

NOTICE

Notice is hereby given that the **15th Annual General Meeting** of the members of **INDO-ASIAN PROJECTS LIMITED**, will be held on **Thursday, the 30th September, 2010** at **10.00 A.M. at Ravindra Bharathi Mini Theatre, Saifabad, Hyderabad-500 004** to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company for the year ended 31-03-2010 and the Profit & Loss Account as on that date together with the reports of Directors and Auditors thereon.
2. To appoint a Director in Place of Sri D. Surendra Rao who retires by rotation and being eligible offers himself for reappointment.
3. To appoint **M/s. S. Ramesh Babu & Co.**, Chartered Accountants 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 and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider, and if thought fit, to pass with or with out modification(s) the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of section 198,269,309 and other applicable provisions if any of the Companies Act, 1956 read with schedule XIII, consent of the Company be and is hereby accorded for the re-appointment of Sri P. Sreenivasa Iyyengar as Managing Director of the Company for a period of 5 years with effect from 3rd October 2010 not liable to retire by rotation on the terms and conditions as to the remuneration and perquisites payable as specified below:

Salary Rs. 1,00,000/- per month in the scale of Rs.1,00,000 - Rs. 25,000 -2,00,000

Perquisites:

1.Housing:

- a) The expenditure incurred by the Company on hiring accommodation for the appointee shall be subject to a ceiling of 60 % of Salary (over and above 10 % payable by himself)
 - b) Where accommodation in company owned house is provided the appointee shall pay 10 % of Salary to the Company by way of Rent.
 - c) Where the Company does not provide accommodation to the Managing Director, House Rent Allowance may be paid by the Company in accordance with (a) above.
- 2, The expenditure incurred by the company on Gas, Electricity, Water and Furnishings will be valued as per Income Tax Rules, 1963 which however is subject to a ceiling of 10 % of Salary of the appointee.

3. Medical reimbursement: expenses incurred for self and family subject to a ceiling of one month salary per year or three months salary in a period of 3 years.
 4. Leave travel concession, for self and family once in a year in accordance with any rules specified by the Company.
 5. Club Fees: Fees of clubs subject to a maximum of two clubs, admission and life membership fees are not allowed.
 6. Personal Accident Insurance: for an amount the annual premium of which does not exceed Rs. 4,000/-
 7. Company's contribution towards Provident Fund as per the rules in force.
 8. Company's contribution towards Pension/Superannuation Fund. Such contribution together with the contribution to the Provident Fund shall not exceed 25 % of Salary.
 9. Gratuity payable in accordance with any approved scheme and shall not exceed one half-month salary for each completed year of service.
 10. Free use of Company's car on company business.
 11. Residential telephone shall be provided. All long distance personal calls shall be duly logged and paid by the appointee.
 12. Earned/Privileged leave on full pay and allowances as per rules of the Company. Leave accumulated but not availed during his tenure may be allowed to be encashed as per the rules of the Company.
5. To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution.

"Resolved that the Authorised Share Capital of the Company be and is hereby increased from Rs. 600,00,000 (Rupees Six Crores) to Rs.10,00,00,000/- (Rupees Ten Crores) by the creation of 40,00,000/- (Forty Lakhs only) equity shares of Rs.10/- each ranking pari-pasu in all respects with the existing equity shares in the Company and that clause V of the Memorandum of Association be altered accordingly.

Resolved further that clause V of the Memorandum of Association of the company be and is hereby altered to read as follows.

The Authorized Share Capital of the Company is Rs.10,00,00,000 (Rupees Ten Crores only) divided into 1,00,00,000/- (One Hundred Lakhs only) equity shares of Rs. 10/- (Rupees Ten only) each with the power for the Company to increase or reduce the capital or divide the shares into preference or equity shares with or without any preferential, deferred, guaranteed, qualified or special rights and conditions and with power to amend, alter, vary, modify, amalgamate or abrogate any such rights, privileges or conditions in accordance with the provisions of the Companies Act, 1956.

Resolved further that the clause 4 of the Articles of Association of the Company be and is hereby altered to read as follows.

The authorized share capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crores only) divided into 1,00,00,000 (One Hundred Lakhs) shares of Rs. 10/- (Rupees Ten only) each to be increased or reduced in accordance with the Companies Act. 1956 and the Memorandum of Association as and when thought fit by the Board of Directors.

BY ORDER OF THE BOARD

For INDO-ASIAN PROJECTS LIMITED

Place:Hyderabad

Date: 14.08.2010

(P.SREENIVASA IYYENGAR)

Managing Director.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company, Proxy form, in order to be effective, must be deposited at the Registered Office of the Company not less than forty eight hours before the time fixed for holding the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **24th September, 2010 to 30th September, 2010 (both days inclusive)**
3. The Company has entered into necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the shareholders to dematerialize their shareholding in the Company, for which they may contact the depository participants of either of the Depositories. It may be noted that the shares of the Company have been included in the list of securities for compulsory trading in dematerialized form for all investors. Shareholders are, therefore, advised to dematerialize their shareholding to avoid inconvenience in future.
4. Members are requested to notify the change of address, if any, to the Company/Share Transfer Agents quoting Register Folio number.
5. Under Section109A 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 No.28 in duplicate (which will be made available on request) to M/s. Venture Capital and Corporate Investments Pvt. Ltd.
6. Members desiring to seek any information on the annual accounts are requested to write to the Company at least seven days in advance of the meeting so that the information can be made readily available at the meeting.

7. All communications relating to shares may be addressed to Company's Share Transfer Agents (Physical and Electronic) at the following address. M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharat Nagar, Hyderabad –500 018, Telephone Nos. 23818475 / 23818476, E-mail address info@vccilindia.com .
8. Demat ISIN Numbers in NSDL and CDSL for Equity Shares is **INE 559F01016**
9. Corporate Members are requested to send a duly certified, copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
10. Shareholders are requested to kindly bring their copies of Annual Report to the Meeting as the same will not be distributed at the meeting hall.
11. Explanatory statement pursuant to Sec.173(2) of the Companies Act, 1956 for item Nos. 4 and 5 of the above notice.

Item No. 4

Sri P. Sreenivasa Iyyengar is the promoter and first Director of the Company and appointed as Managing Director of the Company with effect from 3rd October, 1995 and the appointment was renewed thereon from time to time and the last appointed was made on 3rd October, 2005, and the appointment ends on 2nd October, 2010. The Board of Directors at their meeting held on 14th August, 2010 renewed his appointment for a further period of 5 years with effect from 3rd October 2010. The consent of the Members are required for his appointment and hence the above resolution is recommended by the Board. None of the Directors are interested in the above resolution except the concerned appointee.

Item No. 5

The Company is envisaging certain expansion plans for which it may likely to induct more equity funds into the system. For this purpose the Board of Directors have proposed for increase of Authorised Capital from its existing level of Rupees Six Crores to Rupees Ten Crores and accordingly they have passed a Resolution in their Board Meeting held on 14.08.2010. The consent of the Members are required for increase of the Authorised Capital and making changes in its Memorandum and Articles of Association thereon, and hence the above Resolution is recommended by the Board. None of the Directors are interested in the above Resolution.

//BY ORDER OF THE BOARD//

for **INDO-ASIAN PROJECTS LIMITED**

Place: Hyderabad

Date : 14.08.2010.

(P.SREENIVASA IYYENGAR)
Managing Director.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the **15th Annual Report** together with the Audited Accounts for the year ended 31.03.2010.

1. **Performance and Future outlook**

- a) During this year under review the company has achieved a turn over of Rs.212.10 lakhs and earned income from other sources amounting into Rs. 1.45 Lakhs. Thus making a total income of Rs. 213.55 Lakhs.
- b) During the year under review the Company has made a cash Profit of Rs. 5.32 Lakhs before depreciation.
- c) The Company is successful in obtaining some material supply contract to M/s. Vedantam Alluminium Limited and successfully started supply of Laterite material to the above company w.e.f. May 2009 onwards. The orders pending as at 31st March 2010 are about Rs. 6.00 Crores and total estimated value of turnover for the year 2010-2011 would be about Rs. 12.00 Crores and above for the supply of Laterite to M/s. Vadanta Aluminum Limited.
- d) Considering market conditions, financial resources available and the efforts made by the company your Company is steadily moving ahead in achieving its goals and expect to have better results in coming years.
- e) The Companies' shares are now regularly Traded on Bombay Stock Exchange and they are categorized under "**B**" category.

2. **Financial Results:**

The financial results of the Company for the year are as under (Rs.in lacs)

	<u>31.03.2010</u>	<u>31-03-2009</u>
Profit before depreciation	5.32	(1.09)
Depreciation written off	1.85	0.14
Profit or Loss before adjustments	3.47	(1.23)
Prior period adjustments	0.01	0.60
Exceptional items	0.57	4.20
Profit after adjustments	2.91	(6.03)
Provision for MAT	0.55	0.10
Profit after Tax	2.36	(6.13)
Loss brought forward from previous year	(49.55)	(43.42)
Net Loss carried to Balance Sheet	(47.19)	(49.55)

3. Fixed Deposits

The Company has not accepted any deposits during the year under the provisions of Section 58A of the Companies Act, 1956, read with the Company's (Acceptance of deposits) rules 1975 as amended from time to time.

4. Personnel:

Particulars of employees as required under the provisions of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) rules 1975 are NIL. The employee relations during the period under review were cordial and harmonious.

5. Directors:

Sri D. Surendra Rao Director of the Company Retires at this Annual General Meeting by rotation and being eligible offer himself for re-appointment.

6. Directors Responsibility statement:

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibilities statement it is hereby confirmed.

- (i) That in the preparation of the annual accounts for the financial year ended 31st March, 2010 the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments 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 financial year and of the profit or loss of the Company for the year under review
- (iii) That the directors had 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.
- (iv) That the directors had prepared the accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

7. Conservation of energy and technology absorption:

For this year as the Company is engaged in Supply of Laterite Ore as a Trading activity, the operations of the Company involve only low energy consumption. However all possible measures have been taken to reduce energy consumption. The Company has also taken up adequate measures for the innovation, adoption and absorption of technology in construction and developmental activities. The provisions of section 217 (1) (e) of the Companies Act, 1956 are not applicable.

8. Foreign Exchange:

There are no earnings and out go of foreign exchange.

9. Corporate Governance & Management Discussion and Analysis Report :

Pursuance to clause 49 of the listing agreement, a report on corporate governance and Management Discussion and Analysis Reports are given as annexure to this report. The certificate of the Company's Auditors, **M/s. S. Ramesh Babu & Co., Chartered Accountants**, confirming compliance of conditions of corporate governance as stipulated under clause 49 of the listing agreement with the Stock Exchanges in India, is annexed to the report on corporate governance.

10. Auditors:

The Auditors M/s. S. Ramesh Babu & Co., Chartered Accountants retire at the Annual General Meeting and they are eligible for reappointment.

11. Acknowledgement:

Your Directors are grateful to the financial institutions for the valuable support extended by them and wish to thank all the members of the Company and place on record their appreciation and of the continued support from all the employees of the Company.

For and on behalf of the Board

For INDO-ASIAN PROJECTS LIMITED

Place:Hyderabad

Date : 14.08.2010

(P. SREENIVASA IYYENGAR)
Chairman.

REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of the listing agreement)

Incompliance with clause 49 of the listing agreement with Stock Exchanges the Company submits the report on the matters mentioned in the said clause and the practices followed by the Company.

1. Company's Philosophy on code of governance

The Company's Philosophy on corporate governance is aimed at Assisting the board of Directors of the Company in the efficient conduct of its business and in meeting its obligations to shareholders. The Company has taken several steps towards compliance with requirement in this regard.

2. Board of Directors.

a) Constitution and size of the board.

The present strength of the board is **Four** directors. The board comprises of one Executive and Three Non Executive Independent Directors. The non executive directors, are external and independent and have wider perspective in the boards deliberations and decisions.

None of the directors are related to any other director. None of the directors received any loans and advances from the Company during the year.

b) The Company held **Five** Board meetings during the year and they are as under:

1. 30-06-2009 2. 30-07.2009 3. 30-10-2009 4. 30-01-2010
5. 31.03.2010

c) Attendance of Directors at board meetings; AGM; and committees where he is a director or a member.

Name	Category of Directorship	Particulars of Attendance		Number of other directorship and committee Membership & Director ship.		Committee	
		Board	Last AGM			Member	Chair Man.
Sri P.Sreenivasa lyengar	Managing Director.	5	YES	1	-	-	-
D. Surendra Rao	N..E.I.D *	4	YES	-	3	1	
C. Jagan Mohan Reddy	N.E.I.D	3	YES	2	3	1	
S. Gopala Krishna Murty	NEID	5	YES	--	3	1	

*N.E.I. D - Non Executive Independent Director.

d) **Details of Directors Retiring by rotation :**

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Name of the Director	D. SURENDRA RAO
Date of birth	26.02.1949
Date of appointment	19.07.2003
Qualifications	B.Sc.
Experience in Specific Functional areas	Industrial Business Experience
Details of other directorships	NIL
Chairman / Member of the Committee, of the Board. of the Company.	YES
Chairman/ Member of the Committee of other companies	NIL
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3. Audit Committee:

The Audit committee comprises of three Non executive directors namely Sri D. Surendra Rao , Sri S.G.K. Murthy and Sri C. Jagan Mohan Reddy . Sri S.G.K. Murthy is the Chairman of the Audit committee. The Audit Committee has met 4 times during the year and the necessary quorum was present at all the meetings. Audit committee meetings are attended by the Auditors and the Managing Director of the Company. The dates of Audit Committee Meetings are 30th June, 2009, 30th July, 2009, 30th October, 2009 and 30th January, 2010 and all the Committee Members have attended the above Meetings.

The Audit Committee provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. Further, It also reviews with the management the quarterly financial statements and Audited Annual Accounts before submission to the Board of Directors for approval.

4. Remuneration Committee:

The remuneration committee comprises of three Non executive directors namely Sri D. Surendra Rao , Sri S.G.K. Murthy and Sri C. Jagan Mohan Reddy. Sri Jagan Mohan Reddy is the Chairman of the Remuneration Committee. The remuneration committee decides on the companys' policy on remuneration packages for its Executive Directors. Meetings of the remuneration committee are held only when required. One meeting of the remuneration committee was held on 30th June, 2009 during the year which was attended by all the members including the Managing Director. The remuneration, if any, of Non-Executive Directors shall be decided by the Board of Directors. At present the Directors felt that no sitting fee shall be paid to Non Executive Directors due to Companys' financial position and the whole time directors of the company have drawn only the following remunerations as against their entitlements.

The remuneration paid to Executive Directors are as under:

Managing Director	2,40,000
Other Directors	NIL