



EPSOM PROPERTIES LIMITED

**Annual Report
2011 - 2012**

Regency House,
No.2A, Second Floor, 250/7, Anna Salai,
Teynampet, Chennai - 600 006.

EPSOM PROPERTIES LIMITED

ANNUAL REPORT 2011 - 2012

Board of Directors

Dr C Sivakumar Reddy
Dr Mohan Swami
Mrs Gomathi A Vaidyanathan
Mr K Bhakthavatsala Reddy
Mr T S Raju

Managing Director
Director
Director
Director
Director

Company Secretary

K V Narasimhan

Auditors

M/s. S Vishnu & Co,
Chartered Accountants,
No.16/23, Shenoy Road,
Nungambakkam, Chennai 600 034

Bankers

Axis Bank Limited
IDBI Bank Limited

**Registrars and Share
Transfer Agents**

Cameo Corporate Services Limited,
'Subramanian Building',
No.1, Club House Road,
Chennai 600 002
Tel : 044 2846 0390
Fax: 044 2846 0129
Email : cameo@cameoindia.com

Registered Office

Regency House,
2A, Second Floor, 250/7, Anna Salai,
Teynampet, Chennai 600 006
Tel : 044 2435 0676
Email : epsomproperties@gmail.com

EPSOM PROPERTIES LIMITED

NOTICE CONVENING TWENTY FIFTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of the Company will be held on Tuesday, the 10th July 2012 at 11.00 a.m. at South India Hire Purchase Association, Nahar Hall, Desabandhu Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai 600 014 to transact the following business :-

ORDINARY BUSINESS

01. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2012 and the Balance Sheet as at that date together with the Report of Board of Directors and the Auditors thereon.
02. To appoint a Director in place of Dr C Sivakumar Reddy who retires by rotation and being eligible offers himself for re-appointment.
03. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix up their remuneration. The retiring Auditors M/s. S Vishnu & Co, Chartered Accountants are eligible for re-appointment.

By order of the Board of Directors
For **EPSOM PROPERTIES LIMITED**

(K V NARASIMHAN)
COMPANY SECRETARY

Registered Office
Regency House,
2A, Second Floor,
250/7, Anna Salai,
Teynampet,
CHENNAI 600 006

Dated : 30th April 2012

NOTES :-

- 01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
02. The proxy form duly filled-in and signed by the Shareholder must be lodged with the Company at the Registered Office of the Company at any time not less than 48 hours before the meeting.
03. The Register of Members and Share Transfer Books of the Company will remain closed from 01/07/2012 to 10/07/2012 (both days inclusive).
04. Members are requested to communicate their change of address, if any, quoting their respective folios.
05. Members holding shares in dematerialized form are requested to intimate any change in address to their respective DPs and those holding shares in physical form are to intimate the above said changes to the Cameo Corporate Services Limited, 'Subramanian Building' No.1, Club House Road, Chennai 600 002.

EPSOM PROPERTIES LIMITED**Details of Directors seeking re-appointment at the Annual General Meeting**

S.No.	Particulars	DR C SIVAKUMAR REDDY
01.	Date of Birth	12/08/1952
02.	Date of Appointment	17/06/2005
03.	Qualifications	M.B.B.S,with Post Graduation in Ophthalmology at Manipal Mysore University.
04.	Expertise in specific functional area	Wide exposure in mining activities. Rich experience in acquiring number of Granites, exporting material to various countries like Taiwan, Italy, Germany and mining and trading of Granites. Also involved in real estate ventures in and around Bangalore.
05.	Directorships held in other Public Companies (excluding foreign companies)	NIL
06.	Memberships/Chairmanships of Committees of other Public Companies (includes only Audit and Shareholders/Investors Grievance Committee)	NIL
07.	Number of shares held in the Company	NIL

EPSOM PROPERTIES LIMITED

Directors' Report

To the Members

Your Directors present herewith the Twenty Fifth Annual Report on the Annual Accounts for the year ended 31st March 2012.

01. Financial Results

The summarized financial results are given below .

S.No.	Description	For the year ended 31 st March 2012 (Rs. in Lakhs)	For the year ended 31 st March 2011 (Rs. in Lakhs)
01.	Total Income	10.27	6.14
02.	Total Expenditure	15.29	20.11
03.	Profit/(Loss) before Interest & Depreciation	(5.02)	(13.97)
04.	Interest	Nil	Nil
05.	Profit/(Loss) before Depreciation	(5.02)	(13.97)
06.	Depreciation	0.01	Nil
07.	Profit/(Loss) before Taxation	(5.03)	(13.97)
08.	Provision for Taxation	Nil	Nil
09.	Profit/(Loss) after taxation	(5.03)	(13.97)

02. Dividend

In view of loss, your Directors do not propose any dividend for the year ended 31st March 2012.

03. Operations

The total income for the financial year ending on 31/03/2012 stands Rs. 10.27 lakhs as against Rs.6.14 lakhs for the financial year ending on 31/03/2011 thereby recording an increase of 67.26% over the previous financial year; that the total expenditure has declined from Rs. 20.11 lakhs for the financial year ending on 31/03/2011 to Rs. 15.29 lakhs for the financial year ending on 31/03/2012 thereby registering a decrease of 23.97% over the previous financial year and that the net loss of the Company has come down to Rs. 5.03 lakhs for the financial year ending on 31/03/2012 from Rs. 13.97 lakhs in the previous financial year ending on 31/03/2011 thereby registering a decrease of 63.99% over the previous financial year.

04. Outlook

The Outlook for the Company looks bright.

05. Deployment of proceeds of preferential issue :-

The Company has kept the funds received from the promoters through preferential issue in fixed deposit with the IDBI Bank Limited and would be deployed solely for long term and short term working capital requirements.

06. Opportunities, challenges, risks and concerns

The Company is in the process of strengthening the risk management framework and taking cost control and cost reduction measures to mitigate any adverse impact on the operations.

Hardening of interest rates, fierce competition, fluctuating foreign currency are challenges thrown open to the industry.

Nevertheless, the Directors are confident of converting the challenges into opportunities with the experience gained over a period of time.

Unfavourable factors such as economic slow down, inflationary pressure and spiralling of input cost and other external factors can affect the productivity of the Company.

07. Fixed Deposits

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

08. Industrial Relations

The industrial relations of the Company have been cordial.

09. Particulars of Employees

There are no employees who were in receipt of the remuneration as prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 during the year under review and hence annexure required under the said Section is not attached.

10. Retirement of Directors by rotation

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Dr C Sivakumar Reddy, Managing Director is liable to retire by rotation and being eligible, he offers himself for re-appointment.

11. Directors Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed :-

- a) That in the preparation of accounts for the accounting period ended 31st March 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) That the Directors have 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 year and the Loss of the Company for the year under review;

- c) That 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;
- d) That the Directors have prepared the accounts for the year ended 31st March 2012 on a 'going concern' basis.

12. Corporate Governance

The Company has complied with the requirements regarding Corporate Governance as required under Clause 49 of the Listing Agreement with the Stock Exchanges where the Company's shares are listed. A report on the Corporate Governance in this regard is made a part of this Annual Report and a Certificate from the Auditors of the Company regarding compliance of the conditions of the Corporate Governance is attached to this report.

13. Auditors

M/s. S Vishnu & Co, Chartered Accountants, the Statutory Auditors of the Company are retiring at the ensuing Annual General Meeting and are eligible for re-appointment.

14. Conservation of energy, technology absorption and adaptation and foreign exchange earnings and outgo

The particulars relating to conservation of energy, technology absorption and adaptation and foreign exchange earnings and outgo during the year under review are NIL.

15. Acknowledgement

The Board of Directors wishes to express its sincere appreciation to the Government Departments, shareholders, business associates and employees for their continued support.

By order of the Board
For **EPSOM PROPERTIES LIMITED**

DR MOHAN SWAMI
DIRECTOR

Registered Office

Regency House, 2A, Second Floor,
250/7, Anna Salai, Teynampet,
CHENNAI 600 006

Dated : 30th April 2012

EPSOM PROPERTIES LIMITED

REPORT ON CORPORATE GOVERNANCE

01. Company's philosophy on Code of Governance

The Company believes that good corporate governance practices should be enshrined in all the activities of the Company which would ensure efficient conduct of the affairs of the Company and help the Company in achieving its goal of maximizing value for all its stakeholders.

02. Board of Directors

- i) The number of independent Directors is more than the one-third of the total number of Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered with the Stock Exchanges.
- ii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the Companies in which he is a Director. Necessary disclosure regarding Committee Positions in other public companies as at March 31, 2012 have been made by the Directors.
- iii) The name and categories of the Directors, on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/ Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies and of companies incorporated outside India. Chairmanship/membership of Board Committees include only Audit and Shareholder/Investor Grievance Committees.

Name of the Director	Category	No. of Directorships held in other Companies	No. of Committees/ Memberships held in other Companies
Dr Mohan Swami	Non-Independent Non Executive	Nil	Nil
Dr C Sivakumar . Reddy	Non-Independent Executive	Nil	Nil
Mrs Gomathi A Vaidyanathan	Independent Non-Executive	Nil	Nil
Mr K Bhakthavatsala Reddy	Independent Non-Executive	Nil	Nil
Mr T S Raju	Non-Executive	Nil	Nil

03. Attendance of Directors at Board Meetings and Annual General Meeting

6 (Six) Board Meetings were held during the year on 30th April 2011, 18th June 2011, 30th July 2011, 31st October 2011, 12th January 2012 and 31st January 2012.

Name of the Director	No. of Board Meetings held	No. of meetings attended	Last AGM
Dr Mohan Swami	6	Nil	No
Dr C Sivakumar Reddy	6	6	Yes
Mrs Gomathi A Vaidyanathan	6	Nil	No
Mr K Bhakthavatsala Reddy	6	6	Yes
Mr T S Raju	6	6	Yes

04. Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

a) Composition, Name of Members and Chairperson, Meetings and attendance during the year

During the year under review, four meetings were held on 30th April 2011, 30th July 2011, 31st October 2011 and 31st January 2012.

Name of the Member	Category	No. of meetings held	Attendance
Mr K Bhakthavatsala Reddy	Independent Non-Executive	4	4
Dr C Sivakumar Reddy	Non Independent Executive	4	4
Mrs Gomathi A. Vaidyanathan	Independent Non-Executive	4	Nil

b) Brief description of terms of reference

- 1) Review of Company's financial statements;
- 2) Review of accounting and financial policies of the Company;
- 3) Review of Internal Control Systems;
- 4) Review of risk management policies and procedures.
- 5) Disclosure of contingent liabilities
- 6) Review of compliances as regards the Company's Whistle Blower Policy

05. Remuneration Committee

The Company has not formed any Remuneration Committee.