



LANDMARK
DALMIA GROUP

ANNUAL REPORT
2007-08

Report  junction.com

LANDMARK PROPERTY DEVELOPMENT COMPANY LIMITED



LANDMARK PROPERTY DEVELOPMENT COMPANY LIMITED
(Formerly Konark Minerals Limited)

DIRECTORS

Shri D N Davar
Chairman & Director

Shri Gaurav Dalmia
Vice Chairman, Managing Director & CEO

Shri Mayadhar Mishra

Shri G P Gupta

Shri B K Goswami

Shri V K Chopra

BANKERS

Axis Bank Ltd.
Statesman House
Barakhamba Road
New Delhi 110001

CORPORATE OFFICE

11th Floor, Narain Manzil
23, Barakhamba Road
New Delhi - 110 001

**REGISTRAR AND
SHARE TRANSFER AGENT**

M/s. C.B. Management Services Pvt. Limited
P-22, Bondel Road, Kolkata-700019
Tel No: 033-2280-6692-6693-6694
E-mail: cbmsl 1@cal.2vsnl.net.in
Contact Person: Mr. Sankar Ghosh.

AUDITORS

V. Sankar Aiyar & Co.
Chartered Accountants



LANDMARK PROPERTY DEVELOPMENT COMPANY LIMITED

(Formerly Konark Minerals Limited)

DIRECTORS' REPORT

TO
THE MEMBERS

The Directors present their Thirty Second Annual Report for the accounting year ended 31st March, 2008 together with the statement of accounts for that year.

FINANCIAL RESULTS

Particulars	Year ended <u>31.03.2008</u>	Period 01.01.2007 <u>- 31.03.2007</u>
Profit/(Loss) Before Tax	4,81,91,580	1,60,48,353
Provision for Taxation-Current	1,68,20,000	54,02,000
Deferred Tax (Net Asset)	1,58,995	-
Fringe Benefit Tax	20,000	14,000
Provision for tax of previous years	-	-
Profit after Tax	3,11,92,585	1,06,32,353
Surplus brought forward from previous year	15,21,869	
Surplus (Adjustment) arising on merger	1,21,54,222	
	1,06,32,553	
Surplus carried to Balance Sheet	4,33,46,807	1,06,32,353

The abovestated results of the operations have generally been reflective of the pre demerger activity as a Division of OCL India Limited.

DIVIDEND

Your Directors in order to conserve resources, do not recommend payment of any dividend.

SCHEME OF ARRANGEMENT:

The Hon'ble High Court of Orissa and Hon'ble Guwahati High Court sanctioned the Scheme of Arrangement involving demerger of the Steel Undertaking of OCL India Limited (OCL) into OCL Iron & Steel Limited and the Real Estate Undertaking of OCL into Landmark Property Development Company Limited (LPDCL) (formerly known Konark Minerals Limited) and merger of Dalmia Cement (Meghalaya) Limited (DCML) into OCL and their respective shareholders and creditors.

The Scheme became effective from December 20, 2007 upon filing of Court Order with the Registrar of Companies, Orissa, the appointed date for demerger being 1st January, 2007. The shareholders of OCL India Limited were accordingly allotted Equity Shares in the ratio of 3:1 shares in the Company, in terms of the Scheme.



EQUITY SHARE CAPITAL

During the year, the Company had allotted 13,36,43,160 Equity Shares of Re.1/- each to the shareholders of OCL consequent upon the merger of Real Estate Undertaking of OCL with the Company.

The Authorized Capital of the Company stood increased from Rs.50 lacs to Rs.1410 lacs.

DIRECTORS

Shri D.N. Davar, Shri G.P. Gupta, Shri B.K. Goswami and Shri Gaurav Dalmia were co-opted as Additional Directors w.e.f. March 25, 2008 and Shri V.K. Chopra was co-opted as an Additional Director w.e.f. June 3, 2008 to hold office upto the date ensuing Annual General Meeting. The Company has received notices in writing from Members proposing the candidature of these Directors for the office of Director.

LISTING OF EQUITY SHARES OF THE COMPANY

Your Company has obtained in principle listing approval from the Bombay Stock Exchange Limited and the National Stock Exchange Limited in respect of its 13,41,43,160 Equity Share of Re. 1/- each. The Company is following up the matter for trading approval from these Stock Exchanges.

FUTURE OUTLOOK

Given the market situation which presents a mixed picture, the Company should be able to build up business and achieve a notable level of performance in the current year.

AUDITORS

M/s V.Sankar Aiyar & Co., Chartered Accountants were appointed as Statutory Auditors at the Extraordinary General Meeting held on 22nd December, 2007 to fill the casual vacancy caused by the resignation of K.D. Lath & Co. Chartered Accountants.

Your Company's present Statutory Auditors, M/s V.Sankar Aiyar & Co., Chartered Accountants, retire at the conclusion of forthcoming Annual General Meeting and your Directors accordingly recommend their re-appointment as Auditors of the Company for the Financial Year 2008-09. The Company has received from them a certificate to the effect that their re-appointment, if made, would be in conformity with the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

AUDITOR'S REPORT

The notes on Accounts appearing in Schedule 17 and referred to in the Auditors Report are self-explanatory and therefore do not call for any comment or explanation from the Board.

PARTICULARS REGARDING CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Particulars required to be disclosed in terms of Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are not applicable to the Company.

PARTICULARS OF EMPLOYEES

None of the employees is covered under Section 217(2A) of the Companies Act, 1956.



LANDMARK
DALMIA GROUP

DIRECTORS RESPONSIBILITY STATEMENT

In terms of the provisions of Section 217 (2AA) of the Companies Act, 1956 the Board of Directors of your Company confirm:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- ii. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2008 and of the profits of the Company for the year ended on that date.
- iii. that 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 preventing and detecting fraud and other irregularities.
- iv. that the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

As per Clause No. 49 of the Listing Agreement, Report on Corporate Governance is given in Annexure -I, which forms part of this Report.

MANAGEMENT'S DISCUSSION & ANALYSIS

The main business of the Company is now to pursue Real Estate activities. With de-merger, the Company intends to carry on Real Estate business so as to cover all aspects of Real Estate Development including commercial, residential, IT/ITES, retails, hotels, SEZ etc. from the identification and acquisition of land, to the planning, execution and marketing of its projects (including architecture, design management and interior design), through to the maintenance and management of its completed developments, as well as providing consultancy services on engineering, industrial and technical matters to all forms of industries including companies engaged in construction-development of Real Estate and Infrastructure Projects.

With the growth of the Indian economy and the resulting increase in corporate and consumer incomes, as well as foreign investment, the Company believes there are significant opportunities for growth in its three primary business areas. The Company also intends to diversify into other real estate related business such as infrastructure construction and development of hotels over time.

ACKNOWLEDGEMENT

Your Directors wish to thank and express their gratitude for the support and appreciation received from the Banks, Government Authorities, Institutions and Members.

Your Directors also wish to place on record their deep sense of appreciation for the committed services of the executives and staff of the Company.

For & on behalf of the Board
D.N. Davar
Chairman

Place : New Delhi
Dated : June 3, 2008

ANNEXURE-I TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE

I. PHILOSOPHY ON CODE OF GOVERNANCE

The Company firmly believes in and continues to practice good corporate governance. Corporate governance seeks to raise the standards of corporate management, strengthens the Board systems, significantly increase its effectiveness and ultimately serve the objective of maximizing the shareholders value. The philosophy of the Company is in consonance with the accepted principles of good governance.

II. BOARD OF DIRECTORS

- A) **Composition of Board of Directors** - The Company has a thoroughly professional Board with a majority of non-executive and independent Directors. The number of non - executive and independent Directors on the Board is in excess of the number stipulated in Clause 49 to the Listing Agreement.

Sl. No.	Name of the Director	Designation	Category of Director	No. of shares held	No. of other Director ships	Total No. of Committees #	
						Member ship	Chairman-ship
1.	Shri D N Davar	Chairman	Non Executive and Independent	Nil	11	4	5
2.	Shri Gaurav Dalmia	Executive Vice Chairman, Managing Director & CEO	Promoter, Executive and Non Independent	174999 equity shares	3	Nil	Nil
3.	Shri Mayadhar Mishra	Director	Promoter, Non Executive and Non Independent	Nil	1	Nil	Nil
4.	Shri G P Gupta	Director	Non Executive and Independent	Nil	13	5	4
5.	Shri B K Goswami	Director	Non Executive and Independent	Nil	11	1	1
6.	Shri V.K. Chopra	Director	Non Executive and Independent	Nil	6	Nil	Nil

Notes:

- a) Seven Board Meetings were held during the Financial Year 2007-08 on 23.05.2007, 08.08.2007, 06.11.2007, 03.12.2007, 08.12.2007, 29.01.2008 and 25.03.2008.
- b) The Non Executive Chairman has not desired an office at the Company's expense.
- c) # The number of Chairmanship/Membership of the Committees reported above includes the Chairmanship/Membership of the Committees of the Company.
- d) The 31st Annual General Meeting was held on September 12, 2007.



- B) **Board procedure** - The time gap between any two meetings of the Board of Directors is not more than four months. The details about financial position, legal compliance, quarterly results, share transfer details and all other aspects of the Company which are relevant for review of the Board of Directors are being given in a structured format at each meeting. The said information complies with the requirements of the Code of Corporate Governance with regard to the information to be placed before the Board of Directors. No Director is a Member in more than ten Committees or acts as Chairman of more than five Committees of the companies in which he is a Director. Every Director informs the Company about the position he occupies in Companies/Committees and notifies the changes as and when they take place.

A Committee of Directors consisting of three Directors has been constituted to decide urgent business that might arise in between two Board meetings.

- C) **Inter – se relationship** - The Directors are not related inter – se.

III. AUDIT COMMITTEE

- A) **Terms of reference** - The role and terms of the reference of the Audit Committee covers the areas mentioned in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. It reviews the Annual Accounts and Quarterly Results of the Company before these are placed before the Board of Directors. The Committee also meets the Statutory Auditors periodically and discusses the findings, suggestions and reviews the major accounting policies followed by the Company. The Minutes of the Audit Committee meetings are circulated to the Board. The Committee reviews the audited financial statements with reference to the Director's Responsibility Statement in terms of clause (2AA) of Section 217 of the Companies Act, 1956. In addition to the above, the committee also reviews the following: -

- a) Management discussion and analysis of financial condition and results of operations.
- b) Statement of significant related party transactions submitted by the Management.
 - i) A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the audit committee.
 - ii) Details of material individual transactions with related parties, which are not in the normal course of business, are placed before the audit committee.
 - iii) Details of material individual transactions with related parties or others, which are not on an arm's length basis, are placed before the audit committee, together with Management's justification for the same.
- c) Management letters/letters of internal control weaknesses, if any, issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief Internal Auditor are subject to review by the Audit Committee.

- B) **Composition of Audit Committee** - The Audit Committee comprises of three Directors with Shri B.K. Goswami as its Chairman and Shri D.N. Davar and Shri G.P. Gupta as its members. Shri V.K. Chopra replaces Shri D.N. Davar who has since relinquished membership of the Audit Committee.

- C) **Meetings and attendance** - The meetings of the Audit Committee are usually held before the Board Meetings where the Financial Results of the Company are considered. No Audit committee was held during the year 2007-2008 as the Audit Committee was constituted on March 25, 2008. The Audit Committee held its First Meeting on June 3, 2008, which was attended by its two Members.

IV REMUNERATION OF DIRECTORS

The remuneration of Non Whole Time Directors and Managing Director is fixed by the Board of Directors subject to approval of the shareholders and there is no separate Remuneration Committee.

The Sitting fees of Rs. 20,000/- per meeting is paid to Non Whole Time Directors for attending the Board meetings and Rs. 10,000/- per meeting is paid to the members of the Committees for attending the Committee meetings besides reimbursement of out of pocket expenses.

Subject to the approval of Shareholders, Shri Gaurav Dalmia was appointed as Executive Vice Chairman , Managing Director & CEO by the Board of Directors for a period of five years w.e.f. March 25, 2008.

The terms of appointment and remuneration paid to Managing Director is given below:

Shri Gaurav Dalmia

- a) Designation : Executive Vice Chairman, CEO & Managing Director
- b) Period : Five years w.e.f. 25th March, 2008
- c) Retirement : Not liable to retire by rotation
- d) Remuneration : Nil for First Year and at such remuneration as may be fixed by the Remuneration Committee / Board and approved by the Members, if necessary, for the next four years in accordance with the provisions specified in Schedule XIII of the Companies Act, 1956.

V SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Committee consists of two Directors as its members with Shri B.K. Goswami as its Chairman and Shri Gaurav Dalmia as its member.

As per amended Clause no. 47(f) of the Listing Agreement, the Company has designated an E-mail ID "grievance@landmarkproperty.in" for registering the complaints by Investors/shareholders. The details are displayed on the Company's website "www.landmarkproperty.in"

VI GENERAL BODY MEETINGS

- A) Location and time, where Annual General Meetings were held in last three years -

AGM	DATE & TIME	LOCATION	WHETHER SPECIAL RESOLUTIONS WERE PASSED
29th AGM	26th June , 2005 at 2.30 p..m.	Registered Office at Rajgangpur District Sundargarh (Orissa State) 770 017	No.
30th AGM	26th June, 2006 at 2.30 p..m.	Registered Office at Rajgangpur District Sundargarh (Orissa State) 770 017	No.
31st AGM	17th September, 2007 at 11.30 a.m.	Registered Office at Rajgangpur District Sundargarh (Orissa State) 770 017	No.