

ANNUAL REPORT 2011-12



Oswal Greentech Limited
(Formerly Oswal Chemicals & Fertilizers Ltd.)

BOARD OF DIRECTORS

Shri Abhey Kumar Oswal – Chairman & Director

Shri Anil Bhalla -Managing Director

Shri Atul Kulshrestha

Shri Krishan Chand Bajaj

Shri Aditya Burra Shastri

Shri Sumitkumar Dutt

COMPANY SECRETARY

Shri H. K.Gupta

AUDITORS

T.R. Chadha & Company

Chartered Accountants, New Delhi

BANKERS

The Royal Bank of Scotland N.V

HDFC Bank Ltd.

Standard Chartered Bank

Syndicate Bank

REGISTERED OFFICE

Near Jain Colony, Vijay Inder Nagar,

Daba Road, Ludhiana - 141 003 (Punjab)

Phone No. 0161-2544238

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd

D-153 A, First Floor,

Okhla Industrial Area, Phase-I,

New Delhi-110020

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NOTICE OF THE MEETING

Notice is hereby given that the 30th Annual General Meeting of the Members of Oswal Greentech Limited will be held on Saturday, the 29th day of September, 2012 at 10.30 A.M. at the Registered Office of the Company at Near Jain Colony, Vijay Inder Nagar, Daba Road, Ludhiana-141003 (Punjab), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2012 and Statement of Profit and Loss for the year ended on that date together with the Report of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Shri Atul Kulshrestha, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Aditya Burra Shastri, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s T.R. Chadha & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-
"RESOLVED THAT in partial modification of the Ordinary Resolutions passed by the members at the 29th Annual General Meeting held on 30th September, 2011 pursuant to Sections 269, 198, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approvals of such other authorities, including Central Government, as may be required, the Company hereby approves the remuneration and perquisites as set out in the Explanatory Statement annexed to this notice convening this meeting may be paid as the minimum remuneration to Mr. Abhey Kumar Oswal, Managing Director in the absence of or inadequacy of profit in any financial year w. e. f. 1st April, 2011 to 31st March, 2014 with authority to the Board of Directors to alter and vary the same in such manner as may be agreed to between the Board of Directors and Mr. Abhey Kumar Oswal.
Resolved further that all other terms and conditions in respect of remuneration of Mr. Abhey Kumar Oswal shall remain the same."
6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-
"RESOLVED THAT in partial modification of the Ordinary Resolutions passed by the members at the 29th Annual General Meeting held on 30th September, 2011 pursuant to Sections 269, 198, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approvals of such other authorities, including Central Government, as may be required, the Company hereby approves the remuneration and perquisites as set out in the Explanatory Statement annexed to this notice convening this meeting may be paid as the minimum remuneration to Mr. Anil Bhalla, Whole time Director in the absence of or inadequacy of profit in any financial year w. e. f. 1st April, 2011 to 31st March, 2014 with authority to the Board of Directors to alter and vary the same in such manner as may be agreed to between the Board of Directors and Mr. Anil Bhalla.
Resolved further that all other terms and conditions in respect of remuneration of Mr. Anil Bhalla shall remain the same."
7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"Resolved that subject to the provisions of Section 198, 269, 309, 310 and 311 and read with schedule XIII and all other applicable provisions of the Companies Act, 1956, if any, (including any statutory modification or re-enactment thereof, for the time being in force) and such other approvals/sanctions as may be necessary, the approval of the company, be and is hereby accorded to the appointment of Mr. Anil Bhalla as Managing Director of the company for the rest of his tenure w.e.f. 11.07.2012 to 31.03.2014 on the terms and conditions including remuneration as set out in the explanatory statement annexed hereto with authority to the Board of Directors to vary or increase the remuneration and perquisites payable or to be provided to Mr. Anil Bhalla, including any monetary value thereof to the extent the Board of Directors may consider appropriate and to alter and vary the terms and conditions of the agreement entered into by the company with Mr. Anil Bhalla, as may be agreed between the Board of Directors and Mr. Anil Bhalla.
RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all the acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration of the Managing Director within the limits stipulated in the Companies Act, 1956."

By Order of the Board
For OSWAL GREENTECH LTD

Place: New Delhi
Date: 09.08.2012

H.K. Gupta
Company Secretary

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY STAMPED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of members and the Share Transfer Books of the Company shall remain closed from 24th September, 2012 to 29th September, 2012 (both days inclusive).
3. Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the business under item no(s) 5, 6 and 7 are enclosed herewith and forms part of this notice.
4. As per the requirement of Clause 49 of the Listing Agreement on Corporate Governance for appointment of the Directors(s)/ re-appointment of the retiring Director(s), a statement containing details of the concerned director(s) is provided herewith.
5. Members are requested to bring their attendance slip along with their copy of annual reports to the meeting.
6. Shareholders interested in giving nominations in respect of the shares held by them can do so by obtaining nomination forms from the Company.
7. Company's Equity Shares are compulsory traded in Demat Form and therefore shareholders are requested to get their shares dematerialized by opening an account with a Depository Participant through "National Securities Depository Ltd." (NSDL) or "Central Depository Services Ltd" (CDSL).
8. The Register of Directors' shareholding in the Company shall remain open for inspection to the Members of the Company during 10.00 a.m. to 12.00 noon on each working day beginning with 14 days prior to the date of annual general meeting and ending 3 days after the date of its conclusion at the Registered Office of the Company.
9. The Investors may send the documents for transfer of shares and other correspondence/queries relating to shares directly to the registrar and share transfer agent of the Company M/s Skyline Financial Services Pvt. Ltd., D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.
10. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the company.
11. Members' holdings shares in the dematerialized mode are requested to intimate all changes with respect to their Bank Details, Mandate, Power of Attorney or address for correspondence to their respective Depository Participant (DP). These changes will be automatically reflected in the Company's records through Electronic Connectivity with NSDL/CDSL.
12. The SEBI (Securities Exchange Board of India) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding 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 & Share Transfer Agent, M/s. Skyline Financial Services Pvt. Ltd.



13. In all correspondence with the Company, members are requested to quote their account/ folio numbers and in case, the shares are held in the dematerialized form, they must quote their client ID number and their DP ID number.
14. Corporate members intending to send their authorized representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.

INFORMATION REQUIRED TO BE FURNISHED IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

The particulars of the Directors who are proposed to be appointed/re-appointed are as given below:

1. **Shri Atul Kulshrestha**

Shri Atul Kulshrestha is a Non-Executive Non-Independent director on the Board of the Company. He was appointed on the Board of the Company w. e. f. 31st March 2006. He is a Commerce Graduate and a fellow member of the Institute of Chartered Accountants of India. He has a vast experience in the field of Finance, Direct Taxation, Company Law Matters and Administration as well as Commercial Matters also. He has Promoted Cleave Global e- Services (P) Ltd an international BPO organization of repute and Extramarks Education (P) Ltd, a digital learning Company. Inspite of these Companies, he is a director of Chink Components Pvt. Ltd and Sudh Investments Pvt. Ltd. also . He is a member of Audit Committee, Investor Grievance Committee and Share Transfer Committee in your Company. Neither he nor any of his family members hold any shares of this company.

2. **Shri Aditya Burra Shastri**

Shri Aditya Burra Shastri was appointed on the Board of Company as director w. e. f. 7th March 2009. He is 45 years of age. He is a postgraduate in Mathematic and diploma holder in Business Management from Mumbai. He has 23 years of experience in the field of consumer product, retail, cinema and movie marketing. During his tenure he was associated with Godfrey Philip India, Titan Watch, 20th Century Fox, Inc. In 20th Century Fox, Inc. he was a Managing Director of the company for the period of 10 years. He is member of Audit Committee and Remuneration Committee in your company. Neither he nor any of his family members hold any shares of this company.

EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM NO(S) 5, 6 AND 7 OF THE ACCOMPANYING NOTICE ARE AS UNDER:

ITEM NO. 5

Mr. Abhey Kumar Oswal was re-appointed as Chairman and Managing Director of the Company for further period of three years w. e. f. 1st April, 2011 upto 31st March, 2014 on the salary as approved by the Remuneration Committee of Board in its meeting held on 31st March, 2011 and the same was approved by the Board of Directors in their meeting and thereafter by the Shareholders of the company also by passing an ordinary resolution in their meeting held on 30th September, 2011, subject to the approval of Central Government, as under:

Salary	:	Rs. 25 lacs per month
Perquisite	:	Rs. 25 lacs per month

In the forthcoming Annual General Meeting, approval of the above remuneration from shareholders is sought in case of the absence or inadequacy of profits in any financial year from 1st April, 2011 to 31st March, 2014 by passing a special resolution as required in partial modification of the ordinary resolution passed in the shareholder's meeting held on 30th September, 2011.

The Board recommends the passing of the resolution no 5 for your approval as set out in the notice. The Remuneration Committee of the Board and the Board of Directors have already approved the remuneration. None of the directors, except Mr. Abhey Kumar Oswal, is interested or concerned in the resolution. The above may also be treated as compliance under section 302 of the Companies Act, 1956.

ITEM NO. 6

Mr. Anil Bhalla was re-appointed as Whole Time Director of the Company for further period of three years w. e. f. 1st April, 2011 upto 31st March, 2014 on the salary as approved by the Remuneration Committee of Board in its meeting held on 31st March, 2011 and the same was approved by the Board of Directors in their meeting and thereafter by the Shareholders of the company also, by passing an ordinary resolution in its meeting held on 30th September, 2011, subject to the approval of Central Government, as under:

Salary	:	Rs. 10 lacs per month
Perquisite	:	Rs. 10 lacs per month

In the forthcoming Annual General Meeting, approval of the above remuneration from shareholders is sought in case of the absence or inadequacy of profits in any financial year from 1st April, 2011 to 31st March, 2014 by passing a special resolution as required in partial modification of the ordinary resolution passed in the shareholder's meeting held on 30th September, 2011.

The Board recommends the passing of the resolution no 6 for your approval as set out in the notice. The Remuneration Committee of the Board and the Board of Directors have already approved the remuneration. None of the directors, except Mr. Anil Bhalla, is interested or concerned in the resolution. The above may also be treated as compliance under section 302 of the Companies Act, 1956.

ITEM NO. 7

Mr. Anil Bhalla was re-appointed as Whole Time Director of the Company for further period of 3 years w. e. f. 1st April, 2011 upto 31st March, 2014 in the 29th Annual General Meeting of the company on the terms & conditions as under :

Salary	:	Rs.10 lacs per month
Perquisite	:	Rs.10 Lacs per month

Mr. Anil Bhalla has been managing the affairs of the Company competently and his business foresight coupled with his rich experience has placed the company on sound footing enabling it to achieve overall good performance over the years. In appreciation of his excellent contribution to the growth of the company and to motivate him, on the basis of recommendation made by the Remuneration Committee, the Board of Directors in its meeting held on 11th July, 2012 has appointed and re-designated Mr. Anil Bhalla as Managing Director instead of Whole-time Director of the Company w. e. f. 11th July, 2012 for the rest of his tenure in company on the same remuneration/ terms and conditions as approved by the Board in its meeting held on 23rd December, 2006 and by the shareholders in their meeting held on 29th September, 2007, 29th September, 2008, 30th September, 2009 and 30th September, 2011 also.

The Board recommends the passing of the resolution no 7 for your approval as set out in the notice. None of the directors, except Mr. Anil Bhalla, is interested or concerned in the resolution. The above may also be treated as compliance under section 302 of the Companies Act, 1956.

By Order of the Board
For Oswal Greentech Ltd

Place : New Delhi
Date : 09.08.2012

H.K. Gupta
Company Secretary

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance 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 in full measures, 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 notify their e-mail id by writing letter and register the same with M/s Skyline Financial Services Pvt. Limited, Registrar & Share Transfer Agent of the Company at their e-mail id i.e. admin@skylinert.com



DIRECTORS' REPORT

To
The Members,
Oswal Greentech Ltd.

Your Directors present the 30th Annual Report along with Audited Statement of Accounts for the Financial Year ended 31st March, 2012.

FINANCIAL RESULTS

The summary of operating results for the year is given below:-

		(Rs. in Lacs)
	2011-12	2010-11
Gross Profit/(Loss) before depreciation and tax	10295	10524
Depreciation	233	161
Profit/(Loss) before Tax	10062	10363
Fringe Benefit Tax	-	-
Tax	2152	2141
Profit/(Loss) after Taxation	7910	8222
Add : Balance brought forward from last year	(23462)	(31684)
Balance in Profit & Loss Account	(15552)	(23462)

REVIEW OF OPERATIONS & FUTURE OUTLOOK

During the year, the company was engaged mainly in the activities related to development and trading of Real Estate and Investments. The company had gross revenue of Rs. 489.59 crores and has earned a net profit of Rs. 79.10 crores after taxes against the gross revenue of Rs. 194.47 and net profit after taxes of Rs. 82.22 crores in the previous year. The company has invested mainly in Real Estate Sectors in and around Metro Towns and nearby areas where growth of this sector is better than the growth in other cities of the country. The company has also earned Interest Income from the funds which are temporarily invested in various financial Instruments / Securities / Fixed Deposits.

A small set back to the Joint Development Project of the company was received through the judgement of Hon'ble High Court of Mumbai which has stopped the developmental activities carried on by the company under Joint Development Agreement with M/s. Oswal Agro Mills Ltd. (OAML). A Special Petition filed against the order before the Hon'ble Supreme Court and the petition is moved by OAML and is already admitted for the regular hearing. As the matter is sub-judice, the developmental activities at the site are stopped due to the operation of the judgement of the Hon'ble High Court of Mumbai.

The economic trend world wide is not very encouraging. However, the Real Estate Sector is doing better than the other sectors. Future Outlook for the company's growth looks bright keeping in view the projects initiated by the Company which are likely to be completed in near future.

SUBSIDIARY COMPANY

The company promoted M/S Oswal Engineering Ltd in UAE as wholly owned subsidiary. The company's other subsidiary M/s Universal Projects FZE is already in business at UAE.

PUBLIC DEPOSITS

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

DIVIDEND

In view of the projects being undertaken by the company, which require heavy capital outlay, your directors do not recommend any dividend for the year.

MATERIAL CHANGES

There are no material changes affecting the affairs of the Company since the date of Balance Sheet and upto the date of this report.

CHANGE OF NAME

The name of the Company has been changed from Oswal Chemicals & Fertilizers Limited to "OSWAL GREENTECH LIMITED" w. e. f. 23rd November, 2011, as approved by the Government of India- Ministry of Corporate Affairs, Registrar of Companies, Punjab and Chandigarh.

AUDITORS' REPORT

The Auditor's report on audited accounts for the year 2011-12 contains qualification regarding non-confirmation/reconciliation of certain balances, managerial remuneration subject to the approval/reconsideration of the Central Government.

The reconciliation with certain parties and their confirmation is in process. The company is also in process of obtaining the approval of the Central Government for managerial remuneration.

AUDITORS

T.R. Chadha & Co., Chartered Accountants, the existing auditors of the company retires at the conclusion of this Annual General Meeting and being eligible offer themselves for re-appointment. Your Directors recommend their re-appointment.

DIRECTORS

Shri Atul Kulshrestha and Shri Aditya Burra Shastri directors retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

Shri Abhey Kumar Oswal, Chairman & Managing Director of the company due his pre-decided schedule has resigned from the post of Managing Directorship but he still continue to act as Chairman and Director of the company w. e. f. 11th July 2012.

Shri Anil Bhalla, Whole time director of the company has appointed /re-designated as Managing Director of the company w. e. f. 11th July 2012.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, in relation to financial statements for the year 2011-12, the Board of Directors state that:-

- That in preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.



Oswal Greentech Limited

- ii. That 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 as at 31st March, 2012 and the profit of the Company for the year ended on that date ;
- iii. That the Directors have 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 your Company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the annual accounts on a going concern basis.

AUDIT COMMITTEE

The audit committee has met and reviewed the financial statements for the financial year ended 31.03.2012 and has not given any adverse observations. It has also recommended the re-appointment of M/s T.R. Chadha & Company, Chartered Accountants as statutory auditors of the Company.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the listing agreement, Corporate Governance Report and Management Discussion & Analysis are enclosed as Annexure-II & III.

Your company has successfully implemented the mandatory provisions of Corporate Governance in accordance with the provisions of Clause 49 of the listing Agreement of the Stock Exchanges. Separate report on Corporate Governance and Management Discussion and analysis are included in the Annual Report.

A certificate from the Practicing Company Secretary regarding the compliance of conditions of Corporate Governance is place herewith.

PARTICULARS OF EMPLOYEES

Particulars of the Employees in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of employees) Rules 1975 as amended are given in the Annexure-I forming part of this report.

PARTICULARS OF ENERGY CONSERVATION / TECHNOLOGY ABSORPTION / FOREIGN EXCHANGE EARNING AND OUT GO.

The particulars of conservation of Energy and Technology absorption as per 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable as the Company's plants were not operational during the year. During the year under review, the foreign exchange earnings were 93.92 Lacs (Previous year Rs.11281.69) and foreign exchange outgo was 53.86 Lacs (Previous year Rs.9089.51Lacs).

HUMAN RELATIONS

The Directors are happy to state that relations between the Company and its employees remained cordial throughout the year. The Directors express their appreciation for the services rendered by the employees of the Company at various levels.

LISTING / DELISTING OF SHARES

Presently the Company's equity shares are listed on the following Stock Exchanges:

The National Stock Exchange of India Ltd., Mumbai

The Calcutta Stock Exchange Association Ltd., Kolkata

The Ahmedabad Stock Exchange, Ahmedabad

The Applications for delisting of shares are pending with Calcutta Stock Exchange and Ahmedabad Stock Exchange. The equity shares of the Company continue to be listed with National Stock Exchange of India Ltd.

Listing Fee for the year 2012-13 has been paid to the National Stock Exchange of India Ltd.

ACKNOWLEDGEMENTS

The Board of Directors wishes to place on record their appreciation of the sincere services rendered by employees, which have largely contributed to its efficient management. Your Directors also wish to place on records their appreciation for the valuable co-operation and support received from the Government of India. We would also like to express thanks to our shareholders for their continued support.

For & on behalf of the Board
Oswal Greentech Limited

Place : New Delhi
Date : 09.08.2012

ABHEY KUMAR OSWAL
Chairman & Director

ANNEXURE-I

ANNEXURE TO DIRECTOR'S REPORT

Particulars of employees as required under sub-section (2A) of section 217 of Companies Act, 1956 read with companies (particulars of employees) Rules, 1975 and forming part of the directors' report for the year ended 31st March, 2012.

S. No.	Name	Designation	Age (Yrs.)	Qualification	Remuneration	Date of Commencement of Employment	Experience (Yrs.)	Last Employment held & Designation
1	Oswal Abhey Kumar	Chairman & Managing Director	63	B.Com	44697130	01.09.1995	42	Managing Director Oswal Agro Furane Ltd.
2	Bhalla Anil	Whole Time Director	62	B.Com	16520000	01.07.2000	41	Director Oswal Agro Mills Ltd
3	Banga M G	Senior Vice President	52	B E (Civil)MBA	6450200	23.02.2011	26	Sun International Pvt. Ltd.

- i) Remuneration as shown above includes salary, allowances, medical reimbursement, leave travel assistance, company contribution to provident fund & monetary value of perquisites.
- ii) All the above employees except Mr. M G Banga are Whole Time Directors and none of them is related to each other.
- iii) All appointments are contractual except that of Mr. M G Banga.



CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE REPORTS:

The Securities and Exchange Board of India (SEBI) ushered in a formal code of corporate governance (hereinafter "the Code") through Clause 49 in the Listing Agreement executed by the Company with stock exchanges. The Code has been periodically upgraded to ensure the adoption of best corporate governance practices by the corporates. This report sets out the details of corporate governance systems and processes of the Company, as set out in Clause 49 and some of the practices followed by the Company on corporate governance, for the financial year ended 31st March, 2012.

Corporate Governance, it is basically related to the principles of integrity, fairness, equity, transparency, accountability & commitment to values. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company's philosophy on Corporate Governance is guided by the Company's philosophy of Knowledge, Action and Care.

The Company continues to uphold the good governance and practices. It has always been taking necessary steps to re-align its corporate practices with the requirements of listing agreements.

The company believes in adopting best corporate practices for ethical conduct of Business. In stride for achieving the best corporate governance, the company has in place the mandatory committees as required under the Companies Act, 1956/ listing Agreement.

2. BOARD OF DIRECTORS:

The Company's policy is to maintain optimum combination of Executive and Non-Executive directors. The Board of the Company presently comprises of six directors out of which three are Non-Executive Independent directors, two are Executive directors and one is Non-Executive Non-Independent director.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees (Committees being, Audit Committee and Investors' Grievance Committee) across all the companies in which he is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies. Also, none of the Directors on the Board hold the office of Director in more than 15 companies. The required information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board also reviews the declarations made by the Managing Director regarding compliance with all applicable laws.

COMPOSITION OF BOARD OF DIRECTORS, NUMBER OF DIRECTORSHIP IN OTHER COMPANIES AND MEMBERSHIPS IN THE BOARD COMMITTEES OF ALL COMPANIES (INCLUDING YOUR COMPANY AS ON 31.03.2012) ARE GIVEN HEREUNDER:

S. No.	Name of Director/Din No	Designation	No. of Directorship in Other Companies	No. of membership in All Board Committees	
				As Chairman	As Member
Executive Directors					
1.	Shri Abhey Kumar Oswal* 00589130	Chairman & Managing Director	1	-	4
2.	Shri Anil Bhalla** 00587533	Whole Time Director	2	-	4
Non-Executive Directors					
3.	Shri Atul Kulshrestha 00194733	Non-Independent Director	4	-	3
4.	Shri Krishan Chand Bajaj 01844498	Independent Director	-	-	3
5.	Shri Aditya Burra Shastri 01508674	Independent Director	1	-	2
6.	Shri Sumitkumar Dutt 01265514	Independent Director	1	-	2

* Shri Abhey Kumar Oswal has resigned from the post of Managing Director of the company but still continue to act as Chairman and Director of the company w. e. f. 11th July 2012.

** Shri Anil Bhalla, Whole time director of the company now appointed and act as a Managing Director of the company w. e. f. 11th July 2012.

BOARD MEETINGS

During the year under review, seven meetings were held. These were held on 27/5/2011, 27/06/2011, 10/08/2011, 24/10/2011, 30/11/2011, 09/12/2011 and 13/02/2012. The intervening period between two Board Meetings was less than four months against the maximum gap of four months as prescribed under Clause 49 of the Listing Agreement.

**THE DETAILS OF DIRECTORS AND THEIR ATTENDANCE RECORDS AT THE BOARD MEETINGS AND AT THE LAST ANNUAL GENERAL MEETING DURING THE YEAR UNDER REVIEW ARE AS FOLLOWS:**

Name of the Directors	No. of Board Meetings held	No. of Board Meetings attended	Whether attended last AGM
Executive Directors			
Shri Abhey Kumar Oswal	7	6	No
Shri Anil Bhalla	7	7	No
Non-Executive Directors (Independent)			
Shri Krishan Chand Bajaj	7	6	Yes
Shri Sumitkumar Dutt	7	4	No
Shri Aditya Burra Shastri	7	4	No
Non-Executive Director (Non-Independent)			
Shri Atul Kulshrestha	7	5	No

Board's Procedures**A. Scheduling and selection of agenda items for Board meetings**

- (i) The Company holds minimum of four Board meetings in each year, which are pre-scheduled after the end of each financial quarter. Apart from the four pre-scheduled Board meetings, giving appropriate notice at any time to address the specific needs of the Company convenes additional Board meetings. The Board may also approve permitted urgent matters by passing resolutions by circulation.
- (ii) The meetings are usually held at the Company's corporate office at New Delhi.
- (iii) The matters requiring discussion/ approval/ decision in the Board/ Committee meetings are planned well in advance. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board meetings.
- (iv) The Board is informed about the operations of the Company across all business segments before taking on record the results of the Company for the preceding financial quarter at each of the pre scheduled Board meetings. The Board's annual agenda includes determining directors who shall retire by rotation and recommending appointment of directors/ auditors, authentication of annual accounts and approving Directors' Report, long term strategic plan for the Company and the principal issues that the Company expects to face in the future. Board meetings also take note and review functions of its Committees.
- (v) The Chairman and Managing Director and the Company Secretary in consultation with other concerned persons in the top management, finalize the agenda papers for the Board meetings. The Board is provided all the information as required under the Clause 49.

B. Board material distributed in advance

- (i) Agenda papers are circulated to the directors, in advance, in the defined agenda format. All material information is incorporated in the agenda papers for facilitating meaningful, informed and focused discussions at the meetings. Where it is not practicable to attach any document to the agenda, the same are placed on the table at the meeting with specific reference to this effect in the agenda.
- (ii) With the permission of Chairman, additional supplementary item(s) on the agenda are permitted. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance for the meeting.

C. Recording minutes of proceedings at Board meeting

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. The minutes of Board /Audit Committee meeting are circulated with the agenda papers for the next Board/ Audit Committee meeting for confirmation of members. The minutes of the proceedings of a meeting are entered in the minutes book within thirty days from the conclusion of the meeting and signed by the Chairman of the next Board/ Audit Committee meeting.

D. Post meeting follow up mechanism

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the action taken on decisions of the Board and Committees. The actions taken on the decisions of the last Board/ Audit Committee meeting are discussed in the next Board/ Audit Committee meeting.

E. Compliance

The Company Secretary while preparing the agenda, notes on agenda, minutes etc. of the meeting(s) and holding and conducting the meetings, is responsible for and is required to ensure adherence to all the applicable provisions of law.

3. COMMITTEES OF BOARD:

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Four Committees namely Share Transfer Committee, Audit Committee, Investors Grievance Committee and Remuneration Committee with specific terms of reference/scope. The Committees operate as empowered agents of the Board as per their Charter/terms of reference. They ask for the inputs and details required for their decisions, from the executive management. Targets set by them as agreed with mid-course corrections are also carried out. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions/noting. The details of Committees and meetings thereof are as follows:

**A. AUDIT COMMITTEE**

The Constitution, functions and terms of reference of the Audit Committee are in conformity with Section 292A of the Companies Act, 1956 and clause 49 of the listing agreement with the Stock Exchanges. Your company has an audit committee at the board level which acts as a link between the management, the statutory and internal auditors and the Board of Directors and oversees the financial reporting process.

The Committee presently comprises of Four Non- Executive Directors, of whom 3 are Independent Directors, except one who is Non-Executive Non- Independent Director.

During the financial year 2011-2012, four meetings of the Audit Committee were held on 27/05/2011, 10/08/2011, 24/10/2011 and 13/02/2012.

The Composition of the Audit Committee and the details of the meeting attended by the Audit Committee members are given below:-

S.No.	Name of Members	Status	Designation	No. of Meetings held	No. of Meetings attended
1.	Shri Atul Kulshrestha	Member	Non-Executive Non-Independent Director	4	3
2.	Shri Krishan Chand Bajaj	Member	Non-Executive Independent Director	4	4
3.	Shri Sumitkumar Dutt	Member	Non-Executive Independent Director	4	2
4.	Shri Aditya Burra Shastri	Member	Non-Executive Independent Director	4	3

The members of the Audit Committee have requisite knowledge in the field of finance, accounts and management. Minutes of each meeting of Audit Committee are placed and discussed before the Board of Directors.

The Audit Committee is endowed with the following powers:

1. To investigate any activity with in its terms of reference.
2. To seek information from any employee.
3. To obtain external legal or other independent professional advice.
4. To secure attendance of outsider with relevant experience and expertise , when consider necessary.

ROLE OF AUDIT COMMITTEE:

The role of the Audit Committee as outlined in the Charter includes:

- a. Reviewing the quarterly financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices and reasons for the change;
 - Major accounting entries involving estimates based on exercise of judgment by Management;
 - Qualifications in draft audit report;
 - Significant adjustments arising out of audit;
 - The going concern assumption;
 - Compliance with accounting standards;
 - Compliance with listing and other legal requirements concerning financial statements;
 - Any related party transactions i.e. transactions of the Company of a material nature with promoters or the management, their subsidiaries or relatives etc. or any related party transaction, that may have a potential conflict with the interests of the Company at large or may not be in the normal course of business;
 - Review the annual Management Discussion and Analysis of financial condition Report, results of Operations Report and the Directors' Responsibility Statement;
 - Overseeing the Company's financial reporting process and the disclosure of its financial information, including earnings, to ensure that the financial statements are correct, sufficient and credible;
 - Disclosures made under the CEO and CFO certification to the Board and investors.
- b. Reviewing with the management, external auditor and internal auditor, adequacy of internal control systems and recommending improvements to the management.
- c. Recommending the appointment / removal of the statutory auditor, fixing audit fees and approving non audit, consulting services provided by the firms of statutory auditors to the Company; evaluating auditors performance, qualifications and independence.
- d. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the chief internal auditor.
- e. Discussing with the internal auditor and senior management, significant internal audit findings and follow-up thereon.
- f. Reviewing the findings of any internal investigation by the internal auditor into matters involving suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.
- g. Discussing with the external auditor before the audit commences, the nature and scope of audit, as well as conduct post-audit discussions to ascertain any area of concern.
- h. Reviewing the Company's financial and risk management policies.
- i. Reviewing the effectiveness of the system for monitoring compliance with laws and regulations.
- j. Initiating investigations into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

**B. INVESTORS' GRIEVANCE COMMITTEE**

The Company has an "Investors' Grievance Committee" at the board level to deal with various matters related to redressal of shareholders and investors grievances such as share transfer/ transmission, issue of duplicate share certificates, non-receipt of Annual Report etc.

The Committee comprises of Three Directors.

In addition, the committee looks into other issues including status of dematerialization / rematerialization of shares and debentures, systems and procedures followed to pack investor complaints and suggests measures for improvement from time to time.

During the year under review the Committee meets two times to deliberate on various matters referred above.

The details of members and their attendance record at Investor Grievance Committee meeting during the year under review are as under-

S.No.	Name of Members	No. of Meetings held	No. of Meetings Attended
1.	Shri Anil Bhalla	2	2
2.	Shri Atul Kulshretha	2	1
3.	Shri Krishan Chand Bajaj	2	1

C. REMUNERATION COMMITTEE

The Remuneration Committee of the Company presently comprises of three Non-Executive Independent Directors. The Remuneration Committee has the powers to determine and recommend to the Board of the remuneration payable to Executive Directors.

During the financial year 2011-2012 no one meeting of the committee was held. The details of members of Remuneration Committee Meeting during the year under review are as under:

S.No.	Name of Members
1.	Shri Krishan Chand Bajaj
2.	Shri Aditya Burra Shastri
3.	Shri Sumitkumar Dutt

The Company has no pecuniary relationship or transaction with its Non-Executive Independent Directors, other than payment of sitting fee for attending Board and Committee Meetings plus reimbursement of related actual travel and out of pocket expenses.

The remuneration paid to Executive Directors is within the limits as laid down under the provisions of the Companies Act, 1956. The Company does not have any incentive plan linked to performance or achievement of the Company's Objectives. There is no stock option scheme for any of the Directors or Employees of the Company.

As per the disclosure made by the Non-Executive Directors of the Company, none of them is holding any Equity Shares in the Company.

Remuneration Policy

Subject to the approval of the Board of Directors and the subsequent approval by the shareholders at the General Body Meeting and such authorities as the case may be, the Remuneration Committee fixes remuneration of the Managing/Whole-time Directors. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company, etc. The remuneration structure comprises basic salary, perquisites and allowances, contribution to provident fund and other funds in accordance with various related provisions of the Companies Act, 1956. The non-executive Directors have not drawn any remuneration from the Company except sitting fee for meetings of the Board and Committees attended by them.

Details of remuneration/sitting fees paid to Directors of the Company during the financial year ended March 31, 2012 are given below

Rs. In Lacs

S.No.	Name of the Directors	Salary	Company's Contribution to Provident Fund	Allowances/ Perquisites	Sitting fee for attending Board/Committee Meetings
1	Shri Abhey Kumar Oswal	300.00	36.00	110.97	---
2	Shri Anil Bhalla	120.00	14.40	30.80	---
3	Shri Krishan Chand Bajaj	---	---	---	0.55
4	Shri Aditya Burra Shastri	---	---	---	0.35
5	Shri Sumitkumar Dutt	---	---	---	0.30

4. SUBSIDIARY COMPANY:

The Company promoted M/s Oswal Engineering Ltd. in UAE as wholly owned subsidiary. The Company's other subsidiary M/s Universal Projects FZE is already in business at UAE. These are not the material subsidiaries as per Clause 49 of the Listing Agreement.

5. SHAREHOLDERS COMPLAINTS:

No. of complaints received During 01.04.2011 to 31.03.2012	No. of complaints resolved to the satisfaction of shareholders	No. of pending transfer of shares
61	60*	NIL**

* Pending complaints were redressed during the month of April 2012.

** As on date, there are no shares pending for transfer except disputed cases or where restrain order is still pending.