

HEERA ISPAT LIMITED

HEERA ISPAT LIMITED.

**19TH AUDITED ANNUAL REPORT
FOR THE YEAR 2010-11**

COMPANY REGISTRATION NO: 04-018101

CIN NO: L27101GJ1992PLC018101

Registered with Registrar of Companies, Gujarat State

HEERA ISPAT LIMITED

Regd.Office: 13/A, VISHWAKARMA TOWER

GANDHI CHOWK

GODHARA

GUJARAT-389001

E MAIL: maildeveshpathak@rediffmail.com

HEERA ISPAT LIMITED

CIN: L27101GJ1992PLC018101
COMPANY REGN NUMBER: 04-018101
NOMINAL SHARE CAPITAL: Rs.6,00,00,000/-

DATE OF
INCORPORATION: 05/08/1992

HEERA ISPAT LIMITED

19th ANNUAL GENERAL MEETING - PROGRAMME.

DATE : 30TH NOVEMBER, 2011
DAY : WEDNESDAY
TIME : 04.00 P.M.
VENUE : REGISTERED OFFICE OF THE
COMPANY AT :
13/A, VIHWAKARMA,
GANDHI CHAWK,
GODHARA
GUJRAT-389001

NOTE TO SHAREHOLDERS:

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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- 8) Schedules to the Balance Sheet and Profit & Loss Account.
- 9) Notes to the Accounts.
- 10) Balance Sheet Abstract and Company's General Business Profile.
- 11) Cash Flow Statement pursuant to Clause 32 of the Listing Agreement and Auditors' report there on.
- 12) Attendance Sheet & Proxy Form.

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BOARD OF DIRECTORS

Rameshchandra Tribhuvandas Mistry	Chairman And Director
Dharmeshkumar Rameshchandra Mistry	Managing Director
Hasumatiben Rameshchandra Mistry	Director
Alpesh Kiritbhai Patel	Director
Radheshyam Rampal Lodha	Director
Ramanugrah Singh	Director

CORPORATE GOVERNANCE TEAM.

AUDIT COMMITTEE.

Rameshchandra. T. Mistry.
Hasumatiben. R. Mistry.

INVESTORS SERVICES COMMITTEE

Chairman. Dharmesh. R. Mistry
Member Rameshchandra. T. Mistry.

ACTING IN ADVISORY CAPACITY ONLY TO VARIOUS COMMITTEES OF CORPORATE GOVERNANCE

Secretarial and Corporate Legal Matters

Shri Kamlesh M. Shah,
(Practicing Company Secretary)

Finance, Audit and Taxation Matters

M/s. DJNV & Co.
Chartered Accountants

BANKERS OF THE COMPANY

Bank of Baroda, Godhara Branch

REGISTRAR AND SHARE TRANSFER AGENT

Sharepro Services (India) Pvt. LTd.
13/A-B, Shamhita Warehousing Corporation
Near MTNL Exchange, Saki Naka,
Andheri (East), Mumbai.

Auditors

M/s. DJNV & Co.
Chartered Accountants
Ahmedabad.

Company Law Consultants

M/s. Kamlesh M. Shah & Co.,
Practicing Company Secretary
Baroda.

REGD. OFFICE

13/A, VIHWAKARMA,
GANDHI CHAUK,
GODHARA
GUJRAT-389001

INVESTORS GRIEVANCE AND COMPLIANCE OFFICER:

Dharmesh Rameshchandra Mistry
13/A, VIHWAKARMA,
GANDHI CHAUK,
GODHARA
GUJRAT-389001

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NOTICE

NOTICE is hereby given to the Members of Heera Ispat Limited that **19th Annual General Meeting** of the Members of the Company will be held on Wednesday the 30th November, 2011 at 04.00 P.M. at the Registered Office of the Company at 13/A, Vishwakarma, Gandhi Chauk, Godhara, Gujarat-389 001 to transact the following Business.

ORDINARY BUSINESS :

1. To Receive, Consider, Approve and Adopt the Audited Statement of Account i.e. The Audited Balance Sheet as at 30/06/2011, the Profit & Loss Account for the Year ended on that date and the report of the Auditors and Directors thereon.
2. To Appoint a Director in place of Ms. Hasumatiben Rameshchandra Mistry, who retires by rotation and being eligible offers herself for reappointment.
3. To Appoint a Director in place of Mr. Alpesh Kiritbhai Patel, who retire by rotation and being eligible offers himself for reappointment.
4. To Appoint M/s. DJNV & Co., Chartered Accountants, as the Statutory Auditors for the next Financial Year to hold the office as such from the conclusion of this Annual General Meeting up to the date of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. To Consider and if thought fit to pass with or without modification following resolution as Ordinary Resolution.

RESSOLVED THAT Mr. Ramanugrah Singh, Who was appointed as an Additional Director by the Board of Directors Of the company pursuant to Section 260 of the companies Act,1956 and relevant Article of the Article of Association of the Company and who hold office only up to the date of this Annual General Meeting and in respect of whom the company has received a Notice in Writing, under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose Mr. Mr. Ramanugrah Singh as candidate for the office of a Director of the company be and is hereby appointed as Director of the Company liable to Retire by Rotation.

NOTES

- i) A Member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of him and that a Proxy need not be a member of the Company.
- ii) Proxies in order to be effective should be duly completed in the prescribed form stamped and signed and must be deposited at the Registered office of the company no less than 48 hours before the time fixed for the meeting.

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- iii) Members desiring any information as regards account are requested to write to the company at least 7 days before the meeting to enable the management to keep the information ready.
- iv) Members are requested to intimate any change in their registered addresses if any directly at the Registered Office of the Company at their address mentioned elsewhere in this report.

DATE: 21st July, 2011
PLACE: Godhara

By Order of the Board of Directors
Of Heera Ispat Limited
Sd/-
(Dharmesh R. Mistry)
Managing Director.

FOLLOWING EXPLANATORY STATEMENT PURSUANT TO PROVISION OF SECTION 173(2) OF THE COMPANIES ACT 1956 DISCLOSES ALL THE MATERIAL FACTS AND INFORMATION RELATING TO THE BUSINESS PROPOSED TO BE TRANSACTED AS SPECIAL BUSINESS IN THE ENSUING ANNUAL GENERAL MEETING ON 30TH SEPTEMBER 2010.

- 1) Mr. Ramanugrah Singh was Appointed by the Board of Directors of the company on 25th May, 2011 as an Additional Director and as per the provisions of Section 260 of the Companies Act, 1956, he holds Office as a Director up to the date of this Annual General Meeting. The company has received a Notice from a Member, signifying his intention to propose the appointment of Mr. Ramanugrah Singh as Director of the Company. He was mainly appointed in order make part compliance with the Corporate Governance norms prescribed in the Listing Agreement.

Your Directors recommend the passing of the Resolution at item No. 5

Mr. Ramanugrah Singh may be deemed to be concerned or interested in the Resolution relating to appointment.

DATE: 21st July, 2011
PLACE: Godhara

By Order of the Board of Directors
Of Heera Ispat Limited
Sd/-
(Dharmesh R. Mistry)
Managing Director.

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DIRECTORS' REPORT

To,
The Members,
HEERA ISPAT LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting herewith the 19th Audited Annual report of your Company for the financial year ended on 30th JUNE, 2011.

FINANCIAL HIGHLIGHTS:

During the year under review the financial performance of the Company is as under:

(Amount in Rupees)

Particulars.	For the Year Ended on 30/06/2011	For the Year Ended on 30/06/2010
Gross Income	0.00	0.00
Total Expenses	(1557819)	(1494771)
Profit /(Loss) Before Depreciation & Tax	(1557819)	(1494771)
Profit Before Tax	(1557819)	(1494771)
Provision for Tax	0	0
Excess Income Tax Provision P.Y	0	0
Provision for FBT	0	0
Net Profit / (Loss) for the Year	(1557819)	(1494771)
Deferred Tax Assets (Previous year liabilities)	0.00	0.00
Net Loss for the Year.	(1557819)	(1494771)
Previous year Balance B/f.	(8758236)	(7263465)
Total Loss Transferred to Balance Sheet.	(10316055)	(8758236)

DIVIDEND

As your company has incurred a net loss during the year under review and due to Accumulated loss of the previous year does not permit your directors to declare any amount as dividend to be paid.

UNPAID/UNCLAIMED DIVIDEND

The Company does not have any outstanding unpaid/unclaimed dividend which is required to be transferred to the Investors Education and Protection funds as per the provision of Section 205C of the Companies Act, 1956. The Company does not have any outstanding liability on account of Interest and Principal on Deposits, Debentures or Share Application Money.

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SHARE CAPITAL STRUCTURE

There was no change in total value of Authorized, Issued, Subscribed and Paid up Share Capital Structure of the Company.

BUY BACK OF EQUITY SHARES

The Company had not made any Buy Back of its paid up equity shares during the year in terms of section 77A, 77AA and 77B of the Companies Act 1956. Hence no specific disclosure is required to be made in this report.

YEAR UNDER REVIEW

During the year Company has not earned any income by way of turnover and other income. After all Administrative Expenditure and Depreciation of Rs 15,57,819 (Previous year Rs. 14,97,771/-) the company has suffered a gross operational loss of Rs. 15,57,819/- (Previous year gross loss of Rs. 14,97,771/-). After making necessary adjustments for Deffered Tax, Fringe Benefit tax, Your Company had suffered a Net loss for the year which is transferred to balance sheet is Rs.1,03,16,055 /- (Previous year loss of Rs. 87,58,236 /-).

SETTLEMENT/ LIQUIDATION OF FINANCIAL LIABILITIES

The company has no any settlement/liquidation of Financial Liabilities .It is not a sick company as per audited balance sheet for the current year.

FUTURE BUSINESS PLANS

Board of Director of your Company has planning to grow business in manufacturing and selling activities As the company has incurred loss your Director are thinking to start about new business. .

DEMATERIALISATION OF SECURITIES

Your Company's equity shares are already admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has already signed tripartite Agreement through Registrar and Share Transfer Agent M/s. Sharepro Services (India) Pvt Ltd. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE 025D01013.

COMPLIANCE TO CODE OF CORPORATE GOVERNANCE

The Complete Report on Corporate Governance is given separately after this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and perceptions on existing business, future out look of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separate Para in Corporate Governance Report in Annexure-A forming part of this report and also report on Corporate Governance.

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DEPOSITS

During the year under review your company has neither invited nor accepted any public deposit or deposits from the public as defined under Section 58A of the Companies Act-1956. The Deposits were accepted from the Directors are exempt as per the provisions of Section 58A of the Companies Act 1956.

DIRECTORS

During the year under review Smt Hasumati Rameshchandra Mistry and Mr Alpesh Kiritbhai Patel, shall retire by rotation at the ensuing Annual General Meeting as provisions of Law. They are eligible for reappointment as director and have offered themselves for directorship of the company. Your directors recommend to reappoint them as Directors. Mr. Ramanugrah Singh was Appointed by the Board of Directors of the company on 25th May, 2011 as an Additional Director and as per the provisions of Section 260 of the Companies Act, 1956, he holds Office as a Director up to the date of this Annual General Meeting. Except this there were no changes in the constitution of Board of Director of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision contained in Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm:

That in the preparation of the annual accounts, except the Accounting standard if any mentioned by Auditor in his Report as not Complied with , any applicable accounting standards which has been followed and no material departure has been made from the same;

That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affair of the company at the end of the financial year and of the profit or loss of the company for that period;

That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company for preventing and detecting fraud and other irregularities;

That they have prepared the annual accounts on a going concern basis.

STATUTORY AUDITORS

M/s. DJNV & Co., present Statutory Auditors of the company have given their letter of consent and confirmation under section 224(1B) the Companies Act 1956 for reappointment as Statutory Auditors of the Company. Necessary Resolution making their appointment as the Statutory Auditors and fixing their remuneration is proposed to be passed at the Annual General Meeting.

INTERNAL AUDITORS

In order to make proper compliance with the provisions of Corporate Governance the company has established in house internal Audit Department which is functioning under the

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close supervision and direction of the Audit Committee and also taking expert guidance/advise of the statutory Auditors M/s. DJNV & Co., Chartered Accountants from time to time.

AUDITORS OBSERVATION

Auditors have observed that the Company has not complied with AS-22 for Accounting for Deferred Tax Provisions. As the Company's all fixed assets were not in use during the entire financial year and there was no commercial business activities, your directors have thought it fit and proper not to provide for Deferred Tax for the year. Apart from the same, there was no adverse remark by Auditor In the auditor Report of the company.

FORMATION OF AUDIT COMMITTEE

The present Board of Directors of the Company is not in compliance with the provisions of Section 292A and the Clause 49 of the Listing Agreement. Even though, however, in order to make part compliance to the Provisions of Section 292A of the Companies Act 1956 and clause 49 of the Listing Agreement on Corporate Governance, your directors have already formed an Audit Committee within the organization consisting of 2 directors, an advisor (Chartered Accountants) to internal audit Department and Practicing Company Secretary as advisors to the company. The area of operations and functional responsibilities assigned to the committee are as per the guidelines provided in Clause 49 of the Listing Agreement for implementation of code of corporate governance. The committee meets at least once in a quarter and gives its report of each meeting to the Board for its approval, record and information purpose.

EMPLOYEES

There are no employees of the company who were in receipt of the remuneration of Rs.60,00,000/- in the aggregate if employed for the year and in receipt of the monthly remuneration of Rs. 5,00,000/- in the aggregate if employed for a part of the year under review. Hence the information required under Section 217 (2A) of the Companies Act, 1956 and as amended being not applicable are not given in this report.

STATUTORY INFORMATION

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 217 (1)(e) of the Companies Act-1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding the conservation of energy, technology absorption, foreign exchange earnings and outgo, etc. are not being given as the Company was totally non operational during the year. In fact there were no commercial business activities, manufacturing activities, no sale or purchase of material etc. during the year. Hence, are not given herewith.

MATERIAL CHANGES

Except the information given in this report there are no material changes have taken place after completion of the financial year up to the date of this report which may have substantial effect on business and finances of the company.

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APPRECIATION

Your Directors take this opportunity to acknowledge the trust reposed in your company by its Shareholders, Bankers and Clients. Your Directors also keenly appreciate the dedication & commitment of all our employees, without which the continuing progress of the company would not have been possible.

DATE : 21st July, 2011
PLACE: Godhara.

On Behalf of the Board of Directors
Of Heera Ispat Limited

(Rameshchandra T. Mistry)
Chairman And Director

(Dharmesh R. Mistry)
Managing Director