

ANNUAL REPORT  
2011-12

AMRAPALI INDUSTRIES LIMTIED

## NOTICE

**NOTICE** is hereby given that the **ANNUAL GENERAL MEETING** of the Members of **AMRAPALI INDUSTRIES LIMITED** will be held at the Registered Office of the Company at **19/20/21 THIRD FLOOR NARAYAN CHAMBERS, B/H PATANG HOTEL ASHRAM ROAD, AHMEDABAD- 380006, GUJARAT, INDIA** on **Saturday, 29th day of September, 2012 at 03:00 P. M.** to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt Audited Balance Sheet as at **31st March, 2012** and the Profit & Loss Account for the year ended on that date and the reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of **Mr. MAHESHKUMAR DAYALJIBHAI THAKKAR**, who retires by rotation and being eligible, offers him-self for re-appointment.
3. To appoint Auditor and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT M/s. Mehul Thakker & Co., Chartered Accountants, Ahmedabad [FRN: 118993W]** be and are hereby appointed as the Statutory Auditors of the Company for the financial year **2012-13**, to hold office as such from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration as to be decided by the Board of Directors in consultation with them, apart from out-of-pocket expenses that may be incurred by them for the purpose of audit."

**By Order of the Board  
For, AMRAPALI INDUSTRIES LIMITED**

**PLACE: AHMEDABAD  
DATE: 15.07.2012**

**(YASHWANT THAKKAR)  
CHAIRMAN & M.D.**

### **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. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR HOLDING THE MEETING.
2. Members/ proxies are requested to bring their copies of Annual Report along with duly filed and signed attendance sheets attached with it for attending the meeting.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Members desiring any information on the Accounts are requested to write to the Company at least one week before the meeting, so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
5. Members are requested to notify the Company of any change in their address (in full) with the postal area pin code number, quoting their folio numbers.
6. The Register of Members and Share Transfer Register of the Company will remain closed from 22<sup>nd</sup> September, 2012 to 29th September, 2012.
7. M/s Purva Sharegistry (India) Private Limited, having registered office at 33, Printing House, 28 D, Police Court Lane, Fort, Mumbai are Registrars and Share Transfer Agents for Company's shares in Demat and Physical Form. The members are requested to please ensure that their shares are converted into Demat Form.
8. Additional information as required in terms of paragraph 2 of the Clause 49 of the Listing Agreement on Director seeking re-appointment at the ensuing Annual General Meeting is as under:  
Mr. Maheshkumar Dayaljibhai Thakkar is Non-Executive Independent Director of the Company. He has rich experience in the field of Finance and Marketing. He has been associated with the Company w.e.f. 1<sup>st</sup> January, 2009. He is Member of the Audit Committee and Share Transfer and Grievances Committee of the Company. Mr. Maheshkumar Dayaljibhai Thakkar, retires by rotation and being eligible offers himself for re-appointment.

***Dear Shareholders,***

Your Directors here by present the Twenty Seventh Annual Report on business and operations of the Company together with the Audited statements of Accounts for the financial year ended on **31st March 2012**.

**OPERATIONS REVIEW:**

During the year under review your Company has earned profit of Rs. 24.64 Lacs. The management has taken measures as part of its continuous improvements to strengthen operations and viability.

**DIVIDEND:**

Your Directors have not declared any dividend during the year under review. The entire profit ploughed back to business.

**FIXED DEPOSIT:**

The Company has not accepted any deposit from the public pursuant to the provisions of Section 58A of the Companies Act, 1956.

**DIRECTORS:**

Mr. Maheshkumar Dayalji bhai Thakkar of the Company is retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

**AUDITORS AND AUDITORS' REPORT:**

M/s. Mehul Thakker & Co., Chartered Accountants, Ahmedabad, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement forming part of this report is annexed herewith. The Audit Committee of the Company has regularly reviewed internal Control System of the company.

**PARTICULARS OF EMPLOYEES:**

The statement showing particulars of employees under section 217(2A) of the Companies Act, 1956, read with the companies (Particulars of Employees) Rules, 1975, as amended, is not required to be given as there were no employees coming within the purview of this section.

**CORPORATE GOVERNANCE REPORT:**

Your Company perceives Corporate Governance as an endeavor for transparency and a wholehearted approach towards continuous enhancement of shareholders' value. Your Company has been complying with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. Further, the Board of Directors of your Company constituted a Committee known as Corporate Governance Committee, which recommends the best practices in the Corporate Governance.

A separate report on Corporate Governance along with Auditors' Certificate on compliance with the Corporate Governance norms and stipulated in Clause 49 of the Listing Agreement, forming part of this report is annexed herewith.

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

The details of conservation of energy, technology absorption etc. as required to be given under Section 217(1)(e) of the Companies Act 1956, are not applicable to our Company, as our Company has not carried out in the manufacturing activities.

The foreign exchange earning on account of the operation of the Company during the year was Rs. Nil.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments 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 or loss of the Company for that period;
- iii) the Directors have 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;
- iv) Directors have prepared the accounts on a "going concern basis".

**ACKNOWLEDGEMENT:**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, and Shareholders during the year. Your directors also wish to take on record their deep sense of appreciation for the committed services of the employees at all levels, which has made our Company successful in the business.

**For and on Behalf of the Board  
For, AMRAPALI INDUSTRIES LIMITED**

**PLACE: AHMEDABAD**

**DATE: 15.07.2012**

**(YASHWANT THAKKAR)  
CHAIRMAN**

**Annexure to Director's Report****MANAGEMENT DISCUSSION ANALYSIS REPORT****Outlook:**

The company is confident in spite of the possible recessionary conditions in the industry it will perform better in view of the strong fundamentals of the Indian companies and hope to improve its Turnover.

**Internal Controls Systems and their adequacy:**

The company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of law and regulations. The internal control system is supported by the internal audit process. The Internal Auditor reviews and ensures that the audit observations are acted upon. The Audit Committee of the Board reviews the Internal Audit reports and the adequacy and effectiveness of internal controls.

**Human Resources:**

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

**Cautionary Statement:**

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

**1. THE CORPORATE GOVERNANCE PHILOSOPHY**

Corporate Governance at the Company is by the need to “enhance shareholder value, keeping in view the interests of other stakeholders”. This definition places emphasis on the need to strike a balance at all times between the need to enhance shareholders’ wealth whilst not being detrimental to other stakeholders’ interests. The imperative for Corporate Governance lies not merely in drafting a code of Corporate Governance, but in practicing it to achieve desired results.

**2. BOARD OF DIRECTORS**

The Board of Directors is having non-executive and independent directors as on 31st March, 2012. The Board of Directors is consisting of three Directors. The Directors manages the day to day affairs of the Company. Non-executive and independent directors did not have any pecuniary relationship of transactions with the company during the period under review. There are no material transactions where they have had personal interests that conflict with that of the Company.

**Numbers of Board Meetings held and the dates on which such meetings were held:**

During the financial year 2011-12 the Board met 5 (Five) times on 13.05.2011, 12.08.2011, 14.11.2011, 15.02.2012. The maximum gap between two meetings was not more than 4 months.

**Attendance record of Directors attending the Board meetings and Annual General Meetings**

Name of the Director	Designation/ Category	No. of Board Meetings		Last AGM attendance
		Held	Attended	
Mr. YASHWANT AMRATLAL THAKKAR	Managing director	4	4	Yes
Mr. RASHMIKANT AMRATLAL THAKKAR	Promoter & Non Executive	4	4	Yes
Mr. MAHESHKUMAR DAYALJIBHAI THAKKAR	Non Executive & Independent	4	4	Yes
Mr. MAYUR RAJENDRABHAI PARIKH	Non Executive & Independent	4	4	Yes

None of the Director is a member in more than 10 Companies and Act as Chairman in more than 5 Companies across all Companies in which he is a Director.

**3. AUDIT COMMITTEE**

The Audit Committee of the Company presently comprises of three Directors being Mr. Maheshkumar Dayaljibhai Thakkar, Mr. Mayur Rajendrabhai Parikh and Mr. Yashwant Amratlal Thakkar and Mr. Maheshkumar Dayaljibhai Thakkar is Chairman of the Committee.

The role, terms of reference, authority and powers of the audit committee are in conformity with the requirement of Companies Act, 1956, and Listing Agreement.

**Role/ Functions of the Committee:**

- Reviewing with management the annual financial statements before submission to the Board.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Review of policies relating to risk management – operational and financial.
- Reviewing with the management, external auditors and the adequacy of the internal control system.

**Powers of the Committee:**

- To investigate any activity within its terms of reference.
- To secure attendance of and seek any information from any employee including representative of the prime shareholders (subject to their internal approvals).
- Compliance with accounting standards.
- To obtain outside legal or other professional advice, if necessary.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Compliance with Stock Exchange and legal requirements concerning financial statements.

#### Attendance at the Audit Committee Meetings- 2012

During the year the Audit Committee met 4 times on 13.05.2011, 12.08.2011, 14.11.2011, 15.02.2012 attendance of the members as under:

Name	Designation/ Category	No. of Meeting attended	
		Held	Attended
Mr. MAHESHKUMAR DAYALJIBHAI THAKKAR	Independent/ Non-Executive Director	4	4
Mr. RASHMIKANT AMRATLAL THAKKAR	Promoter & Non Executive	4	4
Mr. MAYUR RAJENDRABHAI PARIKH	Independent/ Non-Executive Director	4	4

#### 4. REMUNERATION COMMITTEE

During the year there is no meeting held under review.

#### 5. SHAREHOLDERS TRANSFER AND GRIEVANCES COMMITTEE

This committee consists of three directors namely, Mr. Mayur Rajendrabhai Parikh, Mr. Maheshkumar Dayaljibhai Thakkar and Mr. Rashmikant Amratlal Thakkar.

Mr. Rashmikant Amratlal Thakkar is Chairman of the Committee. The committee was constituted to redress shareholders'/ investors' complaints etc. relating to delay in transfer of shares, non-receipt of annual accounts, delay in balance sheet, split-up share certificate, issue duplicate certificate, transmission of shares, dematerialization of shares etc. relating to the shares issued by the Company. Mr. Rashmikant Amratlal Thakkar, Director of the Company has been authorized by the Board to approve such transfers within the time stipulated under the Listing Agreement. Further the complaints of the above nature are promptly attended by the Compliance Officer.

Mr. Rashmikant Amratlal Thakkar has been appointed as the Compliance Officer of the Company by the Board of Directors.

There is no pending, unsolved complaint of Shareholders of the Company and no pending Share Transfer.

#### 6. GENERAL BODY MEETINGS

##### Location and time for last 3 years Annual General Meetings:

Financial Year	Location	Date	Time A.M./ P.M.
2010-11	19/20/21 THIRD FLOOR NARAYAN CHAMBERS, B/H PATANG HOTEL ASHRAM ROAD, AHMEDABAD- 380006, GUJARAT, INDIA	30.09.2011	03.00 P.M.
2009-10	19/20/21 THIRD FLOOR NARAYAN CHAMBERS, B/H PATANG HOTEL ASHRAM ROAD, AHMEDABAD- 380006, GUJARAT, INDIA	30.09.2010	03.00 P.M.
2008-09	19/20/21 THIRD FLOOR NARAYAN CHAMBERS, B/H PATANG HOTEL ASHRAM ROAD, AHMEDABAD- 380006, GUJARAT, INDIA	30.09.2009	03:00 P.M.

No Special Resolution was passed in the last Three Annual General Meeting No Extra Ordinary General Meeting Held during the year. No special resolution was required to be carried out through postal ballot during the last year. No resolution is proposed by postal ballot at the ensuing Annual general meeting.

#### 7. DISCLOSURES

- There are no materially significant related party transactions i.e. transactions of the Company of material natures, with its promoters, the directors or the managements, their subsidiaries or relatives etc., that may have potential conflict with interest of the Company at large.
- No penalties or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- The Company has complied with various rules and regulations prescribed by the Stock Exchange and SEBI during the last three years. No penalties or strictures have been imposed by them on the Company.

#### 8. MEANS OF COMMUNICATION

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as website of the company immediately after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

**9. GENERAL SHAREHOLDERS INFORMATION**

Financial Year	1st April, 2011 to 31st March, 2012.
Date and time of Annual General Meeting	29 <sup>th</sup> September, 2012, and 03:00 P.M.
Venue of Annual General Meeting	<b>19/20/21 THIRD FLOOR NARAYAN CHAMBERS, B/H PATANG HOTEL ASHRAM ROAD, AHMEDABAD- 380006, GUJARAT, INDIA</b>
Dates of Book Closure	22ND September, 2012 to 29TH September, 2012
Listing on Stock Exchange	BSE Limited, Mumbai and Ahmedabad Stock Exchange Limited, Ahmedabad
Stock Code and Scrip ID	526241 (BSE) and AMARDEE(BSE) & 03820 (ASE)
Demat ISIN No.	<b>INE762C01021</b>
<b>Financial Year Calendar (tentative and subject to change) (01.04.2012 to 31.03.2013)</b>	
Financial reporting for the First quarter ending on 30th June, 2012	Last week of July, 2012
Financial reporting for the Half year ending on 30th September, 2012	Last week of October, 2012
Financial reporting for the Third quarter ending on 31st Dec, 2012	Last week of January, 2013
Financial reporting for the Year ending on 31st March, 2013	Last week of April, 2013
Annual General Meeting for the year ending on 31st March, 2013	Last week of Sept. 2013

**10. CATEGORIES OF SHAREOWNERS AS ON 31-03-2012**

Category	No. of Shares Held	Voting Strength (%)
Promoters	<b>38325377</b>	74.55
Resident Individuals	10686219	20.79
Financial Institutions/ Banks	Nil	0.00
Bodies Corporate	2304559	4.48
NRIs/ OCBs	Nil	0.00
Directors Relatives	Nil	0.00
Others	94409	0.18
<b>Total</b>	<b>51410564</b>	<b>100.00</b>

**11. STOCK MARKET DATA**

The monthly movement of Equity Share prices on BSE during the year is summarized below:

Month	Highest (Rs)	Lowest (Rs)
April, 2011	9.08	7.13
May, 2011	7.98	6.41
June, 2011	7.01	5.79
July, 2011	7.00	5.63
August, 2011	6.75	4.25
September, 2011	5.40	4.15
October, 2011	4.98	3.91
November, 2011	4.67	3.86
December, 2011	4.43	3.49
Jan, 2012	4.92	3.53
Feb., 2012	6.58	4.62
March, 2012	5.98	4.40

**12. REGISTRAR AND SHARE TRANSFER AGENT:** M/s. Purva Shareregistry (India) Pvt. Ltd. having its Registered Office at 33, Printing House, 28 D, Police Court Lane, Fort, Mumbai is the Registrar & Share Transfer Agent for processing the transfer of securities issued by the Company.

**13. Share transfer system:** Transfer of Shares in Physical form are registered and dispatched within 3 weeks from the date of their receipts, subject to the documents being valid and complete in all respects. Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respect.

**14. Dematerialization of shares and liquidity:** The Equity Shares of your company are traded in compulsory dematerialization form by all investors. The company has entered into agreements with both existing Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) enabling the investors to hold shares of the company in electronic form through the depository of their choice. As on 31st March 2012, 39504722 Equity Shares (76.84 %) of the Company was held in dematerialized form.

**15. ADDRESS FOR CORRESPONDENCE: 19/20/21 THIRD FLOOR NARAYAN CHAMBERS, B/H PATANG HOTEL  
ASHRAM ROAD, AHMEDABAD- 380006, GUJARAT, INDIA**

**Investors Correspondence/ Complaints to be address to:  
Mr. Umang Javkar - Director and Compliance Officer  
E-mail: ai@amrapali.com**

**16. DECLARATION:**

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY**

In the above regards, I declare as follows:

1. The company does have a code of conduct approved by its board of directors, which would be posted on its website shortly.
2. All the members of the board of directors and all the members of the Senior Management of the Company have individually submitted statements of affirmation of compliance with the code of conduct as applicable to the financial year ended on March 31st 2012.

**For and on Behalf of the Board  
For, AMRAPALI INDUSTRIES LIMITED**

**PLACE: AHMEDABAD  
DATE: 15.07.2012**

**(YASHWANT THAKKAR)  
CHAIRMAN**



## CEO/CFO CERTIFICATE

The Board of Director  
**AMRAPALI INDUSTRIES LIMITED**  
Ahmedabad

I, YASHWANT AMRATLAL THAKKAR, CFO and Managing Director of **AMRAPALI INDUSTRIES LIMITED**, to the best of my knowledge and belief certify that:

1. I have reviewed the Balance Sheet, Profit & Loss Account and its schedules & notes on accounts as well as the Cash Flow Statement and Directors' Report for the year ended 31st March, 2012 and that to the best of my knowledge and belief.
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. I also certify that to the best of my knowledge and the information provided to me, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the Auditors and the Audit Committee:
  - significant changes in internal control, if any, over financial reporting during the year;
  - significant changes, if any, in accounting policies during the year and that the financial statements; and
  - instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system.
5. I further declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended on 31st March, 2012.

**PLACE: AHMEDABAD**

**DATE: 15.07.2012**

**(YASHWANT AMRATLAL THAKKAR)**  
**CFO AND MANAGING DIRECTOR**

## **AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The members of**  
**AMRAPALI INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by **AMRAPALI INDUSTRIES LIMITED** for the year ended 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliances is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, MEHUL THAKKER & COMAPNY**  
**CHARTERED ACCOUNTANTS**  
**FRN: 118993W**

**PLACE: AHMEDABAD**  
**DATE: 15.07.2012**

**CA MEHUL THAKKER**  
**M. No.: 032233**