

ORIENTAL VENEER PRODUCTS LTD.



21st, Annual Report 2011-2012

REGISTERED OFFICE

At Post : Aghai, Via Kalyan (R.S.)
Dist Thane - 421 601

ORIENTAL VENEER PRODUCTS LTD.

BOARD OF DIRECTORS

MR. AFZAL PATEL	-	Chairman
MR. KARIM N. MITHIBORWALA	-	Managing Director
MR. SALEH N. MITHIBORWALA	-	Director
MR. MUSTAFA PARDAWALA	-	Director
MR. K. H. DABILKAR	-	Director

REGISTERED OFFICE & WORKS

At Post : Aghai, Via Kalyan Rly. Stn., Dist. Thane, Pin - 421 601.

BANKERS

THE SARASWAT CO-OP. BANK LTD.

(Fort Branch - Mumbai)

THE SHAMRAO VITHAL CO-OP. BANK LTD.

(Bandra (W) Branch - Mumbai)

AUDITORS

M/S. ANIL BANSAL & ASSOCIATES

Chartered Accountants

306, Kedia Chambers, S. V. Road, Malad (W),
Mumbai - 400 064.



NBS & cO.

Chartered Accountants

Western India House, 14/2, Sir P. M. Road, Fort,
Mumbai - 400 001.

NOTE

Members are requested to bring their copy of the **ANNUAL REPORT** alongwith them at the **ANNUAL GENERAL MEETING** as no separate copies will be distributed.

NOTICE

Notice is hereby given that the **21st** Annual General Meeting of the Members of **ORIENTAL VENEER PRODUCTS LIMITED** will be held at the Registered Office of the Company at Post: Aghai, Via Kalyan (Rly. Stn.), District: Thane: 421 301, on **Saturday, 29th September, 2012** at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Balance Sheet as at March 31, 2012 and Profit & Loss Account for the year ended as on date and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. Saleh N. Mithiborwala who retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Khalid A. Dabilkar who retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

**For and On behalf of the
Board of Directors**

**Place: Mumbai
Date: 01/09/2012**

**KARIM N. MITHIBORWALA
MANAGING DIRECTOR**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, September 26, 2012 to Saturday, September 29, 2012** (both days inclusive).
4. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.
5. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday, Wednesday and Public Holidays between 11.00 A.M. and 1.00 P.M. up to the date of Annual General Meeting.
6. For convenience of the Members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of Meeting. The proxy Member should mark on the attendance slip as 'proxy'.
7. Members are requested to bring their copies of the reports to Annual General Meeting.
8. Members holding shares in the same set of names under different folios are requested to apply for consolidation of such folios along with Share Certificates to the Company.
9. In order to exercise strict control over the transfer documents, Members are requested to send the transfer documents/correspondence, if any, directly to the Registrar & Share Transfer Agents of the Company at:

ADROIT CORPORATE SERVICES PRIVATE LIMITED

[Unit: ORIENTAL VENEER PRODUCTS LIMITED]

Add: 9, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road,
Marol Naka, Andheri (E), Mumbai – 400059.

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Twenty-First Annual Report together with the Audited Statement of Accounts of the Company for the year ended March 31, 2012.

FINANCIAL HIGHLIGHTS:

PARTICULARS	As on March 31, 2012 (Rs)	As on March 31, 2011 (Rs.)
Net Profit/(Loss) before tax	8,211,820	6,814,220
Less: Current tax	(3,561,821)	(2,448,491)
Deferred tax	2,284,663	(1,479,863)
Tax Expense	(1,277,158)	(3,928,354)
Profit for the year	6,934,662	2,885,866

DIVIDEND:

The Board has decided to plough back the profits for expansion of business and hence do not recommend any dividend for the year ended 31st March 2012.

DIRECTORS:

Pursuant to Articles of Associations of the Company, Mr. Saleh N. Mithiborwala & Mr. Khalid A. Dabilkar, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT, pursuant to Sec. 217(2AA) of the Companies Act, 1956:

- (i) that in the preparation of annual accounts for the Financial Year **2011-2012**, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimated 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 and of the profit or loss of the company for that period.
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for

safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) that the directors had prepared the annual accounts on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS:

A) INDUSTRY STRUCTURE AND DEVELOPMENT:

The Industry is going through major changes worldwide.

B) OPPORTUNITIES & THREATS:

The Company does not see any immediate threat.

C) SEGMENT WISE OR PRODUCT WISE PERFORMANCE:

The Company is dealing in only one type of product and therefore there is nothing to report in this matter.

D) FUTURE OUTLOOK:

The Company is closely associated with railways, hence company intends to diversify into technology related products such as electronic panel and switch gear etc.

E) RISK & CONCERNS

The Company's main raw material is gurjan round logs and it is being imported.

F) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company is having adequate internal control system related with the growth of size.

Further the company has fully computerized working environment and all the departments are well equipped with the latest facilities available.

G) DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The sales for the current year amounted to Rs. 55,26,91,021/-. This was mainly due to effective and aggressive steps taken by the Board of Directors of the Company in marketing the products of the Company. Further, the company has made Net Profit after Tax of Rs. 69,34,662/- in the current year.

H) MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED:

The Company has maintained good cordial relations with the employees of the Company and there were total 94 employees employed with the Company. Such type of healthy relationships with the employees helps in the smooth working of the Company.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement, a separate report on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

DISCLOSURE UNDER THE STOCK EXCHANGE LISTING AGREEMENT:

In accordance with the amended Listing Agreement with respective Stock Exchanges, it is hereby confirmed that the Company's Shares are listed at the Stock Exchanges at Mumbai and Bangalore.

FIXED DEPOSITS:

The Company has/ has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975.

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

The information required under Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, relating to the conservation of Energy and Technology Absorption forms part of this report and is given by way of Annexure.

The details of Foreign Exchange earnings and outgo are given in Point Nos. (XI) in Notes forming part of Accounts (Schedule 17) as at March 31, 2012.

AUDITORS:

M/s. Anil Bansal & Associates, Chartered Accountants, Mumbai and M/s. NBS & Co. Chartered Accountants Mumbai, Joint Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES:

The Company has no employees of the specified categories under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended upto date.

INDUSTRIAL RELATIONS:

Industrial Relations remained cordial in the Company's Plant without any disruption in manufacturing activities.

ACKNOWLEDGEMENTS:

The Board of Directors wishes to place on record its sincere appreciation for due co-operation received from the Company's Bankers. The Directors are also thankful to the employees at all levels for their continued support.

For and On behalf of the Board of Directors

Place: Mumbai
Date: 01/09/2012

KARIM N. MITHIBORWALA
MANAGING DIRECTOR

SALEH MITHIBORAWALA
DIRECTOR

ANNEXURE TO DIRECTORS' REPORT:

Information in terms of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

CONSERVATION OF ENERGY

Sustained efforts were directed towards Energy saving, reduction in use of power and other utilities.

TECHNOLOGY ABSORPTION:

The Company has carried out Research and Development in the form of process innovation and development of new products.

For and On behalf of the Board of Directors

**Place: Mumbai
Date: 01/09/2012**

KARIM N. MITHIBORWALA	SALEH MITHIBORAWALA
MANAGING DIRECTOR	DIRECTOR

A REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY:

The basic philosophy of the Company towards Corporate Governance is to protect and enhance the long-term value of all the Stakeholders/Shareholders, Customers, Creditors and Employees. The Company is committed to achieve these objectives within regulatory framework through transparency in dealings.

The Company believes in the creative abilities of its people and lays a strong emphasis on team building, motivation and to perform differently to stay ahead. The Company is committed to benchmarking itself with global standard in all areas. It maintains quality standards by manufacturing to specifications, pricing, delivery and reliability for full customer satisfaction.

2. BOARD OF DIRECTORS:

COMPOSITION AND CATEGORY

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance, management and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors meets with the requirements of Clause 49 (1) (A) of the Listing Agreement. None of the Directors on the Board is a member on more than ten Committees and Chairman of more than five Committees as per Clause 49 (IV) (B) across all Companies in which they are Directors.

The composition of the Board of Directors and also the number of other Board of Directors of which he is a member/Chairman are as under:

Name of Director	Category of Directorship	No. of Directorships in Other Companies	No. of Board Committees (ORIENTAL VENEER PRODUCTS LIMITED) in which Chairman/ Member	
	Chairman Member			
Mr. Saleh N. Mithiborwala	Executive Director	NIL	NIL	NIL
Mr. Karim N. Mithiborwala	Executive Director	NIL	NIL	NIL