

27th *Annual Report*

2010-2011



GEECEE VENTURES LIMITED

BOARD OF DIRECTORS

Mr. Ashwin Kumar Kothari	Chairman and Executive Director
Mr. Harisingh Shyamsukha	Executive Director
Mr. Vallabh Prasad Biyani	Executive Director
Mr. Rakesh Khanna	Independent Director
Mr. Milan Mehta	Independent Director
Mr. Rohit Kothari	Non-Executive Director
Mr. Pratap R. Merchant	Independent Director
Mr. Suresh Tapuriah	Independent Director

Chief Financial Officer

Mr. Gaurav Shyamsukha

Company Secretary

Mr. Sanjeev Pathak

Auditors

Sarda & Pareek
Chartered Accountants

Bankers

State Bank of India
HDFC Bank
Standard Chartered Bank

Registered Office

209, Arcadia Building,
2nd Floor, 195, Nariman Point,
Mumbai – 400 021.
Phone: 022-66708600
Fax: 022-66708650

Works

GIDC, Industrial Estate
Ankleshwar, Gujarat
Phone : 02646-227175, 223280

Registrar and Share Transfer Agent

Link Intime India Private Limited.
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai - 400 078
Tel.: 022-25946970, Fax: 022-25946969
email id: rnt.helpdesk@linkintime.co.in

Contents	Page No.
Notice to the Shareholders	2 - 7
Directors' Report	8 - 14
Management Discussion and Analysis Report	15 - 16
Corporate Governance Report	17 - 31
Certificates and Statements.....	32 - 34
Auditor's Report	35 - 39
Balance Sheet.....	40
Profit and Loss Account.....	41
Schedules and Notes on Accounts	42 - 68
Cash Flow Statement.....	69 - 70
Consolidated Balance Sheet	71 - 100



NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Shareholders of GeeCee Ventures Limited will be held on Tuesday the 16th day of August 2011 at 4.00 P.M. at the M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, K. Dubash Marg, Fort, Mumbai – 400 001 to transact the following business: -

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended 31st March, 2011 together with the Reports of the Board of Directors and Auditor's Report thereon.
2. To declare dividend for the year ended on 31st March, 2011 on the equity share capital of the Company.
3. To appoint a director in place of Shri V. P. Biyani who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a director in place of Shri Rakesh Khanna who retires by rotation and being eligible offers himself for reappointment.
5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Sarda & Pareek, Chartered Accountants (Firm Registration No. 109262W) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration plus service tax as applicable and reimbursement of actual out of pocket expenses as may be incurred in the performance of their duties, as the Audit Committee/ Board of Directors may decide in this behalf”.

Special Business:

6. Revision / Enhancement of remuneration payable to Shri. V. P. Biyani, Whole Time Director:
To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:-

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) the relevant provisions of the Article of Association of the Company, all applicable guidelines for managerial remuneration issued by the Central Government from time to time and subject to the approval of the Central Government, and the consent as may be required, the remuneration, commission, perquisites and other allowances payable to Shri. V. P. Biyani, Whole Time Director, be revised and enhanced with effect from 1st January, 2011 for the remainder of his tenure, as given in the explanatory statement annexed herewith.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/ or Remuneration Committee constituted by the Board be and are hereby authorized to take all actions and do all such deeds, matters and things, as may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

By Order Of The Board
Sanjeev Pathak
Company Secretary

Place: Mumbai
Date: 19th July, 2011

NOTES FOR MEMBERS' ATTENTION AND INFORMATION:

1. The relevant details as required by clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment / reappointment as Directors under item Nos. 3 & 4 above, are annexed.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 09th August, 2011 to 16th August, 2011 (both days inclusive).
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The Proxy duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
4. The members / proxies are requested to bring duly filled in Attendance Slips for attending the Meeting.
5. The dividend as recommended by the Board of Directors, if approved at the Annual General Meeting, payment of such dividend will be made on or after 17th August, 2011 as under:
 - To all beneficial owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 08th August, 2011.
 - To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer request lodged with the Company on or before the close of business hours on 08th August, 2011.
6. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository account will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any changes of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
7. Members holding shares in physical form are requested to immediately notify change of address, if any, to the Company's Registrars and Share Transfer Agents, M/s. Link Intime India Private Limited., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400078. Members holding shares in electronic form must send the advice about changes in address to their respective Depository Participant only and not to the Company or Company's Registrar and Share Transfer Agents.
8. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of the meeting.
9. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
10. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be down loaded from the website of the Department of Company Affairs.



11. Members are requested to note that as prescribed by Securities and Exchange Board of India (SEBI), trading in securities of the Company is in dematerialized form only. Hence, Members who are yet to dematerialize their shares are advised to do so. The Company has entered into agreements with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
12. Members (Beneficiaries) holding shares in dematerialized mode are requested to note that the bank details furnished by them to their respective Depository Participants will be printed on their Dividend Warrants, if not opted for Electronic Clearing Services (ECS). This is pursuant to the SEBI directive vide Circular No. D&CC/FITTTTC/CIR-4/2001 dated 13.11.2001.
13. The Securities and Exchange Board of India (SEBI) has mandate the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Share Transfer Agents, M/s. Link Intime India Private Limited.
14. Pursuant to the provisions of Section 205A to Section 205C of the Companies Act, 1956, all unclaimed / unpaid monies by way of dividend transferred to the "Unpaid Dividend Account" of the Company as contemplated under Section 205A of the Companies Act, 1956 that remains unclaimed/unencashed for a period of 7 (Seven) years from the respective date of such transfer has to be transferred by the Company to "The Investor Education and Protection Fund" being the fund established by the Central Government under Section 205C (1) and no claims shall lie against the said Fund or the Company in respect thereof.

The details of Dividends paid by the Company and the corresponding due dates for transfer of such unencashed dividend to the aforementioned Fund constituted by the Central Government are furnished hereunder:

Dividend for the Year	Date of Declaration of Dividend	Due Date of transfer to The Investor Education and Protection Fund
2006 – 2007	31.07.2007	30.07.14
2007 – 2008	28.07.2008	27.07.15
2008 – 2009	17.09.2009	16.09.16
2009 - 2010	21.09.2010	20.09.17

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company / Registrars and Share Transfer Agents M/s. Link Intime India Private Limited.

Statement Regarding the Directors proposed for Re-Appointment

Name of the Appointee	Shri V.P. Biyani
Designation	Whole Time Director
Age (in Years)	62
Qualification & Experience	Chartered Accountant by profession and is working with Company since 1980 having approximately 38 years of experience in Industry. Presently he looks after the administration and commercial activities of the Company at Mumbai Registered office.
Date of Appointment	Appointed as the director w.e.f. 30th June, 1986 and further as the Executive Director w.e.f. 1st April, 1994 at the EGM held on 18th April, 1994.
Shareholding in the Company	Nil
Other Directorships	GCIL Finance Limited.
Committee Chairmanships	Nil
Committee Memberships	Audit Committee and Investors Grievance Committee of GeeCee Ventures Limited.

Name of the Appointee	Shri Rakesh Khanna
Designation	Independent Director
Age (in Years)	57
Qualification & Experience	Chartered Accountant by profession having an experience of around 35 years in the field of finance, accounts and taxation.
Date of Appointment	Appointment as additional director by the Board of Directors in their Meeting held on 3rd February, 2005 and further confirmed as Director by the Shareholders in their General Meeting held on 4th February, 2005.
Shareholding in the Company	Nil
Other Directorships	1) Mangal Keshav Securities Ltd, 2) Mangal Keshav Holdings Ltd, 3) Mangal Keshav Capital Ltd, 4) Mangal Keshav Distributors Ltd, 5) MK Commodities Brokers Ltd, 6) Mangal Keshav Insurance Brokers Ltd, 7) GCIL Finance Ltd, 8) Geltec Pvt. Ltd, 9) Universal Medicare Pvt. Ltd, 10) Windsor Finvest Pvt. Ltd, 11) Foundation for Promoters of Sports & Games, 12) Amforge Industries Limited, 13) Caprihans India Limited.
Committee Chairmanships	1) GeeCee Ventures Limited – a) Audit Committee b) Remuneration Committee 2) Mangal Keshav Holdings Ltd – Audit Committee 3) Mangal Keshav Distributors Ltd – Audit Committee 4) M. K. Capital Limited – Audit Committee 5) Caprihans India Limited – Audit Committee
Committee Memberships	1) GeeCee Ventures Limited – Investor Grievance Committee 2) Mangal Keshav Securities Ltd – Audit Committee 3) Mangal Keshav Insurance Brokers Ltd – Audit Committee 4) Caprihans India Limited – a) Investor Grievance Committee b) Remuneration Committee

By Order Of The Board
Sanjeev Pathak
 Company Secretary

Place: Mumbai
 Date: 19th July, 2011



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 6:

The remuneration committee in their meeting held on 09th August, 2010 has already approved the appointment for the period of three (3) years with effect from 1st January, 2011 and recommended the remuneration of Shri. V. P. Biyani – Whole Time Director & CEO of the Company. The same was approved in the Board of Directors Meeting held on 09th August, 2010 and approved by the shareholders in the Annual General Meeting held on 21st September, 2010. The Company had provided him rent free furnished accommodation in Nagda, now Shri Biyani has been relocated from Nagda, (M. P.) to Mumbai from 10th December, 2010 and as per the terms of his relocation to Mumbai, he will manage and stay in a rented house for that he should be compensated by giving HRA of Rs. 25000/-per month as recommended by the remuneration committee and the Board of Directors, in lieu of rent free furnished accommodation provided earlier at Nagda. As per the general practice of the Company HRA should be 50% of his basic salary. The difference if any between actual HRA less Rs. 25000/-is to be adjusted from his special allowance.. Accordingly his package is to be modified with effect from 01st January, 2011 as given below:-

REMUNERATION:

Salary:

Basic Salary: Rs. 11,41, 000 per annum till 31st March, 2011 with annual increment not exceeding 33% w.e.f 01st April, 2011 onwards of the Basic Salary.

Perquisites:

- ◆ HRA: not exceeding 50% of the Basic Salary.
- ◆ Special Allowance: Rs. 12,33,900 per annum till 31st March, 2011 and with annual increment not exceeding 33% w.e.f. 01st April, 2011 onwards of the Basic Salary.
- ◆ Leave Travel Allowance: Subject to the maximum of 10% of the Basic Salary.
- ◆ Medical Reimbursement: Subject to a maximum of 8.33 % of the Basic Salary (on yearly basis).
- ◆ Employers Contribution to the PF: up to 12% of the Basic Salary.
- ◆ Gratuity: 15days of basic salary for each completed year of service.
- ◆ Employer's contribution to the super Annuation Fund: 15% of the Basic Salary (on yearly basis).
- ◆ Car: The Company shall provide a Car with chauffeur.
- ◆ Leave encashment: 30 days @ 100% of Basic Salary (on yearly basis).

Payment of Company's contribution to Provident Fund/Pension Fund/Superannuation Fund/Gratuity Fund / and encashment of leave shall not be included in the computation of remuneration or perquisites aforesaid.

Further provision of use of Company's car for official duties, Personal Accident Cover and telephone at residence as approved by the Remuneration Committee / Board of Directors shall not be included in computation of remuneration or perquisites and allowances.

Minimum Remuneration

Notwithstanding anything herein, where in any financial year during the currency of the tenure of the Whole Time Director & CEO, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the requisite approvals, being obtained.

Shri V. P. Biyani will not be entitled to sitting fees for attending meetings of the Board of the Directors or any Committees thereof.

Shri. V. P. Biyani shall be liable to retire by rotation.

The terms and conditions set out for reappointment and payment of remuneration may be altered and varied from time to time by the Board of Directors as it may, at its discretion deem fit.

In the case of non-availability or inadequacy of profits in the Financial Year 2011 – 2012 and any given financial year of appointment the Company shall apply to the Central Government for their approval and in case of rejection of the application by the Central Government, the Company will pay Managerial Remuneration to Shri. V. P. Biyani as Whole Time Director & CEO of the Company, in the manner and subject to the limits prescribed in Section II of Part II of Schedule XIII of the Companies Act, 1956.

None of the Directors except Shri V. P. Biyani is concerned or interested in this resolution.

Your Directors recommend the resolution for your approval.

By Orders Of The Board

Sanjeev Pathak
Company Secretary

Place: Mumbai
Date: 19th July, 2011.



DIRECTORS' REPORT TO THE MEMBERS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 2011

Dear Shareholders,

Your Directors have great pleasure in presenting their Twenty Seventh Annual Report together with the Audited Accounts for the financial year ended 31st March 2011

1. Financial Results

(Rs. in Lacs)		
Particulars	Current year	Previous year
Sales	388.64	13785.42
Other Income	1386.18	729.08
Increase / Decrease in Stock	-	147.64
Total Income	1774.82	14662.14
Gross Profit before Interest & Depreciation	897.64	2040.79
Less: Interest	-	465.37
Gross Profit before Depreciation	897.64	1575.42
Less: Depreciation	215.50	555.81
Profit for the year before Taxation	682.14	1019.61
Less: Provision for Current Tax	-	34.91
Less: Short Tax Liability of earlier years	1.35	-
Less: Provision for Deferred Tax	(118.09)	217.01
Net Profit before Prior Period Items & Exceptional Items	798.89	767.69
Prior Period Items	(55.47)	-
Profit on Slump Sale net of Tax	-	9838.98
Provision for Impairment of Fixed Assets	-	(590.08)
Net Profit after Prior Period Items and Exceptional items	743.42	10016.59
Add: Balance brought forward from previous year	7701.70	3045.89
Amount available for appropriation	8445.12	13062.48
APPROPRIATION		
i) Transfer to General Reserve	100.00	5000.00
ii) Final Dividend [proposed]	309.40	309.40
iii) Corporate Tax on Dividend	50.19	51.39
iv) Balance carried to Balance sheet	7985.52	7701.70
Total	8445.12	13062.48
EPS (Basic& Dilute per share of face value of Rs 10)	3.60	40.59

2. Financial Performance

During the year under review, your Company has earned a total income of Rs. 1774.82 lacs.

The performance of the financial year under review is not comparable with that of the previous year because of the transfer of business on slump sale basis w.e.f. 1st September, 2009.

For the financial year under review, your Company has achieved a profit after tax of Rs. 743.42 lacs.

3. Buyback of Shares:

The Company has completed Buy - back of 40,50,000 Shares of Rs. 10/- each at the price of Rs. 120/- each per share on 11th May, 2010. The total consideration of the Buy-back was Rs. 48.60 Crores. The Share Capital of the Company after Buy - back of shares has been reduced from Rs. 24,67,65,430/- to Rs. 20,62,65,430/-

4. Application to RBI for certificate of registration to carry on the business of NBFC:

The Company has made an application to the Reserve Bank of India for certificate of registration (COR) approval to carry on the business of NBFC, approval of the same is pending with the Reserve Bank of India, the Board of Directors in their meeting held on 26th May, 2011 has proposed the alteration of main object of the Company to add NBFC business in addition to the main objects already existing in the Memorandum of Association of the Company.

5. Alteration of the Main Object clause of the Memorandum of Association:

The main objects of your Company are Chemical Manufacturing / Trading and Power Business. Your Company proposes to commence / carry on the business of a non-banking financial institution (NBFC), subject to the approval of the Reserve Bank of India (RBI) in addition to the existing main object of the Company. Your directors have vast experience in the business of finance and are confident of best utilizing the funds of the Company in order to maximize the value of the shareholders. Pursuant to the provisions of Section 16, 17 read with Section 192A of the Companies Act, 1956, alteration in the Objects Clause of the Memorandum of Association requires approval of the Members by way of Special Resolution through Postal Ballot. Your directors have approved the Notice and the same is being sent to the members of the Company.

6. Management Discussions and Analysis Report

A Management Discussion and Analysis Report as required under the Clause 49 of the Listing Agreement is annexed to and forming part of the Directors' Report.

7. Dividend

Your Directors are pleased to recommend a dividend of 15% (Rs. 1.50 per share) for the financial year ended 31st March 2011 same as in the previous year of 15% (Rs. 1.50 per Share). The total amount of dividend for the year ended 31st March 2011 is Rs.309.40 Lacs. The tax on distributed profits, payable by the Company would amount to Rs. 50.19 Lacs.

8. Directors

In accordance with the Articles of Association of the Company, Shri V. P. Biyani and Shri Rakesh Khanna directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The information required to be furnished under clause 49 IV (G) of the Listing Agreement is given in the Notice of the Twenty Seventh Annual General Meeting.

There are no other changes in the Composition of the Board of Director of the Company.