

## INTEGRAL INVESTMENTS LIMITED

<b>Board of Directors</b>	<b>Mr. A. Venkatesan</b> <b>Mr. P. Ravi</b> <b>Mrs. Visalam. R.S.</b>
<b>Auditors</b>	<b>M/s Suri &amp; Co.,</b> Chartered Accountants, Coimbatore
<b>Bankers</b>	IndusInd Bank Limited 652-656, Avanashi Road, Coimbatore - 641 037.
<b>Registered Office</b>	702/7, Avanashi Road, Coimbatore - 641 037, India

### DIRECTORS' REPORT

Your Directors are pleased to present the Fourteenth Annual Report along with the Audited Accounts for the year ended 31st March 2008.

#### Financials

During the financial year 2007-08, the Company has invested Rs. 5,363 thousand in Mutual Funds and Rs.4,910 thousand in Equity Shares. The Company has received Dividend of Rs.502 thousand from the Investments. The Company has earned a profit after tax of Rs.837 thousand.

#### Dividend

No dividend has been recommended for the financial year ended 31st March 2008.

#### Directors

Mrs. Visalam. R.S. retires by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

#### Auditors

The Auditors of the Company, M/s. Suri & Co., Chartered Accountants, Coimbatore, retire at the ensuing Annual General Meeting and are eligible for reappointment.

#### Fixed Deposits

The Company has not accepted any fixed deposits from public during the year under review.

#### Information as per Section 217(1)(e) of the Companies Act, 1956

The Company has no activities relating to conservation of energy or technology absorption. The Company did not have

foreign exchange earnings or outgo during the year under review.

#### Personnel

Your Company has not employed any person attracting the provisions of Section 217(2A) of the Companies Act, 1956 during the period under review.

#### Directors Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- in the preparation of annual accounts for the financial year ended 31st March 2008, the applicable accounting standards have been followed.
- they had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year under review;
- they had 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 and
- they had prepared the annual accounts for the financial year ended 31st March 2008, on a going concern basis.

For and on behalf of the Board

Coimbatore  
21st May 2008

**A. Venkatesan**  
**P. Ravi**  
Directors



## REPORT OF THE AUDITORS TO THE SHAREHOLDERS

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We have audited the attached Balance Sheet of Integral Investments Limited, Coimbatore, as at 31st March, 2008 and also the Profit and Loss Account for the year ended on that date annexed thereto and 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.

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 the management, as well as evaluating the over all 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, and according to the information and explanations given to us during the course of the audit and on the basis of such checks as were considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraph 4 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- 1) 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.
- 2) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- 3) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account.
- 4) In our opinion the Balance Sheet and 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.
- 5) On the basis of the written representation 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.
- 6) In our opinion and to the best of our information, and according to the explanations given to us, the said financial statements, read together with the attached schedules and notes forming part of accounts give the information required by the Companies Act, 1956, in the manner so required and present 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 2008; and
  - 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 Cash Flow Statement, of the cash flows for the Year ended on that date.

For Suri & Co  
Chartered Accountants  
**C.S. Sathyanarayanan**  
Partner  
Membership No.28328

Coimbatore  
21st May 2008

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### Annexure to Auditor's Report

1. During the year the company has neither granted loans to nor taken loans from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
2. There are no transactions made in pursuance of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered in the register required to be maintained under that section.
3. According to the information furnished to us, the Company has an adequate Internal Audit system commensurate with its size and nature of its business.
4. To the best of our knowledge and according to the information and explanations given to us, there are no undisputed amounts of taxes and duties outstanding for a period of more than six months from the date they became payable as on the Balance Sheet date.
5. The accumulated losses of the Company as at the end of the financial year has not exceeded 50% of its net worth and the company has not incurred cash loss during the financial year covered by our audit and the company had incurred cash loss in the immediately preceding financial year.

## REPORT OF THE AUDITORS TO THE SHAREHOLDERS (Contd..)

- |   |   |
|---|---|
| <p>6. The Company has not defaulted in repayment of its dues to financial institutions, banks and debenture holders.</p> <p>7. During the year, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities.</p> <p>8. The provisions of Special Statutes applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company.</p> <p>9. The Company has maintained proper records of transactions and contracts in respect of trading in shares and that timely entries have been made there in. All shares have been held by the company in its own name except to the extent of the exemption granted under section 49 of the companies act, 1956.</p> <p>10. According to the information and explanations given to us, the Company has not given any guarantee during the year for loans taken by others from banks and financial institutions.</p> | <p>11. The Company has not obtained any term loan during the year.</p> <p>12. According to the information and explanations given to us and on an overall examination of the Source and Application of the Funds of the company, we report that no funds raised on short-term basis have been used for long-term investments by the company.</p> <p>13. According to the information and explanation given to us, and the books and records examined by us, there are no frauds on or by the Company that has been noticed or reported during the year.</p> <p>14. The other provisions of the companies (Auditor's Report) order, 2003, do not apply to the company.</p> |
|---|---|

For Suri & Co  
Chartered Accountants  
**C.S. Sathyanarayanan**  
Partner  
Membership No.28328

Coimbatore  
21st May 2008

## ACCOUNTING POLICIES

- Investments — Long Term**  
Investments are stated at Cost.  
Provision for diminution in value of Long Term Investments is made if the diminution is other than temporary.
- Income**  
Dividend is accounted as and when declared & received.
- Expenditure**  
Expenses are accounted for on accrual basis.
- Accounting standards prescribed by the Institute of Chartered Accountants of India and NBFC Prudential Norms issued by Reserve Bank of India have been followed wherever applicable.

## NOTES ON ACCOUNTS

- Income Tax Assessments are completed upto Assessment year 2005-06.
- Earnings in Foreign Currency and Expenditure in Foreign Currency - Nil.
- As the Company is not a manufacturing Company, the particulars required in Para 4C of Part II of Schedule VI to Companies Act, 1956 are not applicable.
- Previous year's figures have been regrouped wherever necessary to conform to the current year's classifications.

- As a prudent measure, the recognition of deferred tax asset as required by the accounting standard for accounting of taxes on income has not been considered in the accounts.
- Figures have been rounded off to the nearest thousand.
- List of Related parties with whom transactions have taken place during the year 2007-08 and relationship.

**Holding Company :** Pricol Limited; **Fellow Subsidiaries :** English Tools and Castings Limited & PT Pricol Surya, Indonesia.

(Rs. '000)

Name of Transaction	Holding Company		Fellow Subsidiaries	
	07-08	06-07	07-08	06-07
Advances receivable				
- Opening	13,369	14,422	—	—
Amount received during the year	10,000	1,053	—	—
Advances receivable				
- Closing	3,369	13,369	—	—

- The Company's operations mainly relate to one segment.

## BALANCE SHEET AS AT 31st MARCH, 2008

	31-3-2008 Rs. '000	31-3-2007 Rs. '000	
<b>SOURCES OF FUNDS</b>			
<b>Share Capital</b>			
<b>Authorised</b>			
37,50,000 Equity Shares of Rs.10/- each	37,500	37,500	
<b>Issued, Subscribed &amp; Paid-up</b>			
22,50,000 Equity Shares of Rs.10/- each fully paid-up (held by the Holding Company, Pricol Limited)	22,500	22,500	
<b>Reserves &amp; Surplus</b>			
<b>General Reserve</b>			
As per last Balance Sheet	4,282	4,282	
Less: Adjusted against debit balance in Profit & Loss Account	4,282	4,282	
<b>Statutory Reserve</b>			
As per last Balance Sheet	1,091	1,091	
	<u>23,591</u>	<u>23,591</u>	
<b>APPLICATION OF FUNDS</b>			
<b>Investments (Long Term) at cost - Schedule I</b>			
	19,632	9,359	
<b>Current Assets, Loans and Advances</b>			
<b>I. Current Assets</b>			
Balance with Banks	217	107	
Cash on hand	—	2	
<b>II. Loans and Advances</b>			
Secured considered Good Advances recoverable in cash or in kind or for value to be received			
	105	—	
Due from Holding Company	3,369	13,369	
Tax payment-Pending Adjustments	—	69	
(A)	<u>3,691</u>	<u>13,547</u>	
<b>Less: Current Liabilities and Provisions</b>			
<b>I. Current Liabilities:</b>			
Sundry Creditors	8	8	
<b>II. Provisions:</b>			
For Taxation	—	420	
(B)	<u>8</u>	<u>428</u>	
Net Current Assets (A-B)	3,683	13,119	
Profit and Loss Account	4,558	5,395	
Less: Adjusted against General Reserves	4,282	4,282	
	<u>276</u>	<u>1,113</u>	
	<u>23,591</u>	<u>23,591</u>	

Schedule I, Accounting Policies and the Notes on Accounts form part of this Balance Sheet.

As per our report of date attached  
For SURI & Co.,  
Chartered Accountants  
C.S. Sathyanarayanan  
Partner, Membership No.28328  
Coimbatore, 21st May 2008

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2008

	2007-08 Rs. '000	2006-07 Rs. '000
<b>INCOME</b>		
<b>Investment Income</b>		
Dividend	502	—
Total	<u>502</u>	<u>—</u>
<b>EXPENDITURE</b>		
Establishment Charges and other expenses		
	4	12
Auditors Remuneration		
For Audit	8	7
For Certifications	3	2
For Expenses	1	1
	<u>12</u>	<u>10</u>
Total	<u>16</u>	<u>22</u>
Profit/(Loss) Before Tax	486	(22)
Add: Excess Provision for Tax withdrawn	351	—
Profit/(Loss) After Tax	837	(22)
Add: Balance brought forward from previous years	(5,395)	(5,373)
Loss carried over	<u>(4,558)</u>	<u>(5,395)</u>
<b>Schedule - 2</b>		
<b>Earnings per share (Basic) (Face Value of Rs.10/- each)</b>		
a. Profit/(Loss) After Tax (Rs. '000)	837	(22)
b. Equity Shares of Rs.10/- each (Nos.)	2,250,000	2,250,000
c. Earnings per Share (a/b) (in Rs.)	<u>0.37</u>	<u>(0.01)</u>

Schedule 2, Significant Accounting Policies and the Notes on Accounts form part of this Profit and Loss Account.

For and on behalf of the Board

A. Venkatesan  
P. Ravi  
Directors

**SCHEDULES FORMING PART OF THE ACCOUNTS**

	Cost 31-3-2008 Rs. '000	Cost 31-3-2007 Rs. '000		Cost 31-3-2008 Rs. '000	Cost 31-3-2007 Rs. '000
<b>Schedule I - INVESTMENTS - LONG TERM</b>			<b>Quoted - (Contd..)</b>		
<b>1. Quoted - Equity Shares</b>			37,344 Units of ICICI Prudential Infrastructure Fund - Dividend Reinvestment <b>743</b> —		
40 Shares of Rs.10/- each fully paid-up in Larsen & Toubro Limited	157	—	7,362 Units of Reliance Vision Fund - Dividend Plan <b>500</b> —		
600 Equity Shares of Rs.2/- each fully paid-up in GMR Infrastructure Limited	143	—	<b>2. Unquoted :</b>		
200 Equity Shares of Rs.10/- each fully paid-up in Mahindra & Mahindra Limited	137	—	7,20,000 Equity Shares of Rs.10/- each fully paid-up in Pricol Technologies Ltd., Coimbatore <b>7,200</b> 7,200		
55 Equity Shares of Rs.10/- each fully paid-up in Bharat Heavy Electricals Limited	132	—	4,00,000 Equity Shares of Rs.10/- each fully paid-up in Ananya Innovations Limited, Coimbatore <b>4,000</b> —		
40 Equity Shares of Rs.10/- each fully paid-up in State Bank of India	95	—	1,99,700 Equity Shares of Rs.10/- each fully paid in Synoro Technologies Ltd, Coimbatore <b>1,997</b> 1,997		
125 Equity Shares of Rs.10/- each fully paid-up in Tata Motors Limited	89	—	3,190 Equity Shares of Rs.100/- each fully paid-up in Shanmuga Steel Industries Ltd., Coimbatore <b>160</b> 160		
75 Equity Shares of Rs.10/- each fully paid-up in ICICI Bank Limited	80	—	<b>19,616</b> 9,359		
200 Equity Shares of Rs.10/- each fully paid-up in Cholamandalam DBS Finance Limited	61	—	<b>3. Application money paid</b>		
71 Equity Shares of Rs.1/- each fully paid-up in TVS Motor Company Limited	1	1	State Bank of India <b>16</b> —		
50 Equity Shares of Rs.10/- each fully paid-up in Munjal Auto Industries Limited	1	1	<b>19,632</b> 9,359		
50 Equity Shares of Rs.10/- each fully paid-up in Shivam AutoTech Limited	1	1	a. Aggregate cost of Quoted Investments is Rs.6,260 Thousand (Previous year 2 thousand).		
<b>Quoted - Mutual Funds</b>			b. Aggregate Market Value of Quoted Investments is Rs.4,260 Thousand (Previous year 15 thousand).		
36,538 Units of JM Basic Fund - Dividend Plan	1,120	—	c. Unquoted Investments are taken at cost.		
29,276 Units of DSP Merrill Lynch TIGER Fund - Dividend Option	1,000	—			
17,573 Units of HDFC Equity Fund - Dividend Option	1,000	—			
17,937 Units of Reliance Diversified Power Sector Fund - Dividend Plan	1,000	—			
			<b>SCHEDULE TO THE BALANCE SHEET FOR THE YEAR ENDED 31st MARCH, 2008</b>		
			(As required in terms of paragraph 13 on Non-banking Accepting or Holding Companies Prudential Norms (Reserve Bank) Directions, 2007)		
			(Rs. in lakhs)		
			Amount outstanding	Amount Overdue	
			<b>Liabilities side</b>		
			1. Loans & Advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid		
			a) Debentures : Secured — —		
			Unsecured — —		
			(Other than falling within the meaning of public deposits)		

## SCHEDULE (Contd..)

		(Rs. in lakhs)		(Rs. in lakhs)		
		Amount outstanding	Amount Overdue	Amount outstanding		
	b) Deferred Credits	—	—	<b>Long term Investments :</b>		
	c) Term Loans	—	—	<b>1) Quoted :</b>		
	d) Inter-corporate Loans and Borrowings	—	—	i) Shares :	a) Equity	9.12
	e) Commercial Paper	—	—		b) Preference	—
	f) Other Loans (specify nature)	—	—	ii) Debentures & Bonds		—
				iii) Units of mutual funds		53.63
				iv) Government Securities		—
				v) Others (please specify)		—
<b>Assets Side</b>			Amount outstanding	<b>2) Unquoted :</b>		
<b>2 Break-up of Loans and Advances including bills Receivables (other than those included in (4) below)</b>				i) Shares :	a) Equity	133.57
a) Secured	—	—			b) Preference	—
b) Unsecured	—	—		ii) Debentures & Bonds		—
				iii) Units of mutual funds		—
				iv) Government Securities		—
				v) Others (please specify)		—
<b>3 Break-up of leased assets and stock on hire and other assets counting towards AFC activities</b>				<b>5 Borrower group wise classification of assets financed as in (2) and (3) above</b>		
i) Lease assets including lease rentals under Sundry Debtors :					Amount net of provisions	
a) Financial lease	—	—		Secured	Unsecured	Total
b) Operating lease	—	—				
ii) Stock on hire including hire charges under Sundry Debtors :				i) <b>Related Parties</b>		
a) Assets on hire	—	—		a) Subsidiaries	—	—
b) Repossessed assets	—	—		b) Companies in the same group	—	—
iii) Other loans counting towards AFC Activities				c) Other related parties - holding company	—	33.69
a) Loans where assets have been repossessed	—	—				33.69
b) Loans other than (a) above	—	—		ii) <b>Other than related parties</b>	—	—
				Total	—	33.69
				<b>6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)</b>		
<b>4 Break-up of Investments</b>					Market value / Break up of fair value/NAV	Book value (Net of provisions)
Current Investments :				i) <b>Related Parties</b>		
<b>1) Quoted :</b>				a) Subsidiaries	—	—
i) Shares :				b) Companies in the same group	133.57	133.57
a) Equity	—	—		c) Other related parties	—	—
b) Preference	—	—		ii) <b>Other than related parties</b>	42.60	62.75
ii) Debentures & Bonds	—	—		Total	176.17	196.32
iii) Units of mutual funds	—	—		<b>7 Other information</b>		
iv) Government Securities	—	—		Amount		
v) Others (please specify)	—	—		i) Gross Non-Performing Assets		
<b>2) Unquoted :</b>				a) Related parties		—
i) Shares :				b) Other than related parties		—
a) Equity	—	—		ii) Net Non-Performing Assets		
b) Preference	—	—		a) Related parties		—
ii) Debentures & Bonds	—	—		b) Other than related parties		—
iii) Units of mutual funds	—	—		iii) Assets acquired in satisfaction of debt		—
iv) Government Securities	—	—				
v) Others (please specify)	—	—				

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

<b>I. Registration Details</b>			
Registration No. : 5250	State Code : 181	Balance Sheet Date	: 31st March 2008
<b>II. Capital raised during the year (Amount in Rs. Thousands)</b>			
Public Issue	: Nil	Rights Issue	: Nil
Bonus Issue	: Nil	Private Placement	: Nil
<b>III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)</b>			
Total Liabilities	: 23,599	Total Assets	: 23,599
<b>Sources of Funds</b>		<b>Application of Funds</b>	
Paid-up Capital	: 22,500	Net Fixed Assets	: Nil
Reserves & Surplus	: 1,091	Current Assets	: 3,691
Deferred Tax	: Nil	Accumulated Losses	: 276
Secured Loans	: Nil	Investments	: 19,632
Unsecured Loans	: Nil	Misc. Expenditure	: Nil
Current Liabilities	: 8		
<b>IV. Performance of Company (Amount in Rs. Thousands)</b>			
Total Income	: 502	Profit / (Loss) After Tax	: 837
Total Expenditure	: 16	Earnings per Share (in Rs.)	: 0.37
Profit / (Loss) Before Tax	: 486	Dividend rate	: Nil
<b>V. Generic Names of Three Principal Products / Services of Company (as per monetary terms)</b>			
Investments			

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2008

	31-03-2008 Rs. '000	31-03-2007 Rs. '000
<b>A. Cash flow from operating activities:</b>		
Net profit before tax and Extra-ordinary Items	486	(22)
Adjustment for :		
Dividend Received	(502)	—
	<u>(502)</u>	<u>—</u>
Operating profit before working capital changes	(16)	(22)
Other Receivables	9,895	1,053
Trade and Other Payables	—	(3)
	<u>9,895</u>	<u>1,050</u>
Net Cash outflow from Operations	<u>9,879</u>	<u>1,028</u>
<b>B. Cash flow from investing activities:</b>		
Purchase of Investments	(10,273)	(997)
Dividend Received	502	—
	<u>(9,771)</u>	<u>(997)</u>
<b>Net Increase / (Decrease) in cash and cash equivalents (A+B)</b>	<b>108</b>	<b>31</b>
Cash and Cash Equivalents as at 1-4-2007 and 1-4-2006 (Opening Balance)	<u>109</u>	<u>78</u>
Cash and Cash Equivalents as at 31-3-2008 and 31-3-2007 (Closing Balance)	<b>217</b>	<b>109</b>

As per our report of date attached  
For SURI & Co.,  
Chartered Accountants  
**C.S. Sathyanarayanan**  
Partner, Membership No.28328  
Coimbatore, 21st May 2008

For and on behalf of the Board

**A. Venkatesan**  
**P. Ravi**  
Directors