

Notice

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Member will be held on Wednesday, the 29th September, 2010, at 11.00 A.M. at the Company at Arora House, 16, Golf Link, Union Park, Khar (West), Mumbai - 4 following business.

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet and the Profit and Loss Account for the year ended 31st March, 2010 and the Report of the Directors thereon.
2. To appoint a Director in place of Mr. Chandir Gidwani, who retires by rotation and offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution:

RESOLVED THAT M/s. A.T. Jain & Co., Chartered Accountants, be and they are authorised to act as Auditors of the Company in place of the retiring auditors, M/s. A.M. Joshi & Co., Chartered Accountants, till the conclusion of the next Annual General Meeting of the Company on a remuneration to be determined by the Board in consultation with the Auditors in addition to payment for other services and reimbursement of costs.

Special Business

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

RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, Shri Ravi K. Raut is hereby re-appointed as the Managing Director of the Company, with effect from 1st April 2010, for a period of five years, with liberty to either party to terminate the appointment by giving notice in writing to the other, at a remuneration and on terms set out in the Annexure to this Notice. **Salary** : Rs.50,000/- per month, subject to such periodic increments as the Board may determine, up to a total of Rs.3,00,000/- per month, provided that all emoluments paid shall be subject to the overall limits laid down by Schedule XIII of the Companies Act, 1956.

Perquisites:

- (a) Medical Reimbursement: Expenses incurred by him and his family up to a maximum of Rs. 1,00,000/- per month's salary over a period of three months in a year.
- (b) Club Fees: Subject to a maximum of two clubs. This will not include the Membership Fee.

Board of Directors:

- Mr. Rupinder Singh Arora: *Chairman & Managing Director*
 Mr. Chandir G. Gidwani : *Director*
 Ms. Ritika Handa : *Director*
 Mr. Navin Marwah : *Director*

Company Secretary:

Ravindra Joshi

Auditors:

M/s. A. M. JOSHI & CO.
Chartered Accountants
 Sukrita, 127, Shivaji Park,
 Dr. M. B. Raut Road,
 Dadar, Mumbai-400 028.

Banker:

HDFC BANK LTD.

Registered Office:

Arora House,
 16, Golf Link, Union Park,
 Khar (West), Mumbai-400 052.

1. Shareholders are requested to bring their copy of the Annual Report to the Meeting.
2. Please address all correspondence regarding share transfer work to the Registrars and Share Transfer Agents and **not to the Company's Registered Office.**
3. Members are requested to notify their change of address, if any, to our Registrars and Share Transfer Agents, **M/s. Sharex Dynamic (India) Pvt. Ltd., at the following address:**

SHAREX DYNAMIC (INDIA) PVT. LTD.,
 Unit-1, Luthra Industrial Premises,
 Andheri-Kurla Road, Safed Pool,
 Andheri (East), Mumbai-400 072.

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- (c) Personal Accident Insurance: Premium not to exceed Rs.10,000/- p.m.
(d) Provision of Car with Driver all expenses to be borne by the Company.

By Order of the Board of Directors

RAVINDRA JOSHI
Company Secretary

Mumbai, Dated: 20th May, 2010.

Registered Office:

Arora House,
16, Golf Link,
Union Park, Khar (West),
Mumbai-400 052.

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies in order to be effective must be received by the Company not less than 48 hours before the scheduled time of the meeting. A blank form is annexed to this notice.

2. The Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, is annexed herewith.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 22nd September, 2010 to Wednesday, the 29th September, 2010. (both days inclusive).

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

Item No. 3

M/s. A.M. Joshi & Co. the retiring Auditors have shown unwillingness to continue as Auditors of the Company due to other pressing commitments. It is therefore proposed to appoint M/s. A.T. Jain & Co., Chartered Accountants as Auditors for the current year. M/s. A.T. Jain & Co. have informed that they are willing to act as Auditors, if appointed.

None of the Directors of the Company is concerned and interested in the resolution.

Item No. 4

Shri Rupinder Singh Arora, Director, was re-appointed as Managing Director of the Company for a period of 5 years from 1st August, 2005.

His term of appointment expires on 31st July, 2010.

It is proposed to re-appoint him as Managing Director of the Company for 1st August, 2010 on the terms as set out in the Notice.

The Board of Directors recommends the resolution for your approval.

Shri Rupinder Singh Arora is interested in the resolution concerning his appointment as Managing Director. Ms. Ritika Handa, one of the Directors of the Company is therefore concerned and interested in the resolution to that extent.

The proposed resolution under item No.4 and this Explanatory Statement may be read in conjunction with the terms and conditions of the appointment, pursuant to Section 302 of the

By Order

Mumbai, Dated: 20th May, 2010.

Registered Office:

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Directors' Report to the Shareholders

Your Directors present before you the Sixteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended **31st March, 2010**.

	2009-2010 (Rupees)	2008-2009 (Rupees)
Profit before Finance Charges And Depreciation	66,72,990	1,22,59,346
Less: Interest	1,62,148	2,26,048
Profit before Depreciation and Taxation	65,10,842	1,20,33,298
Less: Depreciation	37,00,203	3,734,752
Profit/(Loss) after Depreciation	28,10,639	82,98,546
Less: Provision for Taxation		
Provision for Deferred Tax	1,04,29,615	(39,19,864)
Income Tax for Current Year	7,50,000	19,00,000
Fringe Benefit Tax	—	1,57,894
Income Tax Earlier Year	3,98,561	—
Profit/(Loss) for the Year	(87,67,538)	1,01,60,517
Loss brought forward from Previous Year	(43,71,291)	(1,45,31,808)
Loss carried to Balance Sheet	(1,31,38,830)	(43,71,291)

PERFORMANCE

Due to difficult market conditions the Company's income from operations has reduced. The profit before tax is Rs. 28.10 lacs as compared to 82.98 lacs. The Company has kept all its projects on hold due to adverse market conditions.

DIVIDEND

The Board of Directors regret their inability to declare dividend in view of brought forward loss from previous years.

1. DIRECTORS' RESPONSIBILITY STATEMENT

Directors confirm and state the following in pursuance of provisions of Section 217(2AA) of the Companies Act, 1956.

(i) that in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(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 at the end of financial year and of the Loss of the Company for that year.

(iii) that the Directors have taken proper and sufficient care for the maintenance of adequate

accounting records in accordance with the provisions of the Act of the Company and for preventing and detecting fraud and (iv) that the Directors have prepared the annual accounts on a go

2. CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement with the Stock Exchange, a Report is annexed to the Director' Report.

3. DIRECTORS

Mr. Chandir Gidwani retires by rotation and being eligible offers his The term of Mr. Rupinder Singh Arora as the Managing Director 31st July, 2010. It is proposed to re-appoint him as Managing Director years. The necessary resolution of his re-appointment and for the re be moved at the ensuing Annual General Meeting.

4. LISTING ON STOCK EXCHANGES

The Company is listed on The Bombay Stock Exchange Limited only been paid and there is no outstanding payment due to the Exchan

5. AUDITORS' REPORT

The observations of the Auditors are self explanatory.

6. AUDITORS

M/s. A.M. Joshi & Co. the retiring Auditors have shown unwillingness Company due to other pressing commitments. It is therefore proposed Co., Chartered Accountants as Auditors for the current year. M/s. A.T. they are willing to act as Auditors, if appointed.

7. PARTICULARS OF EMPLOYEES

The particulars of employees required to be given under provision Companies Act, 1956 — NIL.

8. ACCEPTANCE OF PUBLIC DEPOSITS

The Company has not accepted public deposits during the year under any public deposit in future.

For and on behalf of

Mumbai, Dated: 20th May, 2010.

Registered Office:

Arora House, 16, Golf Link,
Union Park, Khar (West),
Mumbai-400 052.

Report of the Directors on Corporate Governance

(As per clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd., Mumbai)

1. Company's philosophy on code of Governance.

The Company is committed to adhere to the code of Corporate Governance as it means adoption of best business practices aimed at growth of the Company coupled with bringing benefits to investors, customers, creditors, employees and the society at large.

The objective of the Company is not just to meet the statutory requirements of the Code of Corporate Governance as prescribed under Clause 49 of the Listing Agreement but to develop such systems and follow such practices and procedures to satisfy the spirit of the law.

2. Board of Directors

The present strength of the Board of Directors of the Company is 4 Directors. The Board comprises of 1 Promoter-Chairman-Cum Managing Director and 3 Non-Executive Directors with independent judgment in the deliberation and decisions of the Board. 1/2 of the total number of Directors are independent Directors. The number of Non Executive Directors are more than 50% of the total number of the Directors. The Board reviews and approves the strategy and oversees the actions and results of management to ensure that the long term objectives are achieved.

The Senior management have made disclosure to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

The Board of Directors met five times during the year 2009-2010 on April 28, 2009, June 27, 2009, July 31, 2009, October 24, 2009 and January 30, 2010. The maximum gap between any two meetings was not more than four months. All meetings were well attended.

Attendance of each Director at the Board Meetings and last AGM.

Sr. No.	Name of the Director	Category	No. of Board Meetings attended	Attendance in last AGM
1.	Mr. Rupinder Singh Arora	Chairman & Managing Director	5	Yes
2.	Ms. Ritika Handa	Non Executive Director	5	Yes
3.	Mr. Chandir Gidwani	Non Executive Independent Director	4	Yes
4.	Mr. Navin Marwah	Non Executive Independent Director	4	Yes

Date of last AGM – September 29, 2009

Number of other companies or committees where the Director is a Director / Member.

Name of Director	No. of other Directorships in Public Limited Companies	No. of other Board Committees in which Member
Mr. Rupinder Singh Arora	3	1
Ms. Ritika Handa	1	Nil
Mr. Chandir Gidwani	4	1
Mr. Navin Marwah	1	1

The Company sends a detailed agenda folder to each Director sufficiently before Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Chairman appraises the Board at every meeting on the overall performance of the Company. The Board

provides overall strategic directions and periodically reviews strategy and operating and capital expenditure budgets and oversees the actions and to ensure that the long term objectives of enhancing shareholder's value inter alia, reviews and considers investment and exposure limits, re- adoption of quarterly/half yearly/annual results, transactions pertaining property, major accounting provisions and write offs, corporate restructuring of committees of the Board and information on recruitment of officers including the Compliance Officer.

The Board periodically reviews compliance reports of all laws applicable as steps taken by the Company to rectify instances of all non compliance. The Board has laid down the Code of Conduct for the Board members management personnel of the Company. All Board members and designees personnel have affirmed compliance with Code of Conduct.

The Company has a well defined risk management framework in place framework adopted by the Company is discussed in detail in the Management Analysis Chapter of this Annual Report. Your Company has established a place before the Board the risk assessment and minimization procedure Company and steps taken by it to mitigate these risks.

Your Company has two major Board Level Committees, Audit Committee and Investors' Committee. All decisions regarding the constitution of committees and fixing of terms of services for committee members is taken by the Board on the role and composition of these Committees, including the number of members, the financial year and the related attendance, are provided in this report.

3. Audit Committee**Terms of Reference**

The terms of reference of Audit Committee, inter-alia, are:—

The role of the Audit Committee shall include the following:

- (1) Oversight of the Company's Financial Reporting Process and the Information to ensure that the financial statement is correct, sufficient and reliable.
- (2) Recommending to the Board, the appointment, re-appointment and or removal of the statutory auditor and the fixation of audit fees.
- (3) Approval of payment to statutory auditors for any other services rendered by them.
- (4) Reviewing, with the management, the annual financial statement of the Company for approval, with particular reference to:
 - (a) Matters required to be included in the Directors' Responsibility Statement in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 2005.
 - (b) Changes, if any, in accounting policies and practices and major accounting entries involving estimates based on their judgment.
 - (c) Major accounting entries involving estimates based on their judgment.
 - (d) Significant adjustments made in the financial statements aforesaid.
 - (e) Compliance with listing and other legal requirements relating to financial reporting.
 - (f) Disclosure of any related party transactions.
 - (g) Qualifications in the draft audit report.
- (5) Reviewing with the management, the quarterly financial statement of the Company for approval.

- (6) Reviewing with the management, performance of statutory auditors and adequacy of the internal control systems.
- (7) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (8) To look into the reasons for substantial defaults in the payment to the depositors, shareholders and creditors.
- (9) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Generally all items listed in Clause 49 II D of the Listing Agreement are covered in the terms of reference. The Audit committee has been granted powers as prescribed under Clause 49 II C.

The Audit Committee of the Company comprises of (1) Mr. Chandir Gidwani (Chairman) (2) Mr. Navin Marwah and (3) Ms. Ritika Handa. This Committee has been empowered to cover all the matters specified under Section 292A of the Companies Act, 1956, and also the matters listed under the Listing Agreement with Stock Exchanges.

Number of Audit Committee meetings – 4.

Attendance of each member of the Audit Committee

Name of the Director	No. of Meetings held	No. of Meetings attended
Mr. Chandir Gidwani	4	4
Mr. Navin Marwah	4	4
Ms. Ritika Handa	4	4

Audit Committee met four times during the year 2009-2010 on June 27, 2009, July 31, 2009, October 24, 2009, and January 30, 2010. The time gap between any two meetings was less than four months.

4. Remuneration Committee

The Company is too small to have a Remuneration Committee.

- (a) Details of remuneration paid/payable to whole-time Director.

Name of the Director	Remuneration including all benefits
Mr. Rupinder Singh Arora — Chairman & Managing Director	Rs. 6,00,000

- (b) Details of Sitting fees paid to non-executive Directors for attending Board meetings and Audit Committee meetings.

Name of the Directors	Sitting fees paid
Mr. Chandir Gidwani	Rs. 40,000
M/s. Ritika Handa	Rs. 45,000
Mr. Navin Marwah	Rs. 40,000

5. Shareholders'/Investors' Committee

This Committee comprising of three Non Executive Directors viz. Mr. Chandir Gidwani, Mr. Navin Marwah and Ms. Ritika Handa. The Committee functions with the objective of looking into redressal of shareholders'/investors relating to non-receipt of Annual Report, delay in transfer or transmission of shares and cases of refusal of transfer or transmission of shares etc.

The Company did not receive any complaint during the year ended on 31st March, 2010. No complaints were pending as at 31.03.2010. The Compliance officer of the Company is Mr. S.M. Gupta.

6. General Body Meetings

General Meeting	Date and Time	Place
Annual General Meeting	29th September, 2009 at 11.00 a.m.	At the office of Mr. Navin Marwah at Arora Golf L Park, K Mumbai
Annual General Meeting	29th September, 2008 at 11.00 a.m.	At the office of Mr. Navin Marwah at Arora Golf L Park, K Mumbai
Annual General Meeting	21st September, 2007 at 11.00 a.m.	At the office of Mr. Navin Marwah at Arora Golf L Park, K Mumbai

During the Financial year 2009-2010, the Company has not passed any resolution in the form of postal ballot.

The Company has fully complied with the applicable mandatory requirements of the Listing Agreement.

7. Disclosures

None of the transactions with any of the related parties were in contravention of the Listing Agreement.

The Company has complied with all the requirements of Stock Exchange authority related to the Capital Markets during the last 3 years.

During the Financial year 2009-2010, there were no materially significant potential conflict with the interests of the Company at large.

The Company has followed the Guidelines of Accounting Standards 1 as prescribed by the Chartered Accountants of India (ICAI) in preparation of its Financial Statements. The Company has complied with all the requirements of Regulator of Securities. No strictures were imposed on the Company by the Stock Exchanges or SEBI on any matter related to Capital Market.

In compliance with the SEBI regulations on prevention of insider trading, the Company has adopted a comprehensive code of conduct for prevention of insider trading for its employees. The code lays down the guidelines, which advises them on procedures to be followed, while dealing with shares of the Company and cautioning of violations.

8. Means of Communication

The quarterly reports are normally published in "Free Press Journal" and the Report is sent every year to the Shareholders.

9. General Shareholders Information

Annual General Meeting	29th September, 2010
Financial Year	31st March, 2010
Book Closure	22.09.2010 to 29.09.2010
Dividend Payment Date	No Dividend
Listing on Stock Exchange(s)	The Bombay Stock Exchange Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
Stock Code	531583 (Mumbai)