

GRAVISS HOSPITALITY LIMITED

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BOARD OF DIRECTORS

Ravi Ghai	: Chairman & Managing Director
Gaurav Ghai	: Joint Managing Director
R.K.P. Shankardass	: Director
Mahendra V. Doshi	: Director
Harindra Singh	: Director
Gulshan Bijlani	: Director
Arun Todarwal	: Director

COMPANY SECRETARY

Chanda Behl

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited,
C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W),
Mumbai-400 078.
Phone No. 022-2596 3838 Fax No. 022-2596 2691

BANKERS

Vijaya Bank
Industrial Finance Branch, Excelsior Building, Fort, Mumbai-400 001

Axis Bank
Ground floor, Aman Chambers, Opp. New Passport office,
Veer Savarkar Marg, Prabhadevi, Mumbai-400 025

AUDITORS

M/s. V. Sankar Aiyar & Co.
Chartered Accountants

REGISTERED OFFICE

"Dairy Tops" Plot No. J-177, MIDC, Bhosari, Pune-411 026
Maharashtra
Phone No. 020-30681102, Fax No. 020-30681139

ADMINISTRATIVE OFFICE

254-C, Dr. Annie Besant Road, Worli, Mumbai-400 030
Phone No. 022-4050 1111, Fax No. 022-2491 5555

UNIT

Hotel Inter-Continental, Marine Drive, Mumbai-400 020
Phone No. 022-3987 9999, Fax No. 022-3987 9600

MAYFAIR BANQUETS

- (1) 254-C, Dr. Annie Besant Road, Worli, Mumbai-400 030
- (2) At the Corinthians Club, Nyati County, Near NIBM Road,
South Pune-411 028.

50TH ANNUAL REPORT

Notice

NOTICE is hereby given that the 50th Annual General Meeting of the members of GRAVISS HOSPITALITY LIMITED will be held as scheduled below:

Venue : Dairy Tops, Plot No. J-177, M.I.D.C., Bhosari, Pune-411 026, Maharashtra.

Date : June 30, 2011

Day : Thursday

Time : 1.00 p.m.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at and Profit and Loss Account for the financial year ended 31st March, 2011 and the Report of Directors' and Auditors' thereon.
2. To declare final dividend.
3. To appoint a Director in place of Mr. Mahendra V. Doshi, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. R.K.P. Shankardass, who retires by rotation and is eligible for re-appointment.
5. To re-appoint auditors, and in this regard to consider and, if thought fit, to pass with or without modification, as an **ORDINARY RESOLUTION**, the following:

"RESOLVED THAT Pursuant to the provisions of section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. V. Sankar Aiyer & Co., Chartered Accountant, be and are hereby re-appointed as the Auditors to hold office from the conclusion of this Meeting until the conclusion of next Annual General Meeting of the company on such remuneration as may be fixed by the Board of Directors of the Company;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to implement this resolution."

SPECIAL BUSINESS:

To consider and if thought fit to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

6. Appointment of Mr. Vikram Seth as Director of the Company:

"RESOLVED THAT pursuant to the provisions of section 257 and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Vikram Seth who was appointed as an Additional Director, pursuant to section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company subject to retirement of rotation under the provisions of the Articles of Association of the Company."

By Order of the Board

For **GRAVISS HOSPITALITY LIMITED**

Chanda Behl
Company Secretary

Dated: April 29, 2011.

Registered Office:

Dairy Tops, Plot No. J-177, M.I.D.C.
Bhosari, Pune-411 026, MAHARASHTRA

Notes:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME OF THE MEETING. THE PROXY FORM IS ENCLOSED.
- (b) Members are requested to bring their copy of the Annual Report to the Meeting.

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- (c) Members are requested to intimate changes in their addresses, if any, to the Company.
- (d) Members are requested to note that the Register of Members and the Share Transfer Books of the Company will be closed from June 21, 2011 to June 30, 2011 (both days inclusive).
- (e) The final dividend on Equity Shares, as recommended by the Board of Directors, if declared at the meeting will be paid after the meeting.
- (f) As required under Clause 49 of the Listing Agreement particulars of directors seeking appointment/re-appointment are annexed to this Notice below.
- (g) Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 3.00 p.m. and 5.00 p.m. on all working days up-to the date of the Annual General Meeting.
- (h) The Directors would appreciate advance mailing of queries on accounts, if any, which the members may wish to raise so as to enable the Directors to keep the replies ready.
- (i) It is requested that the queries be mailed to Registrars and Share Transfer Agents:
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai-400 078.
Phone No. 022-2596 3838, Fax No. 022-2596 2691
- (j) Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the administrative office of the Company.
- (k) The company had declared an Interim dividend of Rs. 0.24 per equity share for the financial year ended 31st March 2011. The dividend remaining unpaid or unclaimed has been transferred to the unpaid dividend account of the company. However, there is no dividend remaining unpaid or unclaimed which requires to be transferred to Investor Education and Protection Fund.
- (l) At the ensuing Annual General Meeting, Mr. Vikram Seth, is seeking appointment as Director of the Company. The details pertaining to him required to be provided pursuant to clause 49 of the Listing Agreement is furnished as an Annexure to this Notice.

By Order of the Board

For **GRAVISS HOSPITALITY LIMITED**

Chanda Behl
Company Secretary

Dated: April 29, 2011.

Registered Office:

Dairy Tops, Plot No. J-177, M.I.D.C.
Bhosari, Pune-411 026, MAHARASHTRA

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Explanatory Statement as Annexure to the Notice

[Pursuant to section 173(2) of the Companies Act, 1956]

ITEM No. 6:

The Board of Directors of the Company (Board) in its meeting held on April 29, 2011 has appointed Mr. Vikram Seth as Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Article no.91 of the Articles of Association of the Company.

In terms of the provisions of section 260 of the Companies Act, 1956, Mr. Vikram Seth, will hold the office upto the date of this Annual General Meeting.

The Company had received notice in writing from the members of the company along with deposit of Rs. 500/- proposing the candidature of Mr. Vikram Seth for the office of the Director under the provisions of section 257 of the Companies Act, 1956.

Brief resume of Mr. Vikram Seth, Director, nature of his experience in specific functional area and name of the companies in which he holds directorship, number of shares held in the company and membership/Chairmanship of the Board Committees as stipulated under the clause 49 of the Listing Agreement with the stock exchanges, are provided in the Annexure to the Notice.

The Board recommends the proposed resolution set out at item no.6 of the Notice for your approval.

None of the director except Mr. Vikram Seth is concerned or interested in the said resolution.

By Order of the Board

For **GRAVISS HOSPITALITY LIMITED**

Chanda Behl

Company Secretary

Dated: April 29, 2011.

Registered Office:

Dairy Tops, Plot No. J-177, M.I.D.C.

Bhosari, Pune-411 026, MAHARASHTRA

Details of the Directors seeking appointment/re-appointment at this Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Mahendra V Doshi	Mr. R.K.P. Shankardass	Mr. Vikram Seth
Date of Birth	29th November, 1949	9th June, 1930	19th February, 1964
Date of Appointment	22.09.2006	21.03.1980	29.04.2011
Areas of Expertise	Finance, Capital Market & Business administration	In Professional (Litigation & Advisory) Practice of law, National & International, Mainly in the area of Constitutional Civil, Corporate & International Law Since 1961	Corporate Finance, Capital Market & Business administration
Qualification	M.B.A.	M.A. Economics (Cantab), & II.M. (Cantab) (from Trinity College, Cambridge, England) Barrister – at-Law (Lincoln's Inn, London)	Chartered Accountant
List of other Public Companies incorporated in India, in which directorships held.	LKP Finance Ltd. Nilkamal Ltd. LKP Securities Ltd. MKM Shares & Stock Brokers Ltd.	TEEUMESH Products Pvt. Ltd. G4S Corporate Services Pvt. Ltd.	Graviss Hotels & Resorts Ltd.
List of Chairmanships/ memberships of committees of the Board of other public Companies incorporated in India in which directorships held.	LKP Finance Ltd: Audit committee – Member Share Transfer Committee – Chairman Nilkamal Ltd: Audit Committee – Member	N.A.	N.A.
No. of shares held in the Company prior to the appointment/re-appointment	NIL	32,750 Equity shares of Rs. 2/- each.	4,748 Equity shares of Rs. 2/- each

Directors' Report

The Members of Graviss Hospitality Limited

Your Directors are pleased to present their 50th Annual Report together with the Audited Financial Accounts for the year ended 31st March, 2011 :

1. SNAP SHOT OF FINANCIAL RESULTS:

		(Rs. in Lacs)
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Income	7,162	6,490
Profit before Interest, Depreciation	1,827	1,376
Interest	154	246
Depreciation	520	559
Profit before Taxation	1,144	572
Provision for Taxation:		
Current tax	(220)	(75)
Deferred Tax Credit	100	(201)
Fringe Benefit Tax	0	0
Profit for the year	769	307
Balance brought forward from last period	1,109	1,074
Balance carried forward	1,490	1,108

2. OPERATIONAL PERFORMANCE:

During the financial year ended 31st March 2011, the sales and operating income increased from Rs. 6490 Lacs to Rs. 7162 Lacs. The net profit after tax stood at Rs.769 Lacs as against Rs. 307 Lacs during the previous year. During the year under review, the company had discontinued the operations at Mayfair Banquets situated at Palm Beach Galleria Mall, Vashi, New Mumbai and Hermes Shopping Centre, Nagar Road, Yerawada, Pune.

3. DIVIDEND:

During the year under review, your company had declared an Interim dividend of Rs. 0.24 (12%) per equity share for the financial year ended 31st March 2011 at its Board meeting held on January 31, 2011.

Your Directors have recommended dividend of Rs. 0.06 (3%) per Equity share of Rs. 2/- each for the financial year ended 31st March, 2011, which if approved at the ensuing annual general meeting, will be paid to the shareholders.

4. DIRECTORS:

In terms of the provisions of sections 255 and 256 of the Companies Act, 1956, Mr. R.K.P. Shankardass and Mr. Mahendra V. Doshi, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment.

During the year under review, Mrs. Krishna Kumari Ghai ceased to be the Director of the Company due to her sudden death on 14th November, 2010.

Mr. Vikram Seth was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 in its meeting held on April 29, 2011. The approval of the shareholders is being sought for the appointment of Mr. Vikram Seth as Director of the Company at its ensuing Annual General Meeting of the company.

A brief resume of the Director reappointed/appointed at the ensuing Annual General Meeting, nature of expertise and name of companies in which he holds directorship and/or membership/chairmanship of the committees of the Board as stipulated under clause 49 of the Listing Agreement is annexed to the Notice forming part of the Annual Report.

5. MANAGEMENT DISCUSSION AND ANALYSIS:

A separate report on the Management Discussion and Analysis is attached as a part of the Annual Report.

6. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm the following :

- In preparation of the accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the Profits of the Company for the year ended 31st March 2011;
- The Directors have taken proper and sufficient care for 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;
- The Directors have prepared the annual accounts on a going concern basis.

7. SUBSIDIARY COMPANIES:

During the year under review Sandco 1165 Limited and Hotel Kankeshwar Private Limited became the wholly owned subsidiary of the Company.

In terms of the approval granted by your Directors vide circular resolution dated March 7, 2011 and in compliance with the circular issued by Ministry of Corporate Affairs on February 8, 2011, copies of the Balance Sheet, Profit and Loss account, Report of the Board of Directors and Auditors of Subsidiaries have not been attached with the Balance Sheet of the Company. The Annual Accounts and other related detailed information of the

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Company as well as of the subsidiary companies will be made available to the shareholders of the holding and subsidiary companies seeking such information at any point of time. The Annual accounts of the company as well as of the subsidiary companies will also be kept open for inspection by any shareholder in the head office of the company and the subsidiary companies concerned.

8. EMPLOYEES STOCK OPTION SCHEME:

During the year under review, 10,000 (Ten thousand) options vested in favour of an eligible employee of the company. The said options were not exercised by the Grantee and thereafter lapsed. Also, the Grantee ceased to be an employee of the Company on December 17, 2010 by reason of resignation and therefore the balance unvested Options aggregating to 40,000 (Forty Thousand) options held by the Grantee have lapsed.

9. CONSOLIDATED FINANCIAL STATEMENTS:

Your Directors have pleasure in attaching the duly audited Consolidated Financial Statements of the holding company and all its subsidiaries as a part of the Annual Report and prepared in accordance with the Accounting Standards 21 issued by the Institute of Chartered Accountants of India and where applicable, Listing Agreement, as prescribed by the Securities Exchange Board of India.

10. FIXED DEPOSITS:

During the Year under review, your Company has not accepted or invited any deposits from public.

11. CORPORATE GOVERNANCE:

The Company has adopted the corporate governance policies which has set out the systems, process and policies vital to enable companies to compete globally in a sustained manner and let them flourish and grow. A separate report on Corporate Governance as stipulated under clause 49 of the Listing Agreement forms part of the Annual report. A Certificate from the auditors of the Company M/s V. Sankar Aiyar & Co., confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid clause 49 is annexed to this report.

12. CODE OF BUSINESS CONDUCT AND ETHICS:

As prescribed by the listing Agreement, the Board has adopted a "Code of Conduct" for the Board Members and Senior Management Personnel. During the year under review, all the Board members and the senior management personnel have complied with the Company's Code of Conduct. A declaration to this effect signed by the CEO has been obtained.

13. LISTING:

The equity shares of your company are presently listed on Bombay Stock Exchange Limited and company has paid the listing fees for the financial year 2011-2012.

14. PARTICULARS OF EMPLOYEES:

During the year under review, the Company has not employed any person who was in receipt of remuneration which, in aggregate, was not less than Rupees Five Lacs per month or Rupees Sixty Lacs per annum.

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

Information in accordance with the provisions of section 217(1)(e) of the Companies Act, 1956 read with companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 regarding conservation of energy and technology is that the Company has entered, to avail international technology and expertise, into various strategic agreements with Inter-Continental Hotels Corporation, USA (IHC) and its affiliates. As a part of these agreements, IHC and its affiliates are required to provide technical services, marketing reservation and system support to the Company for its Hotel situated at Marine Drive-Mumbai.

FOREIGN EXCHANGE EARNING AND OUTGO:

(Rs. in Lacs)

Particulars	Current Year 2010-2011	Previous year 2009-2010
CIF Value of Imports	57	32
Expenditure in Foreign Currency	376	219
Earnings in Foreign Exchange	2,025	2,169

16. RELATED PARTY DISCLOSURES:

The company has made disclosures in compliance with the Accounting Standards on Related Party Disclosures as required by clause 32 of the Listing Agreement with the stock exchanges.

17. AUDITORS:

At the Annual General Meeting, M/s. V. Sankar Aiyer & Co, Chartered Accountants who are the Statutory Auditors of the Company, will retire and being eligible, have offered themselves for re-appointment as the Company's auditors. In the terms of the provisions of Section 224 (1)(B) of the Companies Act, 1956, the Company has obtained a written confirmation from M/s. V. Sankar Aiyer & Co that their re-appointment, if made, at the ensuing Annual General Meeting, would be in conformity within the limits specified in the Section.

18. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation for the continued support and co-operation of the shareholders, banks, various regulatory authorities and central and state government officials, vendors, customers and for valuable contributions made by the employees of the company.

For and on behalf of the Board of Directors

Mumbai
Dated: April 29, 2011

RAVI GHAI
Chairman & Managing Director

Management Discussion and Analysis

Industry Structure and Developments

Overview of Tourism and Indian Economy:

The financial year 2010-2011 has been challenging for the world at large. With the global economic machinery almost shuttering to a halt, the corporate world had been engaged in cost cutting via drastic cut backs on non essential expenses; this drop in corporate travel had adversely affected the Indian Hospitality sector. The government too is making conscious efforts to revive the industry through a slew of policy as many new and ongoing hotel projects had stalled during the downturn. These includes Reserve Bank of India ruling, which states that loans for construction of hotels will not be classified as commercial real estate, relaxation in External Commercial Borrowings norms and the recently announced investment linked tax deduction for new hotels of two star category and above. The Indian Hospitality industry is clearly showing signs of recovery.

Opportunities:

The Hotel industry in India is expected to boom with rising room rates and on high occupancy rates. The Country is facing a shortage of hotel rooms and the industry needs to more than double its room inventory from the current levels. India is becoming the epicenter for outsourcing and new age businesses and the growth in the economy is attracting tourists from all around the world. With increase in the disposable income in the hands of people, domestic tourism has also been rising very rapidly. The demand and supply imbalance of hotel rooms is pushing average room rates (ARR) further as new properties are not coming up at the same place. This represents a significant opportunity for the Company.

Threats:

The Hotel industry is cyclical and sensitive to changes in the economy and this could have a significant impact on operations and financial results of the company. Act of violence or war, in India or other neighboring countries, may affect Indian and worldwide economic markets. Increased competition in the hotel sector may adversely affect the operation of our Hotel. Surging room rates may impact room demand from foreign leisure travel segment.

Outlook:

The global economic and financial situation is recovering slowly. The large fiscal deficits and high debt ratios coupled with slow economic growth have created unsettling conditions for business and have potential for causing great volatility in financial markets. It is hard to visualise strong economic growth in the advanced economies in 2011. The implications for this, for India's strategy to return to the 9.0% growth trajectory are that public policy must promote business confidence and facilitate increased investment. Despite a positive long term view, the current business environment remains challenging. The strong macro economic outlook is expected to continue providing momentum for growth of the hotel industry in India. It should be noted that that the base for tourism in India is still very low. The sudden surge in demand for hotel accommodation over the last three years has inflated hotel rooms in the country. However, a number of international brands across all hotel segments are planning to or have recently entered the Indian market. Domestic hotel chains, too, are embarking on strong expansion and development plans across all hotel segments. As the gap between supply and demand for hotel accommodation narrows over the next few years, we expect room rates to rationalize, which would encourage leisure travel.

Report on Corporate Governance

In accordance with clause 49 of the Listing Agreement and some of the best practices of Corporate Governance, the report containing the details of governance systems and processes at Graviss Hospitality Limited is as under:

1. Philosophy:

The Company's policy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all interaction with stakeholders, including shareholders, employees, the government, lenders and society. The Company believes that all its operations and actions must serve the underlying goal of enhancing long term shareholder value.

2 Board of Directors:

(i) Composition of the Board:

The Board of Directors provides strategic directions and thrust to the operations of the Company. Currently the total strength of the Board is Seven Directors. The Board has an executive chairman and the number of Non-Executive Independent Director is more than one-half of the total number of Directors. None of the Directors on the Board is a member on more than ten committees and chairman of more than five committees (as specified in clause-49) across all the companies in which he is a Director. Hence the Company complies with the listing agreement norms for Composition of Board of Directors.

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The composition of the Board and other relevant details relating to the Directors are as under:

Name of the Directors	Designation	Category	No. of Other Directorships*	No. of Other Committee Memberships#	
				Chairman	Member
Mr. Ravi Ghai	Chairman & Managing Director	Promoter, Executive, Non-Independent	1	—	—
Mr. Gaurav Ghai	Joint Managing Director	Promoter, Executive, Non-Independent	—	—	—
Mr. Mahendra V. Doshi	Director	Non-Executive, Independent	4	1	2
Mr. R.K.P. Shankardass	Director	Non-Executive, Independent	—	—	—
Mr. Harindra Singh	Director	Non-Executive, Independent	1	—	—
Mr. Gulshan Bijlani	Director	Non-Executive, Independent	—	—	—
Mr. Arun Todarwal	Director	Non-Executive, Non-Independent	7	1	8

Note: Directorships in Private and Foreign Companies are excluded # Memberships of only Audit Committee, Share Transfer and Investor Grievances Committee have been considered)

(ii) Board Meetings and attendance of each Director at Board Meeting and at last Annual General Meeting:

During the year under review, the Board of Directors met Four times during the year viz. 28th April, 2010, 30th July, 2010, 29th October, 2010 and 31st January, 2011. The maximum gap between any two consecutive meetings did not exceed four months. The last Annual General Meeting of the Company was held on 30th June, 2010. The details of attendance of Directors in Board Meetings and last Annual General Meeting are as follows:

Name of the Director	No. of Board Meetings Attended	Attendance at Last Annual General Meeting
Mr. Ravi Ghai	1	Absent
Mr. Gaurav Ghai	3	Absent
Mr. Harindra Singh	2	Absent
Mr. Mahendra V. Doshi	3	Present
Mr. R.K.P. Shankardass	2	Absent
Mrs. Krishna Kumari Ghai*	—	Absent
Mr. Gulshan Bijlani	3	Present
Mr. Arun Todarwal	4	Present

* Mrs. Krishna Kumari Ghai ceased to be the director w.e.f. November 14, 2010 due to her sudden death.

(iii) Shareholding of Directors:

As on March 31, 2011

Name of the Director	No of shares held
Mr. Ravi Ghai	3,176,465
Mr. Gaurav Ghai	2,259,665
Mr. R.K.P. Shankardass	32,750
Mr. Gulshan Bijlani	17,350

(iv) Code of Conduct:

The Board has laid down the Code of Conduct for all Board members and Senior Management of the Company and the same is posted on the website of the Company. The Certificate from the Chief Executive Officer with regard to the compliance of code of conduct by the Board members and the senior management for the year ended 31st March, 2011 is enclosed and forms part of this report.

(v) Directors seeking re-appointment:

Mr. Mahendra V. Doshi and Mr. RKP Shankardass, Directors of the company shall retire by rotation at the ensuing Annual General meeting and is eligible for re-appointment. Mr. Vikram Seth was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 in its meeting held on April 29, 2011. The approval of the shareholders is being sought for the appointment of Mr. Vikram Seth as Director of the Company at its ensuing Annual General Meeting of the company. The brief resumes and the details of their other directorships including their shareholding have already been provided in the Notice.

(vi) Other Provisions:

The Company confirms that it did not have any material pecuniary relationship or transaction with any Non Executive Director during the year under review, except for the payment of sitting fees made to them for attending the Board and/or Committee meetings.

The information as required under Annexure I to Clause 49 of the Listing Agreement is being made available to the Board. The Board periodically reviews the Compliance report submitted by the Managing Director regarding compliance with the various laws applicable to the company.

3. Board Committees:

(i) Audit Committee:

The composition of Audit Committee as on 31st March, 2011, is as follows:

Mr. Mahendra V Doshi (Chairman), Mr. Gaurav Ghai, Mr. Gulshan Bijlani, Mr. RKP Shankardass, Mr. Harindra Singh, Mr. Arun Tadarwal

Two third of the total strength of the Audit Committee are Independent Directors. Statutory Auditors, Internal Auditors and CFO attend the meetings of the Committee on invitation of the Chairman. The Company Secretary acts as the Secretary of the Committee. All the members are financially literate and possess necessary expertise in finance or accounting or any other comparable experience or background.

The Company has complied with the requirements of clause 49(II) (A) as regards composition of Audit Committee.

The Audit Committee reviews the financial statements and recommends its suggestions to the Board. It reviews the reports of the Statutory and Internal Auditors and also discusses its suggestions with them.

During the year under review, the Audit Committee met four times on 28th April, 2010, 30th July, 2010, 29th October, 2010 and 31st January, 2011 with a gap of not more than four months. The details of the meetings attended by the Directors are given below:

Name of the Members	Category	No. of Meetings Attended
Mr. Mahendra V. Doshi	Non-Executive, Independent Chairman	3
Mr. Gaurav Ghai	Executive, Non Independent	3
Mr. Gulshan Bijlani	Non-Executive, Independent	3
Mr. R.K.P. Shankardass	Non-Executive, Independent	2
Mr. Harindra Singh	Non-Executive, Independent	2
Mr. Arun Tadarwal	Non-Independent	4

The terms of reference of the Audit Committee has been approved at the Board Meeting held on 22nd January 2001. It provided for adequate powers and has access of all the information required and performing all the functions which are in accordance with Clauses 49(ii) (c) and (d) of the Listing Agreement:

(ii) Share Transfer and Shareholders'/Investors' Grievance Committee:

The Share Transfer and Investor Grievance Committee deals with the matters relating to the transfer/transmission of shares and monitor the redressal of the investors complaints relating to non-receipt of dividends, non-receipt of annual accounts etc. The Committee comprises of three members with two third of the members as independent directors. The Committee meets at frequent intervals to consider requests for share transfer or to consider shareholders' queries/complaints:

Name and Designation of Compliance Officer:

Mrs. Chanda Behl, Manager- Legal and Company Secretary

All the requests /queries received during the year have been processed and responded respectively and there is no request/queries/complaint pending at the end of the year ended on 31st March 2011.

(iii) Remuneration and Compensation Committee:

The Remuneration and Compensation Committee comprises of three non-executive independent directors. The present members of this Committee are Mr. Harindra Singh (Chairman of the Committee), Mr. Mahendra V. Doshi and Mr. Gulshan Bijlani. All the members of this committee have adequate experience and financial knowledge. The Company Secretary of the company acts as secretary to the committee.

The role of the committee is to review the market practice and decide on the remuneration package applicable to the executive directors and senior management personnel.

(iv) Finance, Investment and Banking Operation Committee:

The Finance, Investment and Banking Operation Committee was constituted on 24th October 2008 to approve various financial transactions

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requiring immediate attention of the Board and to carry out normal banking operations as and when required. During the period ended on 31st March 2011, the Committee members met four times on September 09, 2010, October 5, 2010, December 16, 2010 and March 15, 2011. The details of the Committee members and meetings attended by them are as follows:

Name	Designation	No. of the meetings attended
Mr. Ravi Ghai	Chairman	3
Mr. Gaurav Ghai	Member	3
Mr. Raman Mehra	Member	2

The Company Secretary of the company acts as the secretary to the committee.

(v) Compensation to Non-Executive Directors:

The Non Executive Directors do not draw any remuneration from the Company except the Sitting Fees which is paid to them for attending Board/Committee meetings. The sitting fees paid to the directors during the year under review are as under:

Name of the Director	Fees for Board meeting (in Rs.)
Mr. R.K.P. Shankardass	40,000
Mr. Gulshan Bijlani	60,000
Mr. Mahendra V. Doshi	60,000
Mr. Harindra Singh	40,000
Mr. Arun Todarwal	80,000

Details of the Shareholding of Non-Executive Directors in the Company as on 31st March, 2011 are as follows:

Mr. R.K.P. Shankardass	32,750
Mr. Gulshan Bijlani	17,350

(vi) Executive Directors and Remuneration:

The Managing Director and Joint Managing Director are the Executive Directors in the Company. Their remunerations are fixed by the remuneration/compensation committee and subsequently approved by the Board of Directors and the shareholders of the company.

Details of remuneration paid to the Managing Director and Joint Managing Director of the Company for the year ended March 31, 2011 are as under:

S.N.	Particulars	Amount (Rs. In Lacs)
I	Salary	54.00
II	Contribution to Provident Fund	6.48
III	Estimated monetary value of perquisites	14.10
	Total	74.58

4. General Body Meetings:

(i) The details of the Annual General Meetings held during the last three years are as follows:

Financial Year	No. of AGM	Date, Day & Time of AGM	Venue of AGM
2009-10	49	June 30, 2010, 1.00 P.M.	Dairy Tops, J-177, MIDC, Bhosari, Pune- 411 026
2008-09	48	June 25, 2009, 1.00. P.M.	Dairy Tops, J-177, MIDC, Bhosari, Pune- 411 026
2007-08	47	June 20, 2008, 1.00. P.M.	Dairy Tops, J-177, MIDC, Bhosari, Pune- 411 026

(ii) Special Resolutions passed in previous three Annual General Meetings are as follows:

No. of AGM	Date, Day & Time of AGM	Particulars of Special Resolutions passed
49	June 30, 2010, 1.00 P.M.	None
48	June 25, 2009, 1.00 P.M.	None
47	June 20, 2008, 1.00. P.M.	(a) Change of Name of the Company (b) Sub-Division of the Equity Shares