

**Annual
Report
2010-2011**



ATV PROJECTS INDIA LIMITED



BOARD OF DIRECTORS

| | |
|-----------------------------|--|
| Mr. M. V. Chaturvedi | <i>Chairman</i> |
| Mr. S. P. Banerjee | <i>Director</i> |
| Mr. K. S. Nalwaya | <i>Director</i> |
| Mr. S. K. Gupta | <i>Director</i> |
| Mr. H. C. Gupta | <i>Whole Time Director & Secretary</i> |

AUDITORS

N. S. Bhatt & Co.

Chartered Accountants,
Mumbai.

BANKERS

Central Bank of India
Bank of India
State Bank of India
State Bank of Travancore
Punjab National Bank

R & T AGENT

Sharex Dynamic India Pvt. Ltd.
w.e.f. 01.07.2003

Unit:- 1, Luthra Industrial Premises
Andheri Kurla Road, Safed Pool
Andheri (East), Mumbai - 400 072.
Tel.: (022) 28515604, 28515644
E-mail : sharexindia@vsnl.com

REGISTERED OFFICE

D-8, MIDC, Street No.16, Marol,
Andheri (East), Mumbai-400 093.
Tel.: (022) 67418212, 66969449
Fax : (022) 66960638
E-mail : atvprojects@ymail.com

WORKS

- I. Delhi - Agra Bypass Road,
Post Krishnanagar,
Mathura - 281 001.
- II. Nagothane, Dist. Raigad, Maharashtra.

INVESTORS SERVICE DEPT.

D-8, MIDC, Street No.16, Marol,
Andheri (East), Mumbai - 400 093.

Members are Requested to kindly bring their
copies of the annual report to the meeting.



NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of ATV PROJECTS INDIA LIMITED will be held on Friday, the 16th September 2011 at Tej Pal Auditorium, August Kranti Marg, Gwaliatank, Mumbai-400007 at 11 am to transact the following business namely:-

ORDINARY BUSINESS.

1. To receive, consider and adopt the 24th Annual Report of the Directors, Balance sheet as on 31st March, 2011, the Profit and Loss Account for the financial year Ended 31st March, 2011 and the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. S. K. Gupta, who retires by rotation and being eligible, offers him-self for re-election.
3. To appoint a Director in place of Mr. K. S. Nalwaya, who retires by rotation and being eligible, offers himself for re-election.
4. To appoint Auditors to hold office from the conclusion of the Twenty Fourth Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification, the following resolutions as Special Resolutions:

"RESOLVED THAT pursuant to provisions of Section 198, 269, 309, 310 and 314 and other applicable provisions if any, of the Companies Act 1956 and rules laws and /or guidelines for Managerial Remuneration issued by the Central Government from time to time, consent of the Company be and is hereby accorded to the appointment of Mr. H. C. Gupta as a Whole Time Director & Secretary and payment of remuneration of 5 lacs per annum and to hold and continuing to hold the office of place of profit in the Company for a period of three years w.e.f.16th June 2011."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary the terms and conditions of the appointment including remuneration of Mr. H. C. Gupta in such manner as the Board of Directors may in exercise of its absolute discretion consider appropriate provided however that the terms of such appointment and/or remuneration are in conformity with the guidelines for Managerial Remuneration issued by the Central government and to the limits set in Schedule xiii to the Companies Act 1956 and/or any amendment thereto as may be from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year during the tenure of office of Mr. H. C. Gupta, as Whole Time Director, the aforesaid remuneration, benefits and amenities shall be payable to Mr. H. C. Gupta as minimum remuneration.

RESOLVED THAT Board of Directors be and is hereby authorized to do all such acts deeds, matters and things as may be considered desirable or expedient to give effect to this resolution.

6. To consider and if thought fit, to pass with or without modification, the following resolutions as Special Resolutions

"RESOLVED THAT pursuant to provisions of Section 314(1B) of the Companies Act 1956, and other applicable provisions if any, the consent of the Company be and is hereby accorded to the appointment of Mr. Rajan Chaturvedi as a Vice-president at a total remuneration of Rs.186000 per month and subject to such terms and conditions as contained in the appointment letter."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary the terms and conditions of the appointment including the remuneration of Mr. Rajan Chaturvedi, in such manner as the Board of Directors may in exercise of its absolute discretion consider appropriate.

BY ORDER OF THE BOARD OF DIRECTORS

H. C. GUPTA

Whole Time Director & Secretary

Place : Mumbai
Dated : 16th July, 2011

Registered Office:
D-8, MIDC. Street No. 16,
Marol, Andheri (East)
Mumbai 400 093.

NOTES

1. A statement of material facts in respect of the Special Business under item No.5 & 6 are annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on pool instead of him/her and the proxy so appointed need not be member of the Company. Proxy in order to be effective must be received at the registered office of the Company not less than 48 hours before the meeting.
3. All documents referred to in the above notice and the accompanying statements are open for inspection at the registered office of the Company on all working days (except Saturdays & Holidays) between 10.30 a.m. and 12.30 p.m.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 8th September 2011 to 16th September 2011 both days inclusive.
5. Members are requested to intimate their queries / requirements for clarification on the Annual Report so as to reach the Company on or before 6th September 2011 which will enable the Company to furnish the replies at the Annual General Meeting.
6. Members are requested to bring their copies of the Annual Report along with them at the Meeting, as copies of the Annual Report will not be distributed at the Meeting.
7. Members are requested to produce the Attendance slip at the entrance of the venue.

Disclosure pursuant to clause 49 of the Listing Agreement with regard to Directors, seeking appointment at the forthcoming Annual General Meeting.:



| Name of the Director | Brief Resume & Nature of experience in functional Areas | Other Directorship/ Committee Membership |
|----------------------|--|--|
| Mr. H.C. Gupta | Commence Graduate, Company Secretary. He is fellow member of Institute of Company Secretaries of India. He possesses over 32 years experience in various capacities including as Director. | He is neither a member nor Director or of any committee in any other Company |

ANNEXURE TO NOTICE

Statement of material facts pursuant to section 173(2) of the Companies Act 1956 annexed to notice :

ITEM NO .5

By resolution passed on 28th April 2011, the Board has re-appointed Mr.H.C.Gupta as Director and re designated as Whole Time Director & Secretary of the Company subject to approval by members in General meeting. He is serving in the company for last three years as director & Secretary. The Board considers that in view of his experience and knowledge, appointment of Mr.H.C.Gupta is in the best interest of the Company.

In compliance with the provisions of Schedule xiii of the Companies Act 1956, the aforesaid appointment and remuneration payable to the Whole time Director is being placed before the members in the General Meeting for passing it as Special Resolution.

Save and except Mr. H. C. Gupta, no other Director of the Company in any way is concerned or interested in this business.

ITEM NO.6

By a resolution passed on 31st May 2011, the Board has appointed Mr.Rajan Chaturvedi, as vice president subject to approval by the members in General meeting. He is B.B.B.from U.K. The Board considers that in view of his knowledge and experience, the appointment of Mr.Rajan Chaturvedi as Vice president is in the best interest of the Company.

Since Mr. Rajan Chaturvedi is relative to Mr.Mahesh Chaturvedi, Chairman of the Company, his appointment requires approval of members in General Meeting as Special Resolution under Section 314(1B) of the Companies Act 1956.

Save and except Mr. Mahesh Chaturvedi, no other Director of the Company is in any way concerned or interested in this business.

BY ORDER OF THE BOARD OF DIRECTORS

H. C. GUPTA

Whole Time Director & Secretary

Place : Mumbai
Dated : 16th July, 2011

Registered Office:
D-8, MIDC. Street No. 16,
Marol, Andheri (East)
Mumbai 400 093.

DIRECTOR'S REPORT TO THE MEMBERS

Your Directors are pleased to present the Twenty Fourth Report together with the Audited Statement of Accounts for the year ended 31st March 2011.

1. FINANCIAL RESULTS : (Rs. in Lacs)

| | Year ended 31/03/2011 | Year ended 31/03/2010 |
|---|--------------------------|--------------------------|
| Income | 2,598.28 | 2,931.16 |
| Profit before Interest, Depreciation & Tax | 358.84 | 627.66 |
| Less : Interest | ----- | ----- |
| Less : Depreciation | (132.92) | (153.61) |
| Profit / (Loss) before Tax | 225.92 | 474.05 |
| Add : Loss carried From previous year | (41,495.20) | (41969.25) |
| Total Loss carried to Balance Sheet | 41,269.28 | 41,495.20 |

2. SHARE CAPITAL

The Authorized Share Capital of the company as on 31st March 2011 was Rs. 75 crores divided into 75000000 Equity Shares of Rs. 10/- each. The issued, subscribed and paid up capital as on same date was Rs. 52.56 crores divided into 5,25,55,700 Equity shares of Rs. 10/- each fully paid up. During the year under review the authorized, issued, subscribed & paid up capital remained unchanged.

3. DIVIDEND

Your Directors place on record their deep sense of concern that due to huge carry forward losses, your Directors are unable to declare any dividend to its shareholders and / or to make any appropriation for the same.

4. OPERATIONS:

The Engineering Division at Mathura is partially in operation and executing the works with our own raw materials as well as on job work basis for Power Plant, Cement Plant and for other industrial units. We have carried out regular maintenance of all the plant and machinery to ensure the smooth operation.

With regards to TPE Plant of the company which remained closed through out the year, sufficient care has been taken to ensure further deterioration due to its non-use.

Members are aware that the OTS proposal of Rs. 82 crores has been accepted by the secured lenders and the same have also been confirmed by Hon'ble AAIFR vide its order dated 13th February, 2008. Therefore, in compliance to the OTS offer, our company has deposited up-front amount of Rs. 12.30 Crores (being 15% of the OTS) with IDBI (O.A.) which has already been disbursed to the consenting lenders approx 82%. The Draft Rehabilitation Scheme (DRS) filed as per the direction of Hon'ble AAIFR is pending before BIFR for speedy rehabilitation of the company. As per the direction of the Hon'ble Delhi High Court the AAIFR has now seized with both the appeals for fresh consideration. Meanwhile, few lenders have withdrawn its sanction to OTS proposal and some of them issued notice u/s 13 (2) of the SRFA&ESIA



act. Your company has challenged the same before AAIFR and AAIFR vide its order dated 30th June 2011 have directed the company to deposit the balance OTS amount within two months with IDBI Hence AAIFR has now again restored the OTS proposal as directed earlier.

5. MANAGEMENT:

Nomination of Mrs. Manju Jain as Nominee Director was withdrawn by IFCI w.e.f 29th October, 2010, hence she ceased to be Nominee Director of the Company.

Mr. H. C. Gupta was re-appointed as Director & Secretary of the Company and designated as Whole Time Director & Secretary with effect from 16th June, 2011, subject to approval of members. The resolution pertaining to re-appointment of Mr. H. C. Gupta as Whole Time Director & Secretary and remuneration payable to him is set out in item No. 5 of the notice and the relevant explanatory statement.

6. DIRECTORS:

6.1.1 Mr. S. K. Gupta will retire by rotation at the forth coming Annual General Meeting of the Company and being eligible, offers himself for reappointment.

6.1.2 Mr. K. S. Nalwaya will retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for reappointment.

6.1.3 None of the Directors of the company are disqualified for being appointed as Directors as specified under section 274(1) (g) of the Companies Act, 1956.

7. DIRECTOR'S RESPONSIBILITY STATEMENT

In compliance to the Provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors wish to place on record.

- i) That in preparing the Annual Accounts, all applicable accounting standards has been followed.
- ii) That the accounting policies adopted are consistently followed and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the Financial Year and of the Profit and Loss Account of the Company for the Financial Year, under review.
- iii) That the Directors have taken proper and sufficient care 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 / detecting fraud and other irregularities.
- iv) That the Annual Accounts have been prepared on a going concern basis.

8. CORPORATE GOVERNANCE

Your company adheres to all the requirements of the Corporate Governance both in letter and spirit. Your company is complying with the conditions as prescribed under clause 49 of the Listing Agreement. Code of Conduct as applicable to the directors and the senior management personnel has also been put in place. Your company continues to maintain an internal control system headed by an Internal Audit Team and which the Audit Committee continuously reviews.

A separate Report on Corporate Governance is attached as a part of the Annual Report.

9. EMPLOYEE RELATIONS

Your Directors wish to place sincere thank to all the employees and officers for their cordial relations and valuable services, which continued to be rendered by them to the Company.

10. TECHNOLOGIES, RESEARCH & DEVELOPMENT, ETC.

As the TPE plant at Nagothane has been closed for last twelve years, therefore, details about power, fuel expenses etc. in respect of the plant have not been given. The Company continues to economies in every sphere including that of power and fuel by avoiding all wasteful expenditure and cutting costs.

No R & D is being carried on at present and the imported technology has been fully absorbed. When Company will put up final pilot plant, the same will reduce batch timing and cost of production.

The details about foreign exchange earning and outgo are given in the Notes to Accounts.

11. DEMATERIALISATION OF SHARES

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) whereby the shareholders have an option to dematerialize their shares with either of the Depository. As on 31st March 2010 total 32.62 % of the equity shares of the company has been dematerialized.

12. LISTING OF SHARES AT BSE

In response to representation of the company for revocation of suspension of listing of its Equity shares before Bombay Stock Exchange (BSE), the shares of the company have been re-listed at Bombay Stock Exchange (BSE) since 7th June 2010.

13. PARTICULARS OF EMPLOYEES

There is no employee coming within the purview of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

14. AUDITORS

M/s. N. S. Bhatt & Co., Chartered Accountants, Auditors of the Company will retire at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

The comments by the Auditors in their Report are self-explanatory and, in the opinion of the Board, do not require any further clarifications.

15. ACKNOWLEDGMENT

Your Directors gratefully acknowledge the continuing faith and support extended by the Shareholders, Creditors, Staff and others who have supported the Company and hope to receive their continued support.

For and on behalf of the Board of Directors

Place : Mumbai
Dated: 16th July, 2011

M. V. CHATURVEDI
Chairman

REPORT ON THE CORPORATE GOVERNANCE

1. Company's philosophy on code of Corporate Governance

Your Company is committed to good Corporate Governance. The Company fully understands the rights of its shareholders to information on the performance of the company and considers itself a trustee of its shareholders. Corporate Governance strengthens investor's trust and ensures a long-term partnership that helps in fulfilling our quest for achieving significant growth and profits.

2. Board of Directors:

2.1 Composition of Board

The Board of Directors of the company consists of an optimum combination of Executive and Non-Executive Directors with more than 50% of the Board of Directors being Non-Executive Directors. The Non-Executive Directors are drawn from amongst persons with experience in business, finance, Law and corporate management. The Chairman of the Board is also a Non-Executive Director. The total strength of the Board of Directors at present is 5. The brief profile of the Board of Directors is as under:

| Directors | Category | No. of other Directorship | Committee membership in other companies |
|----------------------|------------------------------------|---------------------------|---|
| Mr. M. V. Chaturvedi | Non-Executive Director | 2 | NIL |
| Mr. S. P. Banerjee | Non-Executive Independent Director | 2 | NIL |
| Mr. K. S. Nalwaya | Non-Executive Independent Director | 1 | NIL |
| Mr. S. K. Gupta | Non-Executive Independent Director | 1 | NIL |
| Mr. H. C. Gupta | Whole Time Director & Secretary | NIL | NIL |

2.2 Meetings and Attendance

The Company's Corporate Governance policy requires the Board to meet at least four times in a year. Therefore during this financial year four meetings of the Board were held on 29th April 2010, 28th July 2010, 30th October 2010 & 12th February 2011.

Attendance at the Board Meetings and general Meeting of each Director is as under:

| Name of Directors | No. of Board Meetings Attended | Attendance at the last AGM |
|---|--------------------------------|----------------------------|
| Mr. M V Chaturvedi | 4 | Present |
| Mr. S.P. Banerjee | 4 | Present |
| Mrs. Manju Jain | 1 | Absent |
| Nominee Director (upto 29th October 2010) | | |
| Mr. S. K. Gupta | 4 | Present |
| Mr. K. S. Nalwaya | 2 | Present |
| Mr. H. C. Gupta | 4 | Present |

Information placed before the Board of Directors and Executive Committee.

Interalia the following information's are regularly placed before the Board of Directors:

- Quarterly results of the Company.
- Information on recruitment and remuneration of senior officials just below the Board level.
- Material Communication from Government / Boards.
- Labour Relations
- Material Transactions, which are not in the ordinary course of business

- Disclosures by the management of material transactions, if any, with potential for conflict of interest.

Membership of Board Committees

None of the Directors holds membership of more than 10 committees of the Board.

3. Committee of Directors:

A) Audit Committee

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment / removal of external auditors and fixing their remuneration, reviewing the annual financial statements before submission to the Board, reviewing adequacy of internal control system, structure and staffing of the internal audit function, reviewing findings of internal investigations and discussing the scope of audit with external auditors. Four Audit Committee meetings were held during the year 2010-2011 on 29th April 2010, 28th July 2010, 30th October 2010 & 12th February 2011.

The terms and composition of the Audit Committee conform to the requirement of Section 292 A of the Companies Act, 1956.

Composition:-

The composition of audit committee is as follows

| Name of Director | Designation | Committee Membership | No. of meeting attended |
|--------------------|-------------|----------------------|-------------------------|
| Mr. S.P. Banerjee | Director | Chairman | 4 |
| Mr. M V Chaturvedi | Director | Member | 4 |
| Mr. K. S. Nalwaya | Director | Member | 2 |

B) Shareholders' Grievances and Share Transfer Committee

A Shareholders/Investors grievance committee has been constituted by the Board to monitor the redressal of the Shareholders/Investors grievances. The committee considers the status of the entire process of transfer, transmission and dematerialization of shares. It also examines the pending Investors complaints and directs the compliance officer to take effective steps to resolve the entire complaints.

There were four meetings of the Shareholders grievance committee during the financial year 2010-2011 held on 29th April 2010, 28th July 2010, 30th October 2010 & 12th February 2011.

Composition :-

The composition of shareholders / Investors grievances committee as follows :-

| Name of Director | Designation | Committee Membership | No. of meeting attended |
|--------------------|-------------|----------------------|-------------------------|
| Mr. M V Chaturvedi | Director | Chairman | 4 |
| Mr. S.P. Banerjee | Director | Member | 4 |
| Mr. S.K. Gupta | Director | Member | 4 |

C) Remuneration Committee

The Committee is entrusted with role and responsibilities of approving compensation package of Managing Director/Whole Time Director, reviewing and approving the performance based incentives to be paid to the Managing Director / whole Time Director and reviewing and approving compensation package and incentive scheme of senior managerial personnel.