

Annual Report
2011 - 12

MPIL CORPORATION LIMITED

MPIL CORPORATION LIMITED

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Board of Directors

Mrs. Komal C. Wazir
Mr. Sanjeev Jain
Mr. Ravindra K. Raje
Mr. G S Nayak
Mrs. Drushti Desai

Company Secretary

Mr. Rugwed Khatu

Auditors

M/s. Lodha & Co.
Chartered Accountants

Registered Office

Udyog Bhavan, 2nd Floor,
29 Walchand Hirachand Marg,
Ballard Estate,
Mumbai - 400 001.

Registrar & Share Transfer Agents

M/s. Sharepro Services (India) Pvt. Ltd.
13 AB, Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Andheri-Kurla Road,
Sakinaka, Mumbai - 400 072.

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NOTICE

NOTICE is hereby given that the fiftythird Annual General Meeting of the Members of MPIL Corporation Limited will be held on Friday, 14th September, 2012 at Sveda Banquets, Sagar Tech Plaza Complex, Third floor, Andheri Kurla Road, Saki Naka Junction, Mumbai- 400072 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and the Statement of Profit and Loss for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. G S Nayak, who retires by rotation and being eligible, seeks re-appointment.
3. To appoint M/s Lodha & Co., Chartered Accountants as the Statutory Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such consent(s), approval, sanction or permission required in this behalf, existing Articles of Association of the Company be and is hereby altered in the following manner:

I. Insertion of interpretation of "Electronic Form", "Electronic Mode" and "Electronic Record" immediately after the interpretation of "Extraordinary General Meeting" in existing Article 2.(1) of the Articles of Association

"Electronic Form" with reference to information means, any information generated, sent, received or stored in media, magnetic, optical, computer memory, micro film, computer generated micro fiche or similar device and as defined under Section 2 of the Information Technology Act, 2000, and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.

"Electronic Mode" means tele-conferencing and/or video conferencing facility i.e. audiovisual electronic communication facility which enables all persons participating in that meeting to communicate concurrently with each other without an intermediary and to participate effectively in the meeting.

"Electronic Record" means data, record or data generated, image or sound stored, received or sent in an electronic form or micro film or computer generated micro fiche and as defined under Section 2 of the Information Technology Act, 2000, and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.

- II. Interpretation of the word "MPL" under Article 2.(1) of Articles of Association shall stand deleted;**
- III. Interpretation of the word "Member" under Article 2.(1) of Articles of Association shall stand deleted;**
- IV. Insertion of interpretation of the word "JIL" under Article 2.(1) of Articles of Association immediately after above deletion as under:**

"JIL" means Jumbo Investments Limited a Company incorporated in the Mauritius and shall include its successors and assigns, any Company or body corporate in which JIL is amalgamated or merged and/or any subsidiary, parent, associate, affiliate or assign of JIL or of any Company or body corporate in which or with which JIL amalgamates or merges and/or such Company or body corporate in or with which any subsidiary, parent, associate, affiliate or assign or JIL as aforesaid amalgamates or merges.

- V. The word "MPL" and "United Kingdom" be replaced with the word "JIL" and "Mauritius" wherever it occurs in the Table of Contents and Articles of Association of the Company after above changes.**
- VI. Article 3 of the Articles of Association shall stand deleted;**
- VII. After Article 75, the following new Article to be numbered 75A be inserted as under:**

75A. Notwithstanding anything in these Articles and subject to the provisions of Act or any other applicable law for the time being in force, every Member or Proxy entitled to attend General Meeting by his physical presence shall have an option to attend it by way of an Electronic Mode in such form & manner or after following such procedure as Company may prescribe from time to time. However, notice calling General Meeting of the Company shall inform Members about facility of participation through Electronic Mode for enabling them to access said facility. Members attending the meeting through Electronic mode will not be counted for the purpose of ascertaining the quorum of the meeting.

- VIII. After Article 80, the following new Article to be numbered 80A be inserted as under:**

80A. Notwithstanding anything in these Articles and subject to the provisions of Act or any other applicable law for the time being in force, documents including but not limited to, notice convening General Meeting, explanatory statement, balance sheet, statement of profit & loss, directors' report, auditors' report etc. can be sent by the Company in electronic form, to the electronic mail address provided/updated by Members and made available to the Company by Depositories. If, however any Member wants to have physical copies of the aforesaid documents the same shall be supplied by the Company free of cost.

IX. After Article 100, the following new Article to be numbered 100A be inserted as under:

100A. Notwithstanding anything in these Articles and subject to the provisions of Act or any other applicable law for the time being in force, every Member or Proxy entitled to attend General Meeting of the Company through Electronic Mode shall also be entitled to cast his Electronic Vote in such form & manner prescribed by the Company, from time to time, for this purpose.

X. After Article 102, the following two new Articles to be numbered 102A & 102B be inserted as under:

102A. Unless otherwise prescribed in the Act or any other applicable law for the time being in force, Members entitled to attend & vote at General Meeting of the Company through Electronic Mode shall also be entitled to appoint Proxies to attend & vote instead of himself after following due procedure prescribed by the Company in this behalf.

102B. Unless otherwise prescribed in the Act or any other applicable law for the time being in force, Proxies, attending General Meeting conducted through Electronic Mode after their due appointment, shall be entitled to cast their Electronic Votes in such form & manner as prescribed by the Company, from time to time, for this purpose.

XI. After Article 110(8), the following new Article to be numbered 110(9) be inserted as under:

110.(9) Unless otherwise prescribed in the Act or any other applicable law for the time being in force, Company shall preserve electronic recording of General Meeting conducted through Electronic Mode for a period of two years from the conclusion of said meeting.

XII. After Article 117(3), the following new Article to be numbered 117(3A) be inserted as under:

117.(3A) Notwithstanding anything in these Articles and subject to the provisions of Act or any other law for the time being in force, Director attending Board Meeting through Electronic Mode in accordance with the provisions of these Articles shall be entitled for sitting fees.

XIII. The existing Article 120(e) to be replaced with following new Article as under:

120.(e) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months; whichever is longer, without leave of absence from the Board. However, office of a Director shall not become vacant nor shall he be disqualified from continuing as Director if he attends Board Meeting of the Company through Electronic Mode.

XIV. After Article 141, the following new Article to be numbered 141A be inserted as under:

141A. Notwithstanding anything in these Articles and subject to the provisions of Act or any other applicable law for the time being in force, every Director entitled to attend Board Meeting of the Company by his physical presence may attend it by way of an Electronic Mode in such manner or after following such procedure as Company may prescribe from time to time in this regard. However, the notice convening Board Meeting shall inform them regarding the facility of participation through Electronic Mode and provide necessary information to enable the Directors to access the said facility. The notice shall seek confirmation from Directors whether he will exercise the Electronic Mode or attend the meeting in person. In the absence of any such confirmation, it will be presumed that the Director will physically attend the meeting. All electronic recording of the Board Meeting will be done at the place where Chairman or Secretary sits during the Meeting.

XV. After Article 142, the following new Article to be numbered 142A be inserted as under:

142A. Notwithstanding anything in these Articles and unless otherwise provided in the Act or any other law for the time being in force, Director participating in a Meeting of the Board through Electronic Mode shall be counted for the purpose of quorum, provided that any Director participating through Electronic Mode shall attend in person atleast one Board Meeting held every year.

XVI. After Article 152(8), the following new Article to be numbered 152(9) be inserted as under:

152.(9) Unless otherwise prescribed in the Act or any other applicable law for the time being in force, Company shall preserve electronic recording of Board Meeting conducted through Electronic Mode for a period of one year from the conclusion of said meeting.

XVII. The existing Article 186 to be replaced with following new Article as under:

186. All documents or notices to be served or given by members on or to the Company or any officer thereof shall be served or given by sending it to the Company or officer at the office by registered post, or by leaving it at the Office or through emails.

XVIII. After Article 186, the following new Article covering the head "Green Initiative by Government by allowing paperless compliances by the companies" to be numbered 186A be inserted as under:

186A. Notice and any communication shall be deemed to be effected by properly addressing to the registered e-mail addresses of the members.

XIX. After Article 186A, the following new Articles covering the head "Registers and Documents" to be numbered 186B to 186D be inserted as under:

REGISTERS AND DOCUMENTS

186B. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:

- (a) Register of Investments made by the Company but not held in its own name, as required by Section 49(7) of the Act.
- (b) Register of Mortgages and Charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act.
- (c) Register and Index of Members and Debenture holders as required by Sections 150, 151 and 152 of the Act.
- (d) Foreign register, if so thought fit, as required by Section 157 of the Act.
- (e) Register of Contracts, with the companies and firms in which Directors are interested as required by Section 301 of the Act.
- (f) Register of Directors and Secretaries etc. as required by Section 303 of the Act.
- (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 307 of the Act.
- (h) Register of Investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 372(2) of the Act.
- (i) Copies of annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act.
- (j) Register of Loans, Guarantees, or Securities given to the other companies under the same management as required by Section 370 of the Act.

186C. The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meetings.

186D. Notwithstanding anything in these Articles and subject to the provisions of the Act or any other law for the time being in force, the Company may maintain its records, registers & documents in Electronic Form.

RESOLVED FURTHER THAT an agreement forming part of an existing Articles of Association of the Company from page no. 41 to 44 shall stand deleted entirely.

RESOLVED FURTHER THAT Mr. Ravindra K Raje, Director and/or Mr. Rugved Khatu, Company Secretary of the Company be and are hereby authorized to do and perform all such acts, deeds, matters and things and to execute all such documents, deeds and writings as they may, in their absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respect including but not limited to filing the required forms with the Registrar of Companies, Mumbai and to settle any question or difficulty that may arise with regard to the aforesaid purpose.

NOTES:

1. **A MEMBER/BENEFICIAL OWNER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS/HER STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.**
2. The Register of Members/Beneficial Owners and the Share Transfer Registers relating to the Equity Shares of the Company will remain closed from 7th September, 2012 to 14th September, 2012 (both days inclusive).
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed thereto. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, of person seeking re-appointment as Director under Item No.2 of Notice, is also annexed.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. Members/Beneficial Owners are requested to notify change of address, if any, (a) to their respective Depository Participant in case of shares held in electronic form and (b) to the Registrar & Share Transfer Agents, M/s Sharepro Services (India) Pvt. Ltd., Unit: MPIL Corporation Limited, at 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Andheri-Kurla Road, Sakinaka, Mumbai – 400 072, in case of shares held in physical form.

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6. Any Member/Beneficial Owner desirous of obtaining any information pertaining to the Accounts may forward such queries in writing to the Finance & Accounts Department at the Registered Office at least 7 days prior to the Meeting in order to enable the Company to keep the information ready to the extent possible.
7. Members/Beneficial Owners or their Authorised Representatives/Proxies are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members having multiple accounts in identical names or joint accounts in the same order are requested to intimate to the Company's Registrar & Share Transfer Agents, the ledger folios of such accounts, for consolidation of all such shareholdings into one account.
10. Non-Resident Indian Members are requested to inform M/s Sharepro Services (India) Pvt. Ltd., immediately of:
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
11. Members intending to dematerialise their shareholdings may approach any Depository Participant for opening a Beneficiary Demat Account. For any additional information/clarifications, members may contact National Securities Depositories Ltd. or Central Depository Services (India) Ltd.
12. In terms of the provisions of Section 109A read with 109B of the Companies Act, 1956, a Member may nominate, at any time, in the prescribed manner, a person to whom his/her shares in a Company shall vest in the event of his/her death. The prescribed Nomination Form No. is 2B (Vide Rules 4CCC and 5D of the Companies Central Government's General Rules and Forms, 1956). This form may be sent to the Company Secretary at the Registered Office of the Company, duly completed.
13. Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents, M/s Sharepro Services (India) Pvt. Ltd.
14. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. **Members who hold shares in physical form are requested to send their e-mail addresses to the Company/Registrar and Share Transfer Agents, M/s Sharepro Services (India) Pvt. Ltd. in the format enclosed with this Annual Report.**

By Order of the Board of Directors
For **MPIL Corporation Limited**

Place : Mumbai
Date : 11th August, 2012

Rugwed Khatu
Company Secretary

Registered Office:
Udyog Bhavan, 2nd floor,
29 Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001

ANNEXURE**Details of Director seeking re-appointment at the Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)**

Name	Mr. G S Nayak
Date of Birth	June 1, 1969
Appointed on	December 28, 2005
Qualification	B.Sc, FCA, LLB
Expertise in specific functional areas and past experience	Wide experience in field of financial accounting and taxation laws
Directorship in other companies	Nil
Memberships/Chairmanships or committees across public companies	Audit Committee - Chairman
Shareholding	Nil

EXPLANATORY STATEMENT (PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956)

As required under Section 173(2) of the Companies Act, 1956, the Explanatory Statement sets out all material facts relating to the special business mentioned under Item No. 4.

Item No. 4

The Ministry of Corporate Affairs, Government of India, as part of its Green Initiative in the Corporate Governance, has also permitted use of electronic modes in convening and conducting the Board and Shareholders meetings of the Companies. With a view to implement the Green Initiative in the Company and in order to ensure maximum participation of directors and shareholders in the affairs of the Company, the Board of Directors of the Company has proposed enabling provisions in the Articles of Association of the Company for adopting electronic modes like video conferencing and other modern electronic systems in conducting Board and General Meetings of the Company.

Further, as per the existing Articles, certain rights are vested with an erstwhile principal shareholder so long as it held a minimum of 26% of the paid-up equity share capital of the company. The controlling shareholding in the Company has undergone several changes over the years. It is proposed to replace the erstwhile principal shareholder, wherever they appear in the Articles of Association, with the current principal shareholder viz. Jumbo Investments Ltd, Mauritius. It is also proposed to delete the Agreement forming part of an existing Articles of Association of the Company from page no. 41 to 44 between the erstwhile principal shareholder and the Company as it is no longer applicable.

Certain clauses are also no longer applicable or have no relevance in the context of the Company's current operations and are proposed to be deleted.

Information Technology Act, 2000 as amended from time to time recognizes maintenance of registers, records & documents in electronic form that are required to be maintained in writing or in the typewritten or printed form under any law for the time being in force. Currently accounting, secretarial, legal etc. related records are preserved in electronic as well as printed form and with a view to provide legal recognition to information preserved or to be preserved in electronic form it is advisable to make suitable changes in the Articles of Association of the Company.

In terms of Section 31 of the Companies Act 1956, any alteration to the Articles of Association requires approval of the Shareholders in general meeting by way of a Special Resolution.

A copy of the amended Articles of Association will be available at the Registered Office of the Company for inspection by any member during the Company's working hours on any day excepting Saturdays, Sundays and Public Holidays. Copies of the amended Articles of Association will also be available at the Annual General Meeting.

None of the Directors is, in any way, concerned or interested in the resolution proposed at Item No. 4 of the accompanying Notice.

By Order of the Board of Directors
For **MPIL Corporation Limited**

Place : Mumbai
Date : 11th August, 2012

Rugwed Khatu
Company Secretary

Registered Office:
Udyog Bhavan, 2nd floor,
29 Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001

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DIRECTORS' REPORT

Your Directors have pleasure in presenting the 53rd Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2012.

SUMMARISED FINANCIAL RESULTS

	(₹ Lakhs)	
	Year ended 31.03.2012	Year ended 31.03.2011
Income	123.67	73.22
Less: Expenditure	108.31	99.32
Profit/(Loss) before Tax	15.36	(26.10)
Provision for Taxation:		
Current Tax	2.84	-
Tax Adjustments for earlier years	-	0.74
Wealth Tax	0.31	0.39
Profit/(Loss) after Tax	12.21	(27.23)
Balance brought forward from last year	102.11	129.34
Profit/(Loss) carried to Balance Sheet	114.32	102.11

REVIEW OF OPERATIONS

During the year under review, the Company earned a profit of ₹12.21 lacs as compared to a loss of ₹27.23 lacs for the previous year.

DIVIDEND

The Directors do not recommend any dividend for the year under review.

FIXED DEPOSITS

The Company has not accepted any deposits from the public during the year under review and does not have any fixed deposits as at the date of the Balance Sheet.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. G S Nayak, Director retires by rotation, and being eligible, offers himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm:

- That in the preparation of Annual Accounts for the financial year ended on 31st March, 2012, the applicable accounting standards had been followed alongwith proper explanation relating to material departures, if any;
- 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 ended 31st March, 2012 and of the profit of the Company for that year;
- That the Directors had, as far as possible, 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, to the best of their knowledge and ability; and
- That the Directors had prepared the Annual Accounts for the financial year ended on 31st March, 2012 on a going concern basis.

AUDITORS

M/s Lodha & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting, and are eligible for reappointment.

The Company has received a letter from them signifying their willingness to be reappointed as Statutory Auditors and have also confirmed that their reappointment, if made at the ensuing Annual General Meeting, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL REVIEW

During the year under review, the Company earned an income of ₹123.67 lacs primarily on account of interest income. After providing for Depreciation and Income Tax, the profit for the year under review after tax was ₹12.21 lacs.

OUTLOOK

Indian economy has had an estimated growth of 6.9% in 2011-12 as compared to the 8.4% in 2010-11. The manufacturing sector is likely to show a growth of only 3.9% in GDP during 2011-12 as against the growth of 7.6% in 2010-11. High inflation due to persistently high crude petroleum prices throughout the year played spoilsport, oscillating within a band of 8% to 9%. This led to several rounds of interest rate hikes by the Reserve Bank to curb inflation and prevent overheating of the economy.

Continuing civil unrests in the Middle East and North Africa region and the Eurozone crisis continue to affect world economy. The Indian economy has also been affected due to these events but remains buoyant.

The risk remains in rising oil prices as also inflation and thus monetary tightening. However, there are also possible positives with revival in industrial and rural sector growth and continuing reforms. The medium to long-term growth prospects of the Indian economy remain positive.

The Company continues to explore various avenues and keep a close watch on the economic developments.

INTERNAL CONTROL SYSTEM

The Company has an appropriate system of internal control. The Company ensures adherence to internal control policies and procedures. Internal audit is conducted on a periodical basis to review internal controls. The Audit Committee of the Board of Directors also reviews the reports of the internal audits conducted and the adequacy of internal control system.

HUMAN RESOURCE DEVELOPMENT

The Company maintains a core team to maintain the existing assets.

CAUTIONARY STATEMENT

Statement in this Management Discussion & Analysis describing the Company's objectives, projections, estimates and expectations may be a forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

CORPORATE GOVERNANCE

The Company has complied with the mandatory Corporate Governance Requirements stipulated under Clause 49 of the Listing Agreement. Report on the Corporate Governance is annexed hereto forming a part of this Report. Certificate from the Auditors of the Company, M/s Lodha & Co., confirming compliance of the conditions of the aforesaid Corporate Governance, is annexed to and forms part of the Directors' Report.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION ETC.

The provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption do not apply to the Company.

During the year under review, there were no Foreign Exchange Earnings or Outgoings.

PARTICULARS OF EMPLOYEES

None of the employees of the Company is in receipt of remuneration exceeding the limit prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. Therefore, the information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is not applicable to the Company.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the statutory authorities, banks, shareholders, employees and other stakeholders for their valued support.

For and on behalf of the Board of Directors

R K Raje
Director

Sanjeev Jain
Director

Place : Mumbai
Date : 11th August, 2012

REPORT ON CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges in India, the compliances by the Company are as under:

1. Company's Philosophy on Corporate Governance

The Company believes that corporate governance is a journey towards sustainable value creation. Corporate Governance is based on the principles of integrity, fairness, equity, maintaining high standards of transparency, timely disclosure and dissemination of price sensitive information, ensuring meticulous compliance with applicable laws and regulations and conducting business in the best ethical manner, accountability and commitment to values in all facets of its operations, and in all its interactions with its stakeholders including shareholders, employees, government and the lenders. Adequate disclosures and information are provided to the Board as well as its committees.

Code of Conduct

The Company follows the Code of Conduct approved by the Board of Directors, which are applicable to members of the Board and senior management cadre. The Code has been circulated to all the members of Board and the senior management and affirmation is received from all the members of Board and the senior management staff regarding compliance.

2. Board of Directors

A. Board Composition, attendance of Directors at Board Meetings, Last Annual General Meeting and number of other Directorships and Chairmanships/Memberships of Committees of each Director in various Companies:

- (i) The Board consists of five directors, all of whom are non-executive and two of them are independent directors. The composition of the Board and category of Directors are as follows:

Category	Name of the Director
Non-Executive Promoter Director	Ms. Komal Chhabria Wazir
Non-Executive Non-Independent Directors	Mr. Sanjeev Jain Mr. Ravindra K Raje
Non-Executive Independent Directors	Mr. G S Nayak Mrs. Drushti Desai

- (ii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the companies in which he/she is a Director. Necessary disclosures regarding Directorship/Committee positions in other public Companies as on 31st March, 2012 have been made by the Directors.
- (iii) Attendance of Directors at Board Meetings, Last Annual General Meeting and number of other Directorships and Chairmanships/Memberships of Committees of each Director as on 31st March, 2012 in various companies is given below:

Name of Director	No. of other Directorships*	Committees of which he/she is a member	Committees of which he/ she is Chairman/ Chairperson	Attendance	
				Board Meetings	Last AGM (22.9.2011)
Ms. Komal Chhabria Wazir	-	1	1	Nil	No
Mr. Sanjeev Jain	2	3	-	4	Yes
Mr. Ravindra K Raje	3	5	1	5	Yes
Mr. G S Nayak	-	2	1	5	Yes
Mrs. Drushti Desai	1	2	1	4	Yes

**Other directorships do not include alternate directorships, directorships of private limited companies, directorships in companies registered under Section 25 of the Companies Act, 1956 and in companies incorporated outside India.*

In accordance with Clause 49 of the Listing Agreement, Chairmanships/Memberships of only the Audit Committees and Shareholders'/Investors' Grievances Committees of Public Limited Companies have been considered.

Directors' Profile

Brief Resume of the Director being reappointed, nature of his expertise in specific functional areas and the number of Directorships and Committee Chairmanships/Memberships held by him in other companies and shareholdings in the Company, if any, are furnished hereunder:

Mr. G S Nayak, aged 43 years, is a Bachelor of Science, Law Graduate and a practicing Chartered Accountant for last 15 years. He is also the Chairman of the Audit Committee of the Company. He is not a Director in any other Company at present. He does not hold any shares in the Company as on 31st March, 2012.