

"MANAVSTHAL", Malad (W), Mumbai

27th Annual Report
2010-11



KAMANWALA HOUSING CONSTRUCTION LIMITED



KAMANWALA HOUSING CONSTRUCTION LIMITED

BOARD OF DIRECTORS

Mr. B.R. Maheshwari	: <i>Chairman</i>
Mr. M.L. Gupta	: <i>Vice-Chairman & Managing Director</i>
Mr. Jaipal Jain	: <i>Whole-time Director</i>
Mr. Atul Jain	: <i>Whole-time Director</i>
Mr. Tarun Jain	: <i>Whole-time Director</i>
Mr. Amit Jain	: <i>Whole-time Director</i>
Mrs. Pushpa Jain	: <i>Whole-time Director</i>
Mr. Bhanwarlal D. Jogani	: <i>Director</i>
Mr. Ramesh J. Patel	: <i>Director</i>
Mr. Pankaj R. Majithia	: <i>Director</i>
Mrs. Shobha Jain	: <i>Director</i>
Mr. Sorabh Gupta	: <i>Director</i>

AUDITORS

M/s. Mittal & Associates
Chartered Accountants,
Mumbai.

ADVOCATES

Mr. Mukesh Jain, Mumbai.
Mrs. S. S. Ayyar, Mumbai.

BANKERS

Indian Overseas Bank,
Oriental Bank of Commerce,
Corporation Bank.

SHARE TRANSFER AGENTS

M/s. Sharex Dynamic (India) Pvt. Ltd.,
Unit No. 1,
Luthra Industrial Premises,
Andheri-Kurla Road,
Safed Pool, Andheri (East),
Mumbai - 400 072.

REGISTERED OFFICE

405/406, New Udyog Mandir-2,
Mogul Lane, Mahim (West),
Mumbai - 400 016.

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KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT the Twenty Seventh Annual General Meeting of the Members of KAMANWALA HOUSING CONSTRUCTION LIMITED will be held on Friday, the 30th September, 2011, at Tendulkar Hall, Saraswat Bhavan, Chhatrapati Shivaji Maharaj Marg, Mogul Lane, Mahim (W), Mumbai - 400 016, at 11.30 A.M. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ramesh J. Patel who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Shobha Jain who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. Sorabh Gupta who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. B.R. Maheshwari who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

Special Business:

7. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Pankaj Ramandas Majithia who was appointed as an Additional Director of the Company by the Board of Directors on 12th May, 2011 and who ceases to hold office under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing proposing his candidature for the Office of the Director, be and is hereby appointed a Director of the Company whose office shall be liable to retirement by rotation.”

8. 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 Sections 198, 269, 309, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-appointment of Mr. Tarun Jain as a Whole-time Director of the Company for a further period of five years from 1st April, 2011 on the terms and conditions and the remuneration as approved by the Board of Directors at its Meeting held on 12th February, 2011 and as set out in the Agreement to be entered into between the Company and Mr. Tarun Jain, a draft of which, duly initialed by the Chairman for the purpose of identification, is placed before the Meeting.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby empowered and authorized to vary such terms and conditions of the Agreement including any increase or enhancement in the remuneration not exceeding the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to by the Board of Directors and Mr. Tarun Jain and that the aforesaid draft of the Agreement to be entered into between the Company and Mr. Tarun Jain be suitably amended to give effect to the same.”

“AND RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to enter into an Agreement on behalf of the Company with Mr. Tarun Jain as per the said draft of Agreement.”

9. 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 Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-appointment of Mr. Amit Jain as a Whole-time Director of the Company for a further period of three years w.e.f. 1st August, 2011 as approved by the Board of Directors at its Meeting held on 11th August, 2011 on the terms and conditions as to the remuneration payable to him approved and recommended by the Remuneration Committee in its Meeting and as set

out in the Agreement to be entered into between the Company and Mr. Amit Jain a draft of which, duly initialled by the Chairman for the purpose of identification, is placed before the Meeting.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby empowered and authorized to vary such terms and conditions of the Agreement including any increase or enhancement in the remuneration not exceeding the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to by the Board of Directors and Mr. Amit Jain and that the aforesaid draft of the Agreement to be entered into between the Company and Mr. Amit Jain be suitably amended to give effect to the same.”

“AND RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to enter into an Agreement on behalf of the Company with Mr. Amit Jain as per the said draft of Agreement.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER / MEMBERS OF THE COMPANY.
2. Proxies in order to be effective, must be deposited at the Company’s Registered Office not less than 48 hours before the time of the Meeting.
3. Details of Directors’ appointment / re-appointment pursuant to Clause “49” of the Listing Agreement with the Stock Exchange are annexed hereto.
4. Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2011 to 30th September, 2011 (both days inclusive).

5. The Corporate Members intending to send their duly authorized representative(s) are requested to send a duly certified copy of the Board resolution authorizing their representative(s) to attend and vote at the Annual General Meeting.
6. The Members intending to seek any information / clarification on the Annual Accounts are requested to write to the Company at its Registered Office at least Ten days before the date of Annual General Meeting so that the same may be complied within time.
7. Members are hereby requested to notify change in their addresses, make correspondence and send documents of share transfers, etc. either directly to the Company at the Registered Office or to the Office of Share Transfer Agents of the Company, M/s. Sharex Dynamic (India) Pvt. Ltd., at Unit No. 1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai - 400 072.
8. The Members who hold shares in electronic form are requested to bring their numbers of DP ID/ Client ID for the purpose of proper identification at the Meeting.

By Order of the Board

M. L. GUPTA

Vice-Chairman & Managing Director

Registered Office:
405/406, New Udyog Mandir-2,
Mogul Lane, Mahim (West),
Mumbai - 400 016.

Dated: 11th August, 2011.



KAMANWALA HOUSING CONSTRUCTION LIMITED

ANNEXURE TO THE NOTICE

Explanatory Statement under Section 173(2) of the Companies Act, 1956.

Item No. 7

Shri S.V. Shanbhag, who was an Independent Director on the Board of Directors, expired on 21st December, 2010 due to illness. With a view to fill the vacancy caused by his death. Mr. Pankaj Ramandas Majithia was appointed as an Additional Director of the Company on 12th May, 2011 by the Board of Directors. According to the provisions of the Companies Act, 1956, he holds office as a Director only upto the date of ensuing 27th Annual General Meeting. As required under Section 257 of the Companies Act, 1956, a notice has been received from a Member proposing the candidature of Mr. Pankaj Ramandas Majithia for the office of the Director of the Company. He is having 25 years of experience and is a Mumbai based Practicing Chartered Accountant. He is also a qualified Company Secretary. He has a rich experience and knowledge in the fields of Accountancy, Company Law matters, legal matters, business consultancy, direct and indirect taxes, etc. His such experience and knowledge will be very much beneficial in attaining business objectives of the Company.

The Directors recommend to pass the concerned resolution.

Mr. Pankaj Ramandas Majithia may be deemed to be interested or concerned in the resolution of his appointment and no other Director is interested or concerned in the resolution.

Item No. 8

The tenure of the Office of Mr. Tarun Jain, as a Whole-time Director of the Company, expired at the close of business hours on 31st March, 2011.

The Board of Directors at its Meeting held on 12th February, 2011 considered and approved subject to the approval of Members at the forthcoming Twenty Seventh Annual General Meeting, the re-appointment of Mr. Tarun Jain as a Whole-time Director of the Company for a further term of 5 (five) years with effect from 1st April, 2011. The main terms and conditions of his re-appointment as specified in the draft agreement as to the remuneration payable to him are as follows:

Remuneration:

A. Salary & Perquisites:

- | | | |
|--|---|---|
| (i) Salary | : | ₹ 1,00,000/- per month (in the pay scale of ₹ 1,00,000 - ₹ 10,000 - ₹ 1,40,000) |
| (ii) Commission | : | 1% of the Net Profit of the Company. |
| (iii) Perquisites: | | |
| (a) Free Unfurnished Residential Accommodation | : | House Rent not to exceed 40% of the monthly salary per month. |
| (b) Medical Benefit for self and family | : | One month's salary per annum. |
| (c) Leave Travel Allowance | : | One month's salary per annum. |
| (d) Electricity | : | Payment of actual Bills. |

B. Payment of the following perquisites will not be included in the computation of the ceiling on remuneration:

- (i) Provident Fund / Superannuation Fund.
Company's Contribution to Provident Fund or Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- (ii) Gratuity:
One-half month's salary for each completed year of service.
- (iii) Leave & Leave Encashment:
Privilege Leave of 15 days encashable every year in the month of March during the tenure of his office.

C. Minimum Remuneration:

The above remuneration of A(i) and A(iii) (i.e. Salary & Perquisites) will be paid as Minimum Remuneration in case of loss or inadequacy of profits for any financial year during the term of his appointment.

D. The Whole-time Director will also be entitled to:

- (i) A provision of car with driver (or reimbursement of driver's salary) for the use of Company's business.
- (ii) Free telephone facility at residence.
- (iii) Reimbursement of all reasonable expenses including entertainment expenses incurred in connection with the business of the Company.

He shall not be paid any sitting fees for attending the Meetings of the Board of Directors or Committees thereof.

Mr. Tarun Jain, Mr. Jaipal Jain, Mr. Amit Jain and Mrs. Shobha Jain, being relatives may be deemed to be interested to the extent of the remuneration payable to Mr. Tarun Jain as a Whole-time Director.

No other Director is interested or concerned in this resolution.

The above should be treated as an abstract as required under Section 302 of the Companies Act, 1956.

The draft of the proposed agreement to be entered into is available for inspection by Members during the office hours on any working day at the Registered Office of the Company.

Item No. 9

The tenure of the Office of Mr. Amit Jain, as a Whole-time Director of the Company, expired at the close of business hours on 31st July, 2011.

The Board of Directors at its Meeting held on 11th August, 2011 considered and approved subject to the approval of Members at the forthcoming Twenty Seventh Annual General Meeting, the re-appointment of Mr. Amit Jain as a Whole-time Director of the Company for a further term of 3 (Three) years with effect from 1st August, 2011. His re-appointment is in accordance with the provisions of Schedule XIII to the Companies Act, 1956. The main terms and conditions of his re-appointment as recommended by the Remuneration Committee and as specified in the draft agreement as to the remuneration payable to him are as follows:

Remuneration:

A. Salary & Perquisites:

- (i) Salary : ₹ 1,25,000/- per month (in the pay scale of ₹ 1,25,000 - ₹ 15,000 - ₹ 1,85,000)
- (ii) Commission : 1% of the Net Profit of the Company.
- (iii) Perquisites:
 - (a) Free Unfurnished Residential Accommodation : House Rent not to exceed 40% of the monthly salary per month.
 - (b) Medical Benefit for self and family : One month's salary per annum.
 - (c) Leave Travel Allowance : One month's salary per annum.
 - (d) Electricity : Payment of actual Bills.

B. Payment of the following perquisites will not be included in the computation of the ceiling on remuneration:

- (i) Provident Fund / Superannuation Fund.
Company's Contribution to Provident Fund or Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- (ii) Gratuity:
One-half month's salary for each completed year of service.
- (iii) Leave & Leave Encashment:
Privilege Leave of 15 days encashable every year in the month of March during the tenure of his office.

C. Minimum Remuneration:

The above remuneration of A(i) and A(iii) (i.e. Salary and Perquisites) will be paid as Minimum Remuneration in case of loss or inadequacy of profits for any financial year during the term of his appointment.



KAMANWALA HOUSING CONSTRUCTION LIMITED

- D. The Whole-time Director will also be entitled to:
- A provision of car with driver (or reimbursement of driver's salary) for the use of Company's business.
 - Free telephone facility at residence.
 - Reimbursement of all reasonable expenses including entertainment expenses incurred in connection with the business of the Company.

He shall not be paid any sitting fees for attending the Meetings of the Board of Directors or Committees thereof.

Mr. Amit Jain, Mr. Jaipal Jain, Mr. Tarun Jain and Mrs. Shobha Jain, being relatives may be deemed to be interested to the extent of the remuneration payable to Mr. Amit Jain as a Whole-time Director.

No other Director is interested or concerned in this resolution.

The above should be treated as an abstract as required under Section 302 of the Companies Act, 1956.

The draft of the proposed agreement to be entered into is available for inspection by the Members during the office hours on any working day at the Registered Office of the Company.

STATEMENT OF ADDITIONAL INFORMATION PURSUANT TO PROVISIONS OF SECTION II(B) OF PART II OF SCHEDULE-XIII TO THE COMPANIES ACT, 1956:

I. General Information:

Kamanwala Housing Construction Limited was incorporated on 12th April, 1984 in the name and style of Kamanwala Housing Development Finance Company Limited as a Public Limited Company and a fresh Certificate of Incorporation consequent upon change of name was issued on 9th November, 2006 by the Registrar of Companies, Maharashtra.

The Company's Shares are listed on the Bombay Stock Exchange Ltd. The Company is engaged in construction and development of residential flats, commercial premises and industrial galas. As on today, the Company earns almost total revenue from construction and development activities.

The detailed financial position and performance of the Company for the last five years are as under:-

(₹ in Lacs)

Particulars	2010-11	2009-10	2008-09	2007-08	2006-07
Equity Share Capital	1,409.32	1,409.32	1,409.32	565.16	496.66
OFCWs Application Money	—	—	—	79.87	147.00
Reserves & Surplus	6,702.32	6,468.61	6,106.52	5,973.42	3,144.03
Secured Loans	5,521.13	5,972.11	9,297.59	8,500.90	4,692.52
Unsecured Loan	3,526.33	2,746.93	2,771.05	1,201.61	638.54
Deferred Tax Liability	91.25	90.35	89.48	87.18	86.53
Total	17,250.35	16,687.32	19,673.96	16,408.14	9,205.28
Net Block (Fixed Assets)	215.38	202.33	211.89	219.70	180.23
Investments	2,839.39	2,815.27	2,286.42	2,049.73	163.02
Current Assets	19,906.53	20,517.13	23,206.55	20,651.07	16,327.52
Less: Current Liabilities & Provisions	5,712.35	6,850.21	6,035.10	6,517.96	7,465.49
Net Current Assets	14,194.18	13,666.92	17,171.45	14,133.11	8,862.03
Misc. Expenditure	1.40	2.80	4.20	5.60	—
Total	17,250.35	16,687.32	19,673.96	16,408.14	9,205.28

Total Income	4,736.53	7,213.52	5,904.27	9,723.91	8,340.44
Interest & Financial Charges	1,167.48	828.73	614.39	871.27	562.21
Depreciation	16.52	14.87	15.36	17.39	15.17
Income Tax	143.22	345.68	164.68	817.24	189.89
Net Profit	233.71	526.43	290.21	2,442.16	1,304.79

II. Information about the appointee:

Mr. Amit Jain aged 38 years, is a Bachelor of Commerce from the Mumbai University. He joined the Company as a non-executive Director on 30th July, 2004. Considering his enthusiasm, business acumen and active participation in the affairs of the Company, the Board of Directors thought it fit to appoint him as a Whole-time Director of the Company on 1st August, 2006.

His total remuneration package as indicated in the proposed resolution of his re-appointment is quite reasonable compared to still higher remuneration packages prevailing in the comparable industry for senior positions.

III. Reasons for loss / inadequate profits:

The Company is engaged in the building construction activity. Due to volatile market conditions, rising interest and input costs, unfavourable government policies and cut throat competition from the unorganized real estate sector, profit margin remained subdued. Efforts are being made to increase revenue by undertaking premium housing / commercial projects which could provide better profit margin.

By Order of the Board

M. L. GUPTA

Vice-Chairman & Managing Director

Place : Mumbai

Dated : 11th August, 2011.

APPOINTMENT/RE-APPOINTMENT OF DIRECTORS

Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchange:

Name of Director	Date of Birth	Date of Appointment	Special Expertise/ Occupation	Qualifications	Director in other Companies Incorporated in India	Chairman/Member of Committee of Companies
Mr. Pankaj Ramandas Majithia	01.03.1955	12.05.2011	Practicing Chartered Accountant	F.C.A. & A.C.S.	1. M/s. Mukesh Babu Financial Services Ltd. 2. M/s. Premium Consultancy Pvt. Ltd.	(i) Member of Audit Committee of Kamanwala Housing Construction Ltd. (ii) Member of Share Allotment Committee of Kamanwala Housing Construction Ltd.
Mr. Ramesh J. Patel	09.03.1939	12.04.1984	Investment Consultant	B.Com.	M/s. JNP Shares & Stock Brokers Pvt. Ltd.	(i) Chairman of Shareholders' Grievance Committee of Kamanwala Housing Construction Ltd. (ii) Member of Audit Committee of Kamanwala Housing Construction Ltd.
Mrs. Shobha Jain	07.05.1945	24.04.2008	Business	B.A. (Hons.)	M/s. Textrade Tin Packagings Pvt. Ltd.	(i) Member of Shareholders' Grievance Committee of Kamanwala Housing Construction Ltd.
Mr. Sorabh Gupta	24.12.1973	24.04.2008	Marketing in Telecom	B.E. (Telecom) M.S. (Telecom)	M/s. KMG Life Motivation Pvt. Ltd.	(i) Member of Audit Committee of Kamanwala Housing Construction Ltd.
Mr. B.R. Maheshwari	27.11.1930	12.04.1984	Practicing Chartered Accountant	B.Com., F.C.A.	M/s. BRM Credit & Finance Co. Ltd.	(i) Chairman of Audit Committee of Kamanwala Housing Construction Ltd.

By Order of the Board

M. L. GUPTA

Vice-Chairman & Managing Director

Place : Mumbai

Dated : 11th August, 2011.



KAMANWALA HOUSING CONSTRUCTION LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Twenty Seventh Annual Report on the business and operations of the Company along with the audited Financial Statements of Account for the year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS:

The Summarized Financial Highlights of the Company are as follows:

	For the Year ended 31.03.2011 (₹ In Lacs)	For the Year ended 31.03.2010 (₹ In Lacs)
Sales and Other Income.....	4,736.53	7,213.52
Gross Profit.....	394.85	888.37
Less: Depreciation.....	16.52	14.87
Miscellaneous Expenditure written off.....	1.40	1.40
Profit before Taxation.....	376.93	872.10
Provision for Taxation.....	140.00	320.00
Provision for Taxation for earlier years.....	2.33	24.80
Provision for Deferred Tax.....	0.89	0.87
Net Profit / (Loss) for the year.....	233.71	526.43
Balance brought forward from Previous Year.....	3,652.37	3,290.28
Profits available for Appropriations.....	3,886.08	3,816.71
Appropriations:		
Proposed Dividend.....	—	140.93
Dividend Tax.....	—	23.41
Balance carried to Balance Sheet.....	3,886.08	3,652.37

DIVIDEND:

With a view to conserve and plough back the resources of the Company, the Board of Directors has decided not to recommend any dividend for the Financial Year 2010-11.

REVIEW OF OPERATIONS:

During the year under review, the Company recorded the turnover of ₹ 4,736.53 Lacs as compared to ₹ 7,213.52 Lacs for the previous year. The Company earned profit after tax of ₹ 233.71 Lacs for the year as compared to ₹ 526.43 Lacs in the previous year.

Decrease in sales turnover during the year is mainly attributable to short supply of inventory available for sale and adverse market conditions prevailing in the real estate sector. Profitability has also gone down on account of rising costs of interest and inputs.

During the year under review, the Company's operations were significantly affected due to deteriorating market conditions in the real estate and construction industry. While the real estate sector continued its recovery from the economic recession of year 2008 and 2009, there were numerous setbacks such as real estate linked corruption scandals sweeping across the country,

prevailing acute inflationary pressure and rising interest rate regime towards the end of the year under review. The real estate sector is at present highly leveraged and is feeling heavy debt burden. Rising interest and input costs have adversely impacted revenue and profit growth of the Company. In spite of all these, our joint venture partners, customers, investors and lenders have reposed their trust and belief in the Company. The size of opportunity given the number and condition of residential dwellings in Mumbai is truly enormous and we hope to have new re-developments deals to be announced in the coming quarters.

REPORT ON CORPORATE GOVERNANCE:

The Report on Corporate Governance is attached herewith as Annexure – I and forms part of this Report. The Certificate from Practicing Company Secretary, Mr. Upendra C. Shukla, on compliance with Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Management Discussion & Analysis Report is attached herewith as Annexure–II and forms part of this Report.

DIRECTORS:

The Directors regret to report the sad demise of Shri Shridhar Vaikunt Shanbhag on 21st December, 2010. He was associated with the Company as a Director since its inception. The Directors place on record his valuable services and guidance to the Company.

Mr. Pankaj Ramandas Majithia, a Practicing Chartered Accountant, was appointed as an Additional Independent Director by the Board of Directors on 12th May, 2011. The Members are requested to approve his appointment.

Pursuant to the provisions of the Companies Act, 1956 and relevant Article of the Articles of Association of the Company, Mr. Ramesh J. Patel, Mrs. Shobha Jain, Mr. Sorabh Gupta and Mr. B.R. Maheshwari retire by rotation at the forthcoming 27th Annual General Meeting and being eligible they offer themselves for re-appointment. As per Item Nos. 8 and 9 of the Notice for convening the 27th Annual General Meeting, Mr. Tarun Jain and Mr. Amit Jain are being proposed to be re-appointed as Whole-time Directors of the Company respectively w.e.f. 1st April, 2011 and 1st August, 2011.

The Members are requested to approve their appointments / re-appointments.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act 1956, your Directors, based on the representations received from operating management and after due enquiry, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) they have, in the selection of the accounting policies, consulted the statutory auditors and those have been applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the year ended on that date;
- (iii) proper and sufficient care has been taken 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 detecting and preventing the fraud and other irregularities; and
- (iv) the annual accounts have been prepared on a going concern basis.

DEPOSITS:

Your Company has not accepted any Deposits from the public or its employees during the year under review. There were no outstanding Deposits repayable as on 31st March, 2011.

PARTICULARS OF EMPLOYEES:

The Company did not have any employee who was in receipt of remuneration of ₹ 48,00,000/- or more per annum and / or if employed for a part of the year receiving remuneration at the rate which in aggregate was ₹ 4,00,000/- or more per month.

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

In view of the nature of activities which are being carried on by the Company, the Companies (Disclosure of Particulars in the Report of the Board of Directors)