

**NOTICE OF 20TH ANNUAL GENERAL MEETING**

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of Magnum Limited will be held on Saturday, 29<sup>th</sup> September, 2012 at 11.00 a.m. at the Registered Office of the Company at A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015 to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and the Profit & Loss Account for the year ended on that date together with Schedules annexed thereto as well as the Report of the Directors' and Auditors' attached therewith.
2. To appoint a Director in place of Mr. Ram Singh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this 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 without modification, the following resolution as an Ordinary Resolution :

**“RESOLVED THAT** Mr. Dineshkumar Sharma, who was appointed by the Board of Directors as an Additional Director of the Company pursuant to section 260 of the Companies Act, 1956 at the meeting of the Board of Directors of the Company held on 2<sup>nd</sup> December, 2011 and whose term of office as an Additional Director expire at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member under the provisions of section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as a Director, liable to retire by rotation.”

**By Order of the Board of Directors**

Date : 14th August, 2012  
Place : Ahmedabad

**Shailesh Bhandari**  
**Director**

**NOTE :**

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY AS PER THE FORMAT ATTACHED IN THE ANNUAL REPORT SHOULD BE RETURNED TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FOR HOLDING THE ANNUAL GENERAL MEETING.
2. Members / Proxy should bring the Attendance Slip sent herewith duly filled in for attending the Annual General Meeting.
3. An Explanatory Statement pursuant to sub-section (2) of section 173 of the Companies Act, 1956, in respect of Special Business of Item No. 4 is annexed hereto and forms part of this notice.
4. Member desiring any information on the Accounts and operations are requested to write to the Company at last 10 days prior to the meeting so as to enable the Management to keep the information ready at the meeting.
5. The register of the members and share transfer books of the Company will remain closed from 25<sup>th</sup> September, 2012 to 29<sup>th</sup> September, 2012 (Both days inclusive).
6. The Ministry of Corporate Affairs vide circular no. 17/2011 dated 21<sup>st</sup> April, 2011 and circular no. 18/2011 dated 29<sup>th</sup> April, 2011 has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Registrar & Share Transfer Agent of the company Link Intime India Pvt. Ltd.
7. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member holdings shares in electronic form are, therefore, requested to submit the 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 Transfer Agents, M/s. Link Intime India Private Limited.

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

As required by section 173(2) of the Companies Act, 1956, the following explanatory statement set out the material facts relating to the business to be transacted under Item No. 4 of the Agenda of the notice and should be taken as forming part of the notice.

**ITEM NO : 4**

Mr. Dineshkumar Sharma was appointed as an Additional Director by the Board of Directors at their meeting held on 2<sup>nd</sup> December, 2011. He is an Independent and Non-Executive Director.

As per the provisions of section 260 of the Companies Act, 1956, he holds office upto the date of this Annual General Meeting. Notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose his Appointment as a Director.

Mr. Dineshkumar Sharma, aged 52 years is under graduate and has around 25 years experience in the field on interior designing.

Therefore, it would be in the interest of the Company to avail of the valuable experience and guidance of Mr. Dineshkumar Sharma. Your directors recommend appointment of Mr. Dineshkumar Sharma as a Director of the Company.

Expect Mr. Dineshkumar Sharma, none of the Directors of the Company is, in any way, concerned or interested in the Resolution.

**By Order of the Board of Directors**

Date : 14th August, 2012

Place : Ahmedabad

**Shailesh Bhandari**  
**Director**

**Particulars of the Director seeking Appointment / Re-Appointment at the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement**

<b>Name of Director</b>	<b>Mr. Ram Singh</b>	<b>Mr. Dineshkumar Sharma</b>
Age	70 years	52 years
Date of Appointment	30/01/2010	02/12/2011
Qualification	B.E. (Metallurgical)	Under Graduate
Expertise in functional areas	He has more than 35 years of experience as a Metallurgical Engineer. He has won gold medals for best technical paper and best process design engineering.	He has having more than 25 years experience in Interior designing.
Directorship held in other Public Limited Companies	1. Electrotherm (India) Limited	NIL
Membership / Chairmanship of Committees	Electrotherm (India) Limited Shareholders'/Investors' Grievance Committee : Chairman Audit Committee : Member Share Allotment Committee :Member	NIL
No. of shares held in the Company	NIL	NIL

**DIRECTORS' REPORT**

To  
The Members,  
**MAGNUM LIMITED**  
Ahmedabad

Your Directors have pleasure in presenting the 20<sup>th</sup> Annual Report on the business and operations of the Company together with Audited Accounts for year ended on 31<sup>st</sup> March, 2012.

**FINANCIAL PERFORMANCE :**

(Amount in Rupees)

Particulars	Year ended 31 <sup>st</sup> March, 2012	Year ended 31 <sup>st</sup> March, 2011
Sales and Other Income	2,800	2,100
Depreciation and amortization expense	27,840	88,452
Financial Cost	177	328
Employee & Other Expenses	357,911	399,976
<b>Loss Before Tax</b>	<b>383,128</b>	<b>486,656</b>
Deferred Tax	23,349	9,704
<b>Net Profit / (Loss)</b>	<b>(406,477)</b>	<b>(496,360)</b>
Earning per Equity Share	(0.09)	(0.11)

**DIVIDEND :**

Due to the loss incurred by the Company, your Directors express their inability to recommend any dividend for the year under review.

**OPERATIONS :**

There was no income from operations during the financial year. The net Loss during the year was Rs. 4,06,477 compared to Net Loss of Rs. 4,96,360 during the previous year.

**DIRECTORS :**

In accordance with the provisions of sub-section (1) of section 256 of the Companies Act, 1956 and Article 126 of the Articles of Association of the Company, Mr. Ram Singh, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

Pursuant to section 260 of the Companies Act, 1956, Mr. Dineshkumar Sharma was appointed as an Additional Director by the Board of Directors with effect from 2<sup>nd</sup> December, 2011. Mr. Dineshkumar Sharma would hold office up to date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing the candidature of Mr. Dineshkumar Sharma for the office of Director, liable to retire by rotation.

During the year, Mr. Munendrasingh Jadon, Director ceased to director with effect from 15<sup>th</sup> October, 2011 due to death. The Board places on record its appreciation for the services rendered by him during his tenure as director of the Company. For perusal of the Shareholders, a brief resume of the Director being appointed / re-appointed is given and forms part of the Notice. Your Directors recommend their appointment / re-appointment.

**DIRECTOR'S RESPONSIBILITY STATEMENT :**

Pursuant to section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby confirms that:

1. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2012, the applicable accounting standards had been followed alongwith proper explanations relating to material departures, if any;
2. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year of the Company and of the loss of the Company for that period;
3. the directors have 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;
4. the Board of Directors had prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2012 on a going concern basis.

**AUDITORS & AUDITORS REPORT :**

M/s. Asim Mehta & Associates, Chartered Accountants, Ahmedabad, Statutory Auditors of the Company, retires at the forthcoming Annual General Meeting and the Company has received a certificate pursuant to section 224(1B) of the Companies Act, 1956 from them to the effect that their re-appointment, if made, will be in accordance with the limits as specified in the said section.

There is no reservation, qualification or adverse remark in the Auditors' Report which require any clarification / explanation. The Notes to Accounts forming Part of the financial statements are self explanatory and need no further explanation.

**DEPOSITS :**

The Company has neither accepted nor invited any deposits from public, within the meaning of section 58A and 58AA of the Companies Act, 1956 and the Rules made there under.

**CORPORATE GOVERNANCE :**

Your Company has complied with the mandatory provisions of Clause 49 relating to Corporate Governance of the Listing Agreement with the Stock Exchange. A separate section on Corporate Governance and the certificate from Company's auditors confirming the compliance of conditions on Corporate Governance is annexed and forms part of this Report.

**OPEN OFFER TO ACQUIRE SHARES OF THE COMPANY:**

The promoters of the Company had entered into a Share Purchase Agreement with M/s. Pavaki Vanijya Private Limited, Kolkata, ("PVPL" / "the Acquirer") to sell their entire stake viz. 7,96,333 Equity Shares representing 18.21% of the issued, subscribed and paid-up equity share capital of the Company. As such the Acquirer had made a short Public Announcement under Regulation 15(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations" / "Regulations") dated 16<sup>th</sup> July, 2012 in this regard and Detailed Public Statement was published on 23<sup>rd</sup> July, 2012 in the newspapers in terms of Regulation 13(4) of SEBI (SAST) Regulations. In terms of Regulation 18(1) of SEBI (SAST) Regulations, the Company has received draft Letter of Offer from Manager to the Open Offer for acquisition of 11,37,006 equity shares representing 26% of the issued, subscribed and paid-up equity share capital of the Company.

**COMPLIANCE REPORT :**

As required under section 383A(1) of the Companies Act, 1956. The Company obtained the secretarial Compliance Certificate from M/s. J. Akhani & Associates, Company Secretaries, Ahmedabad and the same is annexed herewith.

**HUMAN RESOURCES :**

Your Directors wish to place on record their deep appreciation to employees for their efforts, dedication, commitment and loyal services to the Company during the year under review.

**PARTICULARS OF EMPLOYEES :**

The particulars required under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not applicable as there are no employees falling in that category.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

The information required under the provisions of the 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 are Nil. There was no foreign exchange earning and outgo by the Company during the financial year.

**APPRECIATION AND ACKNOWLEDGEMENT :**

Your Directors wish to place on record their appreciation for the continued guidance and support provided by Bank, Government Authorities, Auditors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the devoted services of the Staff members of the Company.

**By Order of the Board of Directors**

Date : 14th August, 2012  
Place : Ahmedabad

**Shailesh Bhandari**      **Ram Singh**  
**Director**                      **Director**

**COMPLIANCE CERTIFICATE**

To,  
The Members  
MAGNUM LIMITED  
Ahmedabad

We have examined the registers, records, books and papers of **MAGNUM LIMITED** ("the Company") as required to be maintained under the Companies Act, 1956 ("the Act") and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31<sup>st</sup> March, 2012** ("financial year"). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies. However, the Company was not required to file any forms and returns to Regional Director, Company Law Board, Central Government or such other authorities.
3. The Company being Limited Company, has minimum prescribed paid up capital.
4. The Board of Directors duly met **5 (Five)** times on 25<sup>th</sup> May, 2011, 11<sup>th</sup> August, 2011, 11<sup>th</sup> November, 2011, 2<sup>nd</sup> December, 2011 and 4<sup>th</sup> February, 2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Company did not pass any circular resolution during the financial year.
5. The Company closed its Register of Members and Share Transfer Books from 26<sup>th</sup> September, 2011 to 30<sup>th</sup> September, 2011 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on **31<sup>st</sup> March, 2011** was held on **Friday, 30<sup>th</sup> September, 2011** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. **No** Extra-Ordinary General Meeting was held during the financial year.
8. The Company **has not** advanced any loans to its directors and / or persons or firms or companies referred in section 295 of the Act.
9. The Company **has not** entered into any contracts to which the provisions of section 297 of the Act applies.
10. The Company has made necessary entries in the register maintained under section 301 of the Act for disclosure of interest by the Directors under section 299 of the Act.
11. As there **were no** instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company **has not** issued any duplicate share certificate during the financial year.
13. The Company has:
  - (i) delivered all the share certificates on lodgment thereof for transfer/transmission in accordance with the provisions of the Act. There was no allotment of securities during the financial year.
  - (ii) not declared any dividend during the financial year under review.
  - (iii) not required to post warrants for dividends to any members of the Company, as no dividend was declared during the financial year.
  - (iv) not required to transfer to Investor Education and Protection Fund, the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, as there was no amount which had remained unclaimed or unpaid for a period of seven years.
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and appointment of Director, Additional Director has been duly made.



15. The Company **has not** appointed any Managing Director/ Whole Time -Director/ Manager during the financial year.
16. The Company **has not** appointed any sole-selling agent during the financial year.
17. The Company **was not** required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company **has not** issued any shares/ debentures / other securities during the financial year.
20. The Company **has not** bought back any shares during the financial year.
21. The Company **has not** issued any preference shares/ debentures; therefore question of redemption does not arise.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company **has not** invited or accepted any deposit from public falling within the purview of section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975.
24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial year is within the borrowing limits of Company.
25. The Company **has not** made any loans or investments or given guarantees or provided securities to other bodies corporate during the financial year and consequently no entries have been made in the Register kept for the purpose.
26. The Company **has not** altered the provisions of the Memorandum with respect to situation of the Company's registered office from the one state to another during the year under scrutiny.
27. The Company **has not** altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company **has not** altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company **has not** altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company **has not** altered its Articles of Association during the financial year.
31. There was **no** prosecution initiated against or shows cause notices received by the Company and no fines and penalties or any other punishment imposed on the Company during the financial year for alleged offences under the Act.
32. The Company **has not** received any money from its employees as security deposit pursuant to section 417(1) of the Act during the financial year.
33. The Company **has not** constituted any trust for its employees and hence provisions of section 418 of the Act are not applicable.

**For J. AKHANI & ASSOCIATES  
COMPANY SECRETARIES**

**JAGDISH AKHANI  
PROPRIETOR  
C.P.No. : 9179  
Membership No. 9564**

Place : Ahmedabad

Date : 14th August, 2012



## Annexure A

### Registers as maintained by the Company

1. Register & Index of Members u/s 150 of the Companies Act, 1956
2. Register of Director etc. u/s 303 of the Companies Act, 1956
3. Register of Directors' Shareholdings u/s 307 of the Companies Act, 1956
4. Register of Companies and firms in which Directors of the Companies are interested as required under the Provisions of sec. 299 & 301 of the Companies Act, 1956
5. Register of Charges u/s 143 of the Companies Act, 1956
6. Register of Loans and Investments u/s 372A of the Companies Act, 1956
7. Minutes Book of the Board Meeting u/s 193(1) of the Companies Act, 1956
8. Minutes Book of the proceedings of General Meeting u/s 193(1) of the Companies Act, 1956
9. Books of Accounts u/s. 209(1)(a) to (c)
10. Register of Share Transfer / Transmissions
11. Attendance Register of Directors
12. Attendance Register of Members at General Meeting of the Company

## Annexure B

Forms and Returns as filed by the Company with Registrar of Companies, Gujarat / Ministry of Corporate Affairs, Company Law Board, Regional Director, Central Government or other authorities during the financial year ended on **31<sup>st</sup> March, 2012**.

- With Registrar of Companies

Sr. No.	Forms	Filed under section	Purpose
1.	Form 66	383A & rule 3(2) of Companies Compliance P76710730 dated 29/10/2011 Certificate) Rules, 2001	Compliance Certificate for the year ended on 31 <sup>st</sup> March, 2011 filed vide Challan No.
2.	Form 32	303(2)	Cessation of Director dated 15 <sup>th</sup> October, 2011 filed vide Challan No. B24641763 dated 11/11/2011
3.	Form 20B	159	Annual Return made upto 30 <sup>th</sup> September, 2011 filed vide Challan No. P81706244 dated 29/11/2011
4.	Form 32	260, 303(2)	Appointment of Additional Director dated 2 <sup>nd</sup> December, 2011 filed vide Challan No. B28301679 dated 28/12/2011
5.	Form 23ACXBRL & Form 23ACAXBRL	220	Annual Accounts for the financial year ended on 31 <sup>st</sup> March, 2011 filed vide Challan No. P85535797 dated 31/01/2012

- With Company Law Board - Nil
- With Regional Director - Nil
- With Central Government & Other Authorities - Nil

**For J. AKHANI & ASSOCIATES**  
**COMPANY SECRETARIES**

**JAGDISH AKHANI**  
**PROPRIETOR**  
**C.P.No. : 9179**  
**Membership No. 9564**

Place : Ahmedabad  
Date : 14th August, 2012



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OVERVIEW :

Service sector of Indian economy contributes a sizeable part of India's GDP. This sector plays a leading role in the economy of India and contribution in GDP goes upto 59% of the overall average growth in GDP. The service sector continues to be a star performer as its share in GDP has climbed from 58% in 2010-2011 to 59% in 2011-2012 with the growth rate of 9.4%. Some of the service sectors that have grown faster than the economy are information technology, IT enabled services, telecommunications, financial services etc. The fact that the service sector now accounts for more than half the GDP marks a watershed in the evolution of the Indian economy and takes it closer to the fundamentals of a developed economy.

The Company has not carried out any business activities during the financial year and as such there was no income from operations during the financial year.

### OPPORTUNITIES AND THREATS

The global recession only partially succeeded in slowing the Indian economy thanks to the continual offsetting growth of service sector to nearly 10% in the year 2010-11. The Services Sector continues to remain growth engine for Indian Economy in the year 2011-2012 also. This will open up ample opportunities for your company to revive the business activities in future.

The financial and service sector is highly competitive after opening up of the Indian company, however the growth of the same has been badly affected after the collapse of the financial system in US & Europe. There is also a consolidation in the financial and service sector in the recent past. This will help your company to revive the business operations related to service sector in future, however the company is required to make a sizeable investments, which requires a huge cash outflow.

### SEGMENT ANALYSIS AND REVIEW :

The activity of the Company was to provide service of Share Transfer related activity. Therefore the Company operates in a single business / geographical segment as envisaged in Accounting Standard (AS-17) issued by the ICAI. Hence segment wise performance is not furnished.

### FUTURE OUTLOOK :

Looking at the opportunities available in the service sector and growth of the service sector post liberalization, there is a good scope for your company to revive the business activities related to software and share transfer related activities apart from venturing into new areas of service sector. Being a historically well managed company, your company has a good outlook for the future in Service sector related business activities.

### RISKS & CONCERNS :

Our Company like other companies is exposed to various types of risks, such as financial risks, business risks, legal & statutory risks, political risks, management risks, knowledge risks etc. Externally, the Company is exposed to financial risks, strategic risks, operational risks and hazard risks. Internally, it is exposed to liquidity & cash flow risks, risks regarding intellectual capital, accounting controls, information systems etc.

### INTERNAL CONTROL AND ADEQUACY :

Your Company has a proper and adequate internal control to ensure all assets are safeguard and protected against loss from unauthorized use or disposition.

The Internal Control System is designed to ensure that financial and other records are reliable for preparing financial information and other Data and for maintaining accountability of the assets. Our Company has robust internal system and process in place for ensuring the smooth conduct of its operations.

The integrity and reliability of the internal control systems are achieved through clear policies and procedures.

### FINANCIAL PERFORMANCE :

During the year 2011-2012, the total income of the Company was Rs. 2800 compared to Rs. 2100 of the previous year. This was mainly due to discontinuation of share transfer related activity by the company.



The Net Loss before tax of the Company during the year was Rs. 3,83,128 as against loss Rs. 4,86,656 during the previous year. The Net Loss after tax including deferred tax was Rs. 4,06,477 as against loss Rs. 4,96,360 in the previous year.

**HUMAN RESOURCES :**

Your Company has great value for the commitment, competence and vigor shown by its employees in all aspects of business. Your Company confirms to align the policies of its human resources as per the business requirements.

The board would like to express its sincere appreciation and gratitude on behalf of all the stakeholders of the Company, who benefit from the hard work of the employees.

**CAUTIONARY STATEMENT :**

*Statement in this Management Discussion and Analysis report detailing the Company's objective, projections about the future, estimates, expectations or predictions including, but not limited to, statements about the Company's strategy for growth, products development, market position and expenditures may be "forward – looking statements" within the meaning of applicable securities laws and regulations.*

*Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes or other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.*



## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

The Company's Corporate Governance philosophy is based on the principle that better Corporate Governance adds considerable value to the operational performance. As such the Company has implemented a system to ensure transparency, control, accountability, responsibility and fairness in all areas of operations.

The good Corporate Governance practice is imperative for the growth of any enterprise in the long term perspective. Fair and Transparent business practices alongwith timely disclosure of financial and corporate information is very essential for the confidence and harmonious relationship with all the stakeholders. The Company is in compliance with the Clause 49 of the listing agreement prescribed by the Stock Exchange and SEBI.

### I. BOARD OF DIRECTORS :

As on 31<sup>st</sup> March, 2012 the strength of the Board of Directors of the Company has an optimum combination of Executive and Non-executive Directors. The Board of Directors comprises of four Directors, of which two Directors were Non-Executive & Independent Directors. Composition of Board is in conformity with the provisions of the Clause 49 (I)(A) of the Listing Agreement.

Composition of the Board of Directors and other related matters as on 31<sup>st</sup> March, 2012 alongwith their attendance at the Board Meeting and last Annual General Meeting are as under:

Name of Directors	Category	No. of other Directorship held	No. of board Committees of which Member/ Chairman	No. of Board Meeting during the year 2011-12		Attendance at last AGM held on 30-09-2011
				Held	Attended	
Dr. Nagesh Bhandari	Chairman & Non Executive Director	5	1	5	5	No.
Mr. Shailesh Bhandari	Promoter & Executive Director	11	5	5	5	Yes
Mr. Ram Singh	Independent & Non-Executive Director	1	2	5	5	Yes
Mr. Munendrasingh Jadon*	Independent & Non-Executive Director	Nil	Nil	5	2	No
Mr. Dineshkumar Sharma#	Independent & Non-Executive Director	Nil	Nil	5	1	N.A.

\* Mr. Munendrasingh Jadon ceased to be Director w.e.f. 15<sup>th</sup> October, 2011 due to demise.

# Mr. Dineshkumar Sharma was appointed as Independent & Non-Executive Director w.e.f. 2<sup>nd</sup> December, 2011.

Details of Directorship given above exclude directorship held in Private Companies, Foreign Companies and Companies registered under section 25 of the Companies Act, 1956. Details of committee membership includes Membership / Chairmanship of Audit Committee and Shareholder's Grievances Committee of the Public Companies.

None of the Directors are related to each other except Dr. Nagesh Bhandari and Mr. Shailesh Bhandari, who are Brothers.

### BOARD MEETING :

The Board Meetings are normally held at the registered office of the Company in Ahmedabad. The Board meets at least once a quarter with gap between two meetings not exceeding four months. The Board agenda papers and other explanatory notes are circulated to the Directors.

The Board of Directors meet 5(Five) times during the year under review which are held as under.

25<sup>th</sup> May, 2011; 11<sup>th</sup> August, 2011; 11<sup>th</sup> November, 2011; 2<sup>nd</sup> December, 2011; 4<sup>th</sup> February, 2012