

SHIRPUR GOLD REFINERY LTD.
(Formerly known as AGEE GOLD REFINERS LIMITED)



ANNUAL REPORT 2001 – 2002

SHIRPUR GOLD REFINERY LIMITED
(Formerly known as Agee Gold Refiners Ltd.)

BOARD OF DIRECTORS

Amarish Patel	:	Chairman	
Mukesh Patel	:	Vice Chairman	(upto 15.06.2002)
N. Dwarkanath	:	Managing Director	
Vipin Malik	:	Director	
Prakash Mehta	:	Director	(upto 29.11.2002)
Surinder Pathania	:	Director	
Dinesh Patel	:	Director	
Bhupesh Patel	:	Director	
Sanjay Gupta	:	Director	
	:	Executive Director	(upto 16.04.2002)
Chintan Patel	:	Director	
Tapan Patel	:	Director	

VICE PRESIDENT (FINANCE)

Abhay Shah

COMPANY SECRETARY

V. A. Vakharia

AUDITORS

M/s. Utpal Bhayani & Co.
Chartered Accountants

BANKERS

Global Trust Bank Ltd.
Bank of Punjab Ltd.
The Jammu & Kashmir Bank Ltd.
HDFC Bank Ltd.
The Shirpur Peoples Co-op Bank Ltd.

REGISTRARS & TRANSFER AGENTS

Sharepro Services

Satam Industrial Estate, 3rd floor, Above Bank of Baroda, Cardial Gracious Road,
Chakala, Andheri (East), Mumbai 400 099.

REGISTERED OFFICE

Refinery Site, Shirpur, Dist. Dhulia, Maharashtra.

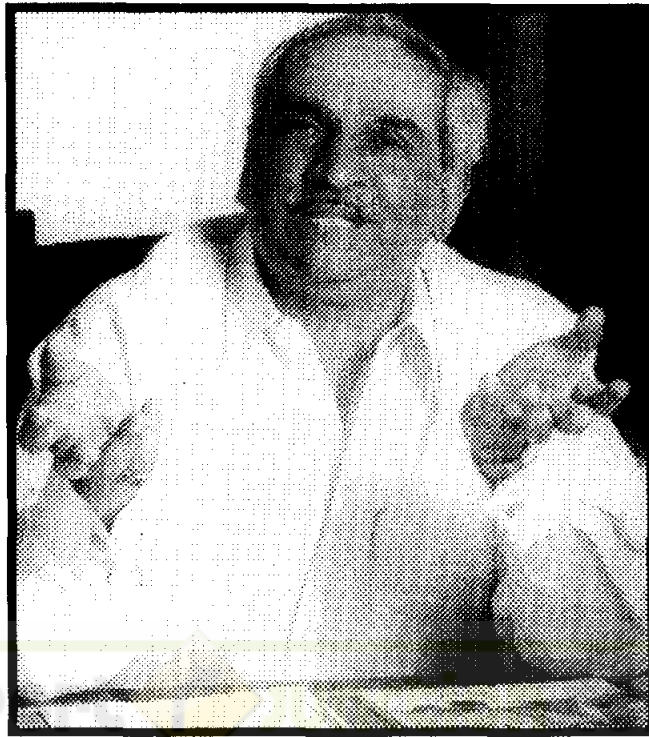
REFINERY

Shirpur, Dist. Dhulia, Maharashtra.

CORPORATE OFFICE

4A, Vikas Centre, 104, S.V.Road, Santacruz (W), Mumbai 400 054.

*At the dawn of every new sun
We will cherish
His manifold, unforgettable bequest*



MUKESH R. PATEL

24-9-1954 – 15-6-2002

Founder

SHIRPUR GOLD REFINERY LIMITED

(Formerly known as AGEE GOLD REFINERS LIMITED)

Regd. Off: Refinery Site, Shirpur, Dhulia, Maharashtra-425405

Tel: 02563-58001/2/7 Fax: 02563-58003

Notice is hereby given that the Seventeenth Annual General Meeting of the members of SHIRPUR GOLD REFINERY LIMITED will be held on Friday, 20th September, 2002 at 11.30 A.M. at its Registered Office at Refinery Site, Shirpur, Dist. Dhulia, Maharashtra-425405 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2002 and the Profit and Loss Account for the year ended on that date and the Report of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr.S.M.Pathania, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr.Vipin H. Malik, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the 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 an Ordinary Resolution:

"RESOLVED THAT Dr.Dinesh S. Patel, who was appointed as an additional director of the Company by the Board of Directors and who holds office as per Section 260 of the Companies Act, 1956, upto the date of this Annual General Meeting and in respect of whom the company has, pursuant to Section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of director be and is hereby appointed as a director of the company, liable to retire by rotation.

By Order of the Board
For **SHIRPUR GOLD REFINERY LIMITED**

V.A.VAKHARIA
Company Secretary

Mumbai
Date: 20th August, 2002

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. To explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, is attached to the Notice.
3. Members are requested to notify the change of address to our Registrar and Transfer Agent M/s. Sharepro Services at Satam Industrial Estate, 3rd Floor, Above Bank of Baroda, Cardinal Road, Chakala, Andheri (E), Mumbai 400 049.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 12th September, 2002 to Tuesday 17th September, 2002 (both days inclusive)
5. Members desiring any information about accounts at the Meeting are requested to write to the Company at least 7 days in advance of the Annual General Meeting.
6. All the documents referred to in the accompanying Notice and the Explanatory Statement thereto, shall be kept open for inspection by the members, at the Registered Office of the Company, on all working days between 11.00 a.m. and 1.00 p.m. upto and including the day of the Annual General Meeting.
7. Members who hold shares in Dematerialized Form are requested to bring their Client ID and DP ID Numbers for easy identification of attendance at the meeting.

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

Item No.5:

Dr.Dinesh S. Patel was appointed as an Additional Director at the Board Meeting held on 25th January, 2002. Pursuant to the provisions of Section 260 of the Companies Act,1956 and Article 80 of the Articles of Association of the Company, he holds office of Director upto the date of Annual General Meeting. Notice has been received from a Member Under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director together with requisite deposits.

Dr. Dinesh S. Patel is M.Sc,Ph.D.,C.Chem.,FRSC (London). He is Managing Director and CEO of Themis Medicare Ltd.. He has wide experience of various industries.

The Directors are of the opinion that his appointment would be beneficial to the Company and hence recommend the resolution at Item No.5 for your approval. None of the Directors of the company is in anyway, concerned or interested in resolution at Item NO.5 regarding appointment of Dr.Dinesh S. Patel as a Director of the Company except Dr.Dinesh S. Patel.

For **SHIRPUR GOLD REFINERY LTD.,**

V.A.VAKHARIA
Company Secretary

Mumbai
Dated: 20th August, 2002



SHIRPUR GOLD REFINERY LIMITED

(Formerly known as AGEE GOLD REFINERS LIMITED)

DIRECTORS' REPORT**To the Members of SHIRPUR GOLD REFINERY LIMITED**

Your Directors have pleasure in presenting the Seventeenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2002.

FINANCIAL RESULTS	31.03.2002	31.03.2001
Gross Profit before Interest & depreciation	18,72,842	5,03,00,577
Less: Interest	14,56,335	76,36,985
Depreciation	--	--
Profit Before Tax	4,16,507	4,26,63,592
Less: Provision for Taxation	35,000	--
Profit (Loss) after Tax	3,81,507	4,26,63,592
Balance of Previous Year	9,27,75,999	5,01,12,407
Balance carried forward in Balance Sheet	9,31,57,506	9,27,75,999

FINANCIAL RESULTS

During the year under review, your Company has recorded Gross income of Rs.157.91 lacs (Previous Year Rs.525.15) and a net Profit of Rs.3.81 Lacs (Previous Year Rs.426.64 Lacs).

DIVIDEND

Directors do not recommend dividend for the year under consideration.

DIRECTORS

Shri. Prakash V. Mehta resigned as a Director w.e.f. 30th November, 2001. The Board placed on record its sincere appreciation for valuable guidance given by him during his tenure as a Director.

Dr.Dinesh S. Patel was appointed as an Additional Director w.e.f. 25th January, 2002.

Shri.Chintan Amarish Patel was appointed as an Additional Director w.e.f. 29th April, 2002.

Shri.Tapan Mukesh Patel was appointed as an Additional Director w.e.f. 29th April, 2002.

The Board recorded sad, untimely and unfortunate death of Vice Chairman of the Company Shri.Mukesh R. Patel on 15th June, 2002.

Mukesh R. Patel, M.P. was the pioneer and visionary in establishment of one of the largest gold refinery at Shirpur (Maharashtra). The company has lost very able promoter and the void created by his sudden demise, the Board felt, cannot be filled-up for a long time.

Dr. Dinesh S. Patel holds office of directorship upto the date of this Annual General Meeting. Company has received notice from a member proposing his name for appointment as Director of the Company. Necessary resolution has been incorporated in the Notice of the Annual General Meeting.

DIRECTORS'S RESPONSIBILITY STATEMENT

Your Directors further report:

- i. That in the preparation of annual accounts, for the financial year ended 31st March, 2002 the applicable accounting standards had been followed and that there were no material depatures.
- ii. That selected accounting policies were applied consistently and the Directors made judgement 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, 2002 and of the profit of the Company for the period ended 31st March, 2002.
- iii. That they 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.
- iv. That the annual accounts have been prepared on a going concern basis.

OPERATIONS & FUTURE PROSPECTUS

The year under review was an extremely volatile one as far as international bullion industry was concerned. The business which is very price sensitive saw gold prices dipping to US \$ 256.10 / oz at peak [20% swing]. This perpetuated major restructuring exercises across the spectrum of players involved. Large mining companies underwent consolidation and merger exercises. Miners across the board also shed their 'hedge' books. Large international banks dealing in bullion strategically invested in equities of refining companies and financed mining operations. Availability of mine dore already under pressure of low gold prices [stagnated supplies] was very difficult for new entrants. Your Company, technologically, aligned to utilize mine dore as the principal raw material input, found, it extremely difficult to source its raw material requirements. The issues were further compounded by European Central Banks physically offloading their stocks under the 'Washington Agreement'.

As a result of the above, your Company had to perceptibly shift its focus and technically realign itself to take in other forms of raw material viz. Unrefined large bars and scrap gold. This necessitated technical expertise and process adaptations which were carried out with the assistance of an international firm. Your Company, therefore, continued its trial production runs throughout the year. Utmost care was taken to ensure that the finished product quality was maintained and received well by the market. Implementation of these technical changes resulted in reduction in the process time and consequently increase in the installed capacities of the plant.

The current year, till date, has seen consolidation of gold prices to above US \$ 300 oz. Levels providing all round buoyancy in the markets. The Indian Market is also experiencing resurgence in demand. Predictions by bullion analysts and pundits are quite optimistic. The Govt. of India continues its liberalization drive by having rationalized import duty structures on 'gold concentrates' and being bullish on establishments of a futures/forward market in India. Your Company has obtained permission from Reserve Bank of India to hedge its exposures / risks.

Your Directors are confident that in the current year, your Company would commence commercial operations and be able to achieve optimum operating efficiencies.

CHANGE OF SITUATION OF REGISTERED OFFICE OF THE COMPANY

The Registered Office was shifted from 4A, Vikas Centre, S.V. Road, Santacruz (W), Mumbai 400 054 to Refinery Site, Shirpur, Dist. Dhulia, Maharashtra, w.e.f 01-10-2001.

CHANGE OF NAME OF THE COMPANY FROM AGEE GOLD REFINERS LIMITED TO SHIRPUR GOLD REFINERY LIMITED

The name of the Company was changed from Agee Gold Refiners Limited to Shirpur Gold Refinery Limited w.e.f. 18th March, 2002.

FIXED DEPOSITS

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the Rules made thereunder.

INSURANCE

The Assets of the Company are adequately insured including raw-material and finished goods-in-transit.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of Listing Agreement with the Stock Exchanges, a compliance report on Corporate Governance has been annexed as part of the Annual Report.

TECHNOLOGY ABSORPTION, CONSERVATION OF ENERGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company has not yet commenced Commercial Production as stated above, the particulars of conservation of energy, technology absorption details are not given.

The particulars of the foreign exchange earnings and outgo during the year under review are as under:

Earnings (FOB Value of Export)

Nil

Outgo

Rs.15,47,169/-

DEMAT

Trading in the Equity Shares of your Company has been compulsory in the dematerialized form for all shareholders w.e.f. 8th May, 2000 as per Circular dated 15th February, 2000 from Securities and Exchange Board of India (SEBI). Your Company has achieved high of level dematerialization with 80% of the total number of Equity Shares being held in the electronic mode with both the depositories.

PARTICULARS OF EMPLOYEES

There were no employees pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, duly amended.