

# **HEERA ISPAT LIMITED.**

21st AUDITED ANNUAL REPORT  
FOR THE YEAR 2012-13

COMPANY REGISTRATION NO: 04-018101  
CIN NO: L27101GJ1992PLC018101  
Registered with Registrar of Companies, Gujarat State

## **HEERA ISPAT LIMITED**

Regd.Office:  
206,Ashwarth Complex,  
2<sup>nd</sup> Floor,Opp Fortune Land Mark Hotel,  
Usmanpura,  
Ahmedabad-380013

**E MAIL:** [info@heeraispat.com](mailto:info@heeraispat.com)

**CIN:** L27101GJ1992PLC018101

**DATE OF INCORPORATION:** 05/08/1992

**COMPANY REGN NUMBER:** 04-018101

**NOMINAL SHARE CAPITAL:** Rs.6, 00, 00,000/-

**HEERA ISPAT LIMITED**

## **HEERA ISPAT LIMITED**

### **21st ANNUAL GENERAL MEETING - PROGRAMME.**

DATE	:	15 <sup>th</sup> Oct, 2013
DAY	:	Tuesday
TIME	:	10:00 A.M
VENUE	:	AHMEDABAD TEXTILE MILLS ASSOCIATION. Opp. City Gold Multiplex, Nr. Atma House, Ashram Road, Navrangpura, Ahmedabad - 380009

#### **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.

#### **CONTENTS:**

- 1) Board of Directors and Other Information.
- 2) Notice for the Annual General Meeting.
- 3) Directors' Report.
- 4) Corporate Governance Report.
- 5) Auditors' Report.
- 6) Balance Sheet.
- 7) Profit & Loss Account.
- 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.

## HEERA ISPAT LIMITED

### BOARD OF DIRECTORS

Dineshkumar Samarataji Rao	Managing Director and Chairman
Rameshchandra Tribhuvandas Mistry	Director
Dharmeshkumar Rameshchandra Mistry	Director
Alpesh Kiritbhai Patel	Director
Radheshyam Rampal Lodha	Director
Ramanugrah Singh	Director
Prakash Nemchand Shah	Director
Suhag Vijaykumar Shah	Director

### CORPORATE GOVERNANCE TEAM.

#### AUDIT COMMITTEE.

Shri Ramanugrah Singh	Chairman.
Shri Radheshyam Rampal Lodha	Member
Shri Alpesh Kiritbhai Patel	Member
Shri Nainesh Khandhar	C.A. & Advisor
Shri Kamlesh M. Shah	Company Secretary

#### INVESTORS SERVICES COMMITTEE

Dharmesh. R. Mistry	Chairman.
Rameshchandra. T. Mistry	Member
Radheshyam R. Lodh	Member
Shri Kamlesh M. Shah	Company Secretary

### 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

HDFC BANK LIMITED, Mithkhali Branch,  
Ahmedabad

#### REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Private Limited

D-153 A| 1st Floor | Okhla Industrial Area, Phase - I | New Delhi-110 020.

Tel. : 011-26812682, 83, 011-64732681 to 88 Fax : 011-26812682 |

#### Auditors

M/s. DJNV & Co.  
Chartered Accountants

#### Company Law Consultants

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

#### REGD. OFFICE

206, Ashwarth Complex,  
2<sup>nd</sup> Floor, Opp Fortune Landmark, Usmanpura  
Ahmedabad-380013

#### INVESTORS GRIEVANCE AND COMPLIANCE OFFICER:

SUHAG SHAH

206, Ashwath Complex,  
2<sup>nd</sup> Floor, Opp Fortune Landmark  
Usmanpura, Ahmedabad-380013

**HEERA ISPAT LIMITED.**

**NOTICE**

NOTICE is hereby given to the Members of Heera Ispat Limited that **21st Annual General Meeting** of the Members of the Company will be held on 15/10/2013 the Tuesday at AHMEDABAD TEXTILE MILLS ASSOCIATION at 10:00 A.M 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 30/06/2013, 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 Mr. Suhag Shah, who retires by rotation and being eligible offers himself for reappointment.
3. 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.

**DATE: 08/08/2013**  
**PLACE: Ahmedabad**

**By Order of the Board of Directors  
Of Heera Ispat Limited  
Sd/-  
(Dinesh Rao)  
Managing Director**

**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.
- 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: 08/08/2013**  
**PLACE: Ahmedabad**

**By Order of the Board of Directors  
Of Heera Ispat Limited  
Sd/-  
(Dinesh Rao)  
Managing Director**

**HEERA ISPAT LIMITED.**

**DIRECTORS' REPORT**

To,  
The Members,  
**HEERA ISPAT LIMITED**

Dear Shareholders,

Your Directors have pleasure in presenting herewith the 21st Audited Annual report of your Company for the financial year ended on 30<sup>th</sup> JUNE, 2013.

**FINANCIAL HIGHLIGHTS:**

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

Particulars.	(Amount in Rupees)	
	For the Year Ended on 30/06/2013	For the Year Ended on 30/06/2012
Gross Income	100	5436
Total Expenses	7176145	878594
Profit /(Loss) Before Depreciation & Tax	(7176045)	(873158)
Depreciation & Amortisation	353898	1621414
Profit /(Loss) Before Tax	(7529943)	(2494572)
Provision for Tax	NIL	NIL
Excess Income Tax Provision P.Y	NIL	NIL
Net Profit / (Loss) for the Year	(7529943)	(2494572)
Deferred Tax	NIL	NIL
Net Loss for the Year.	(7529943)	(2494572)
Previous year Balance B/f.	(12810627)	(10316055)
Total Loss Transferred to Balance Sheet.	(20340570)	(12810627)

**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.

## **SHARE CAPITAL STRUCTURE**

During the year the company's 1,70,800 partly paid up shares of Rs.5/-each have become fully paid up. There by making the paid up capital to Rs.58828000/-

## **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 by way of other income of Rs 100/- (Previous year was NIL). After all Administrative Expenditure and Depreciation of Rs. 7,530,043/- (Previous year Rs. 2,500,008/-) the company has suffered a gross operational loss of Rs. 7,529,943 (Previous year gross loss of Rs. 2,494,572/-). After making necessary adjustments for Deferred Tax, your Company had suffered a Net loss for the year which is transferred to balance sheet is Rs.20,340,570 /- (Previous year loss of Rs. 12,810,627 /-).

## **SETTLEMENT/ LIQUIDATION OF FINANCIAL LIABILITIES**

The company does not have any settlement/liquidation of Financial Liabilities. It is not a sick company as per audited balance sheet for the current year.

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. Skyline Financial Services 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 DISCUSSION AND ANALYSIS REPORT**

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.

## **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 Mr. SUHAG SHAH, shall retire by rotation at the ensuing Annual General Meeting as provisions of Law. He is eligible for reappointment as director and has offered himself for directorship of the company. During the year Mrs. Hasumatiben R. Mistry resigned from the post of Director.

## **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 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 to time to time.

## **AUDITORS OBSERVATION**

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**

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 3 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

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.

### **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.

**For and On Behalf of the Board of  
Of Heera Ispat Limited**

**Sd/-  
(Mr. Dinesh Rao)  
Managing Director**

**Sd/-  
(Suhag V. Shah)  
Director**

**Place: AHMADABAD  
Date: 08/08/2013**



# HEERA ISPAT LIMITED

## REPORT ON CORPORATE GOVERNANCE

### MANAGEMENT PERCEPTION ON CORPORATE GOVERNANCE

The company believes that good Corporate Governance practices enable the Board to direct and control the affairs of the company in an efficient manner. As such, the company steps to put in place the system of Corporate Governance as per the guidelines provided in Clause 49 of the Listing Agreement. Further with the formation of the various committees within the organizations, the company also complies with various provisions of the Companies Act, 1956 as well as SEBI and Stock Exchange requirements. As per the norms prescribed under Listing Agreement being applicable to the company and in compliance to Section 292A of the Companies Act, 1956, the company had partly complied with the code of corporate governance on 30<sup>th</sup> June 2013.

### BOARD COMPOSITION

Name of the Director	Designation	Type	Executive / Non Executive
Mr. Rameshchandra Tribhovandas Mistry	Director	Promoter & Non – Exec Dir.	Non-Executive
Mr. Dharmesh. R. Mistry	Director	Promoter & Exec Dir.	Executive
Mr. Dinesh Rao	Chairman & MD	Non promoter	Executive (not taking remuneration)
Mr. Alpesh Kiritbhai Patel	Director	Non Promoter & Non-Exec Dir.	Independent Non-Executive
Mr. Radheshyam Rampal Lodha	Director	Non Promoter & Non- Exec Dir.	Independent Non-Executive
Mr. Prakash Shah	Director	Independent	Independent Non-Executive
Mr. Ramanugrah Singh	Director	Non Promoter & Non- Exec Dir.	Independent Non-Executive
Mr. Suhag Shah	Director	Non promoter	Executive

# HEERA ISPAT LIMITED

## COMPOSITION OF COMMITTEES

### A. AUDIT COMMITTEE

	Name	Type
1	Shri Ramanugrah Singh	Chairman
2.	Shri Radheshyam Rampal Lodha	Member
3	Shri Alpesh Kiritbhai Patel	Member
4	Shri Nainesh Khandhar*	C.A. & Advisor.
5	Shri Kamlesh M. Shah*	Company Secretary to act as secretary to committee

\*(In the Advisory capacity only)

### B. INVESTOR GRIEVANCE COMMITTEE

	Name	Type
1	Shri Dharmesh R. Mistry	Chairman
2	Shri Rameshchandra T Mistry	Member
3	Shri Radheshyam Rampal Lodha	Member
4	Shri Kamlesh M. Shah*	Company Secretary to act as Secretary

\*(In the Advisory capacity only)

## NO. OF BOARD AND COMMITTEE MEETINGS HELD DURING THE YEAR:

Name of the Committee	No. of Meetings held
Board	7
Audit Committee of Board	4
Investor Grievance Committee	12

## ATTENDANCE OF THE DIRECTORS IN VARIOUS MEETINGS:

	Name of the Director	Board Meeting	ACB Meeting	IGCB Meeting
1	Mr. Rameshchandra Tribhovandas Mistry	7	-	12
2	Mr. Dharmesh. R. Mistry	7	-	12
3	Mr. Dinesh Rao	6	-	-
4	Mr. Alpesh Kiritbhai Patel	7	4	-
5	Mr. Radheshyam Rampal Lodha	7	4	12
6	Mr. Ramanugrah Singh	7	4	-
7	Mr. Prakash Shah	6	-	-
8	Mr. Suhag Shah	5	-	-