICAI

Sl No.	Name of the Related Party	Relationship	Nature of transaction during the year	Volume of transaction during the year	Balance outstanding as at 31.3.10 Receivable/ (Payable)	Balance outstanding as at 31.3.09 Receivable/ (Payable)
1.	Sri Harish Kumar Jajodia	Chairman & Managing Director	Managerial Remuneration	(Rupees) 2,377,428	(Rupees) (223,271)	(Rupees) (292,739)
2.	Grandiose Holdings Co Pvt. Ltd.	Same person able to exercise significant influence	Office Usage Electricity chgs Repairs & Maintenance	164,645	(5,928)	(4,393)
			Deposits paid	-	100,000	100,000
3.	Warden Properties Pvt. Ltd.	-do-	Office Usage Electricity chgs Repairs & Maintenance	238,448	(16,100)	(14,676)
4.	Konkan Investments Co. Pvt. Ltd.	-do-	Storage & Other Charges	111,280	(9,720)	(2,750)

Note : There are no provisions for doubtful debts or amounts written off or written back during the year for debts due from or to related parties.

SCHEDULE - 'M' : NOTES ON ACCOUNTS (CONT...)

12. Quantitative Information -

(a) Capacities, Production, Stock, Purchase and Sales:

Class of Production	Unit	Licensed Capacity	Installed Capacity	Production
Concrete Mixer	Nos.	600	—	—
Pan Mixer	Nos.	228	—	—
Vibrator	Nos.	1200	—	—
Asphalt Mixer	Nos.	144	—	—
Centrifugal Pump	Nos.	1000	—	—
Petrol/Kerosene Engine	Nos.	6000	—	—
Diesel Engine	Nos.	2940	—	—
Crane	Tons	300	—	—
Structural	Tons	10800	—	—

(Previous Year: Same position)

(b) Details of Stock-

	<u>As on 31.03.10</u>		<u>As on 31.03.09</u>	
	Qty. Nos.	Value Rs.	Qty. Nos.	Value Rs.
Trading Goods: Shares	450	45,000	450	45,000
		<u>45,000</u>		<u>45,000</u>
(c) Purchase: Shares	—	—	—	—
(d) Sales				
Shares	—	—	—	—

13. Earning per share

	<u>YEAR ENDED</u>	
	<u>31.03.10</u>	<u>31.03.09</u>
1. Profit for the year ended (Rs.)	744,822	4,839,325
2. Weighted Average number of equity share outstanding during the year	600,000	600,000
3. Face Value of each equity share (Rs.)	10	10
4. Basic/Diluted earning per share (Rs.)	1.24	8.07
14. Information required in terms of Part - IV of Schedule VI to the Companies Act, 1956 is attached herewith		
15. Figures for the previous year have been regrouped and rearranged wherever considered necessary.		

Signature to Schedule 'A' to 'M'

For K. L. SINGHEE & CO.
Chartered Accountants
Firm Registration No.: 303121E
K. L. SINGHEE
Partner
Membership No. 004964
15 India Exchange Place
Kolkata - 700 001
The 4th day of August, 2010

H. K. Jajodia
Chairman & Managing Director

R. K. Choudhury
Director

2nd day of August, 2010

**INFORMATION REFERRED TO IN NOTE 14 ON SCHEDULE 'M' OF
NOTES ON ACCOUNTS**

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No	State Code	Balance Sheet Date	<u>31</u>	<u>3</u>	<u>2010</u>
<u>11870</u>	<u>11</u>	Date	Date	Month	Year

II. Capital raised during the year (Amount in Rs '000)

Public Issue	Rights Issue	Bonus Issue	Private Placement
<u>Nil</u>	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs '000)

Total Liabilities	Total Assets
<u>37179</u>	<u>37179</u>

Sources of Funds

Paid up Capital	Reserves & Surplus	Secured Loans	Unsecured Loans
<u>6000</u>	<u>18950</u>	<u>Nil</u>	<u>Nil</u>

Application of Funds

Net Fixed Assets	Investments	Net Current Assets	Miscellaneous Exp.	Accumulated Losses
<u>3291</u>	<u>24538</u>	<u>-2599</u>	<u>Nil</u>	<u>Nil</u>

IV. Performance of the company (Amount in Rs '000)

Turnover	Total Expenditure	Profit/(Loss)Before Tax	Profit/(Loss) After Tax	Earning per Share
<u>8367</u>	<u>7576</u>	<u>791</u>	<u>745</u>	<u>Rs. 1.24</u>

Dividend %
Nil

V. Generic Name of three Principal Products / services of the company (As per monetary terms)

Item Code No (ITC Code)	Product Description
----------------------------	---------------------

Not Applicable

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	<u>2009-10</u>		<u>2008-09</u>	
	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Extra Ordinary Items		744,822		4,839,325
Adjustment for				
Depreciation	249,992		205,653	
(Profit)/Loss on sale of Fixed Assets.	465		57,747	
(Profit)/Loss on sale of Investments	19,167		(4,908,058)	
Income tax for earlier years	–		2,071	
Interest	826	270,450	81,536	(4,561,051)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		1,015,272		278,274
Adjustment for Trade & Other Receivables	(2,444,796)		1,257,743	
Inventories	–		–	
Trade Payable	361,780		(397,668)	
Adjustment for deferred tax liability (net)	24,166	(2,058,850)	(41,050)	819,025
CASH GENERATED FROM OPERATION		(1,043,578)		1,097,299
Interest Paid		(826)		(81,536)
CASH FLOW BEFORE EXTRA - ORDINARY ITEMS		(1,044,404)		1,015,763
Extra ordinary items		–		–
NET CASH FROM OPERATING ACTIVITIES		(1,044,404)		1,015,763
B. CASH FLOW FROM INVESTING ACTIVITIES				
Addition of Fixed Assets	(1,002,122)		(1,343,533)	
Sale of Fixed Assets	1,000		225,000	
Purchase of Investments	(6,251,623)		(19,342,223)	
Sale of Investments	7,384,234	131,489	22,272,254	1,811,498
NET CASH FROM INVESTING ACTIVITIES		131,489		1,811,498
C. CASH FLOW FROM FINANCIAL ACTIVITIES				
Proceeds from/(Repayment of) Borrowings	–	–	2,000,000	2,000,000
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		–		(2,000,000)
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		(912,915)		827,261

LYNX MACHINERY AND COMMERCIALS LIMITED

CASH & CASH EQUIVALENTS AS AT 01.04.2009 (OPENING BALANCE)	1,571,526	744,265
CASH & CASH EQUIVALENTS AS AT 31.03.2010 (CLOSING BALANCE)	658,611	1,571,526

NOTES :

1. The above Cash Flow Statement has been compiled / prepared based on the audited accounts of the Company under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India and the reallocations made as required for the purpose.
2. The Schedule referred to above forms an integral part of the Cash Flow Statement.
3. Figures for the previous year have been rearranged and regrouped wherever necessary.

On Behalf of the Board

For **K. L. SINGHEE & CO.**
Chartered Accountants
Firm Registration No.: 303121E
K. L. SINGHEE
Partner
Membership No. 004964
15 India Exchange Place
Kolkata - 700 001
The 4th day of August, 2010

H. K. Jajodia
Chairman & Managing Director

R. K. Choudhury
Director

2nd day of August, 2010

LYNX

NOMINATION FORM

(To be filled in only by individuals)

FORM 2B
(See rules 4CCC & 5D)

I/We _____ the holders of shares as per the details given below of Lynx Machinery and Commercials Limited do hereby nominate the following person in whom all rights of transfer and/or amount payable in respect of shares shall vest, in the event of my/our death :

PARTICULARS OF THE NOMINEE			
Name			
Address			
Signature of Nominee			
Date of Birth of Nominee			
IN CASE, THE NOMINEE IS A MINOR, PLEASE FURNISH THE FOLLOWING DETAILS			
Name of Guardian for Nominee			
Address			
Date of Birth of Nominee			
PARTICULARS OF THE SHAREHOLDER(S)			
Name (First holder)			
Name (Second holder)			
Name (Third holder)			
Address			
FOLIO NO.	DISTINCTIVE NOS.	CERTIFICATE NOS.	NO. OF SHARES
NAME OF THE SHAREHOLDER(S)		SIGNATURE OF THE SHAREHOLDER(S)	
1			
2			
3			
NAME & ADDRESS OF WITNESSES		SIGNATURE OF WITNESSES	
1			
2			

Tear Off

Instructions :

1. The nomination can be made by individuals only holding shares on their own behalf singly or jointly upto two persons.
2. Non individuals including society, trust, body corporate, partnership firm, karta of Hindu undivided family, holder of power of attorney cannot nominate.
3. A minor can be nominated by a holder of shares and in that event the name and address of the Guardian shall be given by the holder.
4. A non resident Indian can be a nominee on repatriable basis.
5. Nomination stands rescinded upon transfer of shares.
6. Transfer of share in favour of a nominee shall be valid discharge by a company against the legal heir,

PROXY

Form for affording members an opportunity
of voting for or against a resolution

LYNX MACHINERY AND COMMERCIALS LIMITED

Regd. Office :

WARDEN HOUSE

340, J. J, Road, Byculla

Mumbai - 400008

I / We

.....
ofin the district of
being a member/members of the above named company, hereby appoint
.....of
in the district ofor failing him
ofin the district of
as my/our proxy to vote for me/us on my/our behalf at 49th Annual General Meeting of the
Company to be held on Saturday, the 18th day of September, 2010 at 10-30 A. M. and at
any adjournment thereof.

Signed thisday of2010.

Affixed
Revenue
Stamp here

Registered Folio

Client ID No. DP ID No.

1. This form is to be used in favour of/against the resolution. Unless otherwise instructed the proxy will act as the thinks fit.
2. The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.

BOOK-POST

To

If Undelivered, please return to :

LYNX MACHINERY AND COMMERCIALS LIMITED

WARDEN HOUSE

340, J. J. ROAD

BYCULLA,

MUMBAI - 400 008