



SHIRPUR GOLD REFINERY LIMITED

(Formerly known as AGEE GOLD REFINERS LIMITED)

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19TH ANNUAL REPORT
2003 - 2004

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

BOARD OF DIRECTORS

Mr. Chintan A. Patel	<i>Managing Director</i>	
Mr. Tapan M. Patel	<i>Jt. Managing Director</i>	
Mr. Bhupesh R. Patel	<i>Chairman</i>	(upto 29.05.2003)
Mr. N. Dwarkanath	<i>Managing Director</i>	(upto 28.06.2003)
Dr. Dinesh S. Patel	<i>Director</i>	
Mr. Sanjay Gupta	<i>Director</i>	
Mr. Subhash M. Jain	<i>Director</i>	(w.e.f. 29.07.2003)

AUDITORS

M/s. Utpal Bhayani & Co.
Chartered Accountants

BANKERS

Global Trust Bank Ltd.
Bank of Punjab Ltd.
The Jammu & Kashmir Bank Ltd.

REGISTRARS & TRANSFER AGENTS

Sharepro Services

Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road,
Chakala, Andheri (E), Mumbai - 400 099.

REGISTERED OFFICE

Refinery Site at Shirpur, Shirpur, Dist. Dhulia, Maharashtra - 425 405.

CORPORATE OFFICE

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

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of SHIRPUR GOLD REFINERY LIMITED will be held on Tuesday, 28th September, 2004 at 12.15 P.M. at its Registered Office at Refinery Site, Shirpur, Dist. Dhulia, Maharashtra - 425 405 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2004 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 Dr. Dinesh Patel, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusive of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board

For **SHIRPUR GOLD REFINERY LIMITED**

CHINTAN A. PATEL

Managing Director

Place: Shirpur.

Date : 27th July, 2004.

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. The Register of Members and Share Transfer Books of the Company will remain closed from 21-09-2004 to 28-09-2004 (both days inclusive).
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 Gracious Road, Chakala, Andheri (E), Mumbai 400 099.
4. 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.
5. 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.

By Order of the Board

For **SHIRPUR GOLD REFINERY LIMITED**

CHINTAN A. PATEL

Managing Director

Place: Shirpur.

Date : 27th July, 2004.

SHIRPUR GOLD REFINERY LIMITED
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DIRECTORS' REPORT

To the Members of
SHIRPUR GOLD REFINERY LIMITED

Your Directors have pleasure in presenting the Nineteenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2004.

FINANCIAL RESULTS	31.03.2004	31.03.2003
Gross Profit/(Loss) before Interest & Depreciation	–	(75,000)
Less : Interest	19,57,808	20,21,507
Depreciation	–	–
Profit/(Loss) Before Tax	(19,57,808)	(20,96,507)
Less : Provision for Taxation	3,137	–
Profit/(Loss) after Tax	(19,54,671)	(20,96,507)
Balance of Previous Year	9,10,60,999	9,31,57,506
Balance carried forward in Balance Sheet	8,91,06,328	9,10,60,999

FINANCIAL RESULTS

During the year under review, under trial production, your Company recorded turnover of Rs.NIL (Previous Year Rs. NIL). The Company has yet to commercially launched its products. Accordingly, all the relevant expenses including interest on Borrowings and Depreciation on the assets and revenues are clubbed as "Incidental Expenditure, during construction", forming part of Capital work-in-progress. This would be capitalised as and when commercial production commences. The Company is confident of launching its products commercially in the second quarter of the current year i.e. in the Financial Year 2004-2005.

DIVIDEND

Directors do not recommend dividend for the year under consideration.

DIRECTORS

The Board of Directors in their meeting held on 25th July, 2003 appointed Shri. Chintan A. Patel and Shri. Tapan M. Patel as additional Directors w.e.f. 28th June, 2003. The Board of Directors in their meeting held on 29th July, 2003 appointed Shri. Subhash Manakchand Jain as an Additional Director w.e.f. 29th July, 2003 and also as a Member of Audit Committee.

The Board of Directors in their meeting held on 29th July, 2003 appointed Shri. Chintan A. Patel as Managing Director and Shri. Tapan M. Patel as Joint Managing Director w.e.f. 28th June, 2003.

Dr. Dinesh Patel retires by rotation and being eligible offer himself for re-appointment.

AUDIT COMMITTEE

Currently the Audit Committee of the Directors consists of :-

- 1) Dr. Dinesh Patel - Chairman of the Committee
- 2) Shri. Sanjay Gupta - Member
- 3) Shri. Subhash Manakchand Jain - Member (w.e.f. 29-7-2003)

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors further report :

- i. That in the preparation of annual accounts, for the financial year ended 31st March, 2004 the applicable accounting standards has been followed and that there were no material departures.
- 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

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affairs of the Company as at 31st March, 2004 and of the loss of the Company for the period ended 31st March, 2004.

- 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 PROSPECTS

Your Company has entered into an agreement with a government undertaking for importing and processing the bullion. They also agreed for marketing tie-up. The implementation of this is at an advance stage. The whole procedure will be completed at the earliest and the Company will be fully operational during the year.

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.

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 earlier, 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)	Rs. NIL
Outgo	Rs. NIL

DEMAT

Trading in the Equity Shares of your Company has been made 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 96.71% 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.

AUDITORS

M/s. Utpal Bhayani & Company, Chartered Accountants, retire at the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment as Auditors of the Company.

ACKNOWLEDGEMENT

Your Directors' place on record their appreciation of the assistance and support extended by the Government Authorities, Banks and Shareholders of the Company and look forward to their continued support in future.

Your Directors also express their appreciation for the dedicated and sincere services rendered by employees of the Company.

For and on behalf of the Board

Place : Mumbai.
Dated : 27th July, 2004.

CHINTAN A. PATEL
Managing Director

SHIRPUR GOLD REFINERY LIMITED
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REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is set out below :

Company's Philosophy on Code of Governance :

The essential elements of Corporate Governance is accountability in functioning of the Company. The Company believes that Corporate Governance should result in enhancing Corporate performance and increase in Shareholders Value.

1. Board of Directors

(A) Composition :

The Board comprises of Executive and Non-Executive Directors. The Non-Executive Directors bring independent judgement in the Board deliberations and decisions. Only the Managing Director and Joint Managing Director are the Whole-time Directors.

COMPOSITION OF BOARD OF DIRECTORS :

As on 31st March, 2004

Sr. No.	Name of Directors	Category	Other Directorship/ Board Committees (Numbers)	
			Directors	Committees
1	Shri. N. Dwarkanath (Managing Director) (upto 28-06-2003)	Managing Director	2	—
2	Dr. Dinesh S. Patel	Non-Executive Independent Director	5	—
3	Shri. Sanjay Gupta	Independent Director	4	—
4	Shri. Chintan A. Patel Managing Director	Promoter Group	9	—
5	Shri. Tapan M. Patel Jt. Managing Director	Promoter Group	5	—
6	Shri. Subhash M. Jain (w.e.f. 28-07-2003)	Non-Executive Independent Director	—	—

19TH ANNUAL REPORT**NUMBER OF BOARD MEETINGS AND THE ATTENDANCE OF DIRECTORS DURING 1ST APRIL, 2003 TO 31ST MARCH, 2004**

Name of Directors	Number of Board Meetings attended (out of 5 Meetings)	Attendance at last AGM Held on 29.9.2003
Shri. N. Dwarkanath (upto 28.06.2003)	1	—
Shri. Sanjay Gupta	5	YES
Dr. Dinesh Patel	4	—
Shri. Chintan A. Patel - Managing Director	4	—
Shri. Tapan M. Patel - Jt. Managing Director	4	—
Shri. Subhash M. Jain	1	—
Shri. Bhupesh Patel (upto 29.05.2003)	1	YES

(B) None of the non-executive Directors of the Company have any pecuniary relationship or transactions with the Company other than fees paid for professional services rendered by them.

2. AUDIT COMMITTEE :**TERMS OF REFERENCE AND COMPOSITION OF THE COMMITTEE**

The present Audit Committee consisting of the following Directors:

Name	Category	Remarks
• Dr. Dinesh S. Patel	Non Executive Independent Director	Chairman of the Audit Committee w.e.f. 25.1.02
• Shri. Sanjay Gupta	Non Executive Independent Director	Appointed w.e.f. 21.8.02
• Shri. Subhash M. Jain	Non Executive Independent Director	Appointed w.e.f. 29.7.03

Shri Subhash M. Jain, Non Executive Independent Director was appointed by the Board in their Meeting held on 29th July, 2003.

Meetings were held on 28th May, 2003, 25th July, 2003, 20th October, 2003 & 29th January, 2004.

The terms of reference of this Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreements as well as in Section 292 A of the Companies Act, 1956.

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3. REMUNERATION OF DIRECTORS :

A. WORKING DIRECTORS :

Remuneration of the Managing Director and the Executive Director is considered by the Board of Directors of the Company. The terms of remuneration are approved by the Shareholders at the Annual General Meeting.

Given below are the details of payments made during 1st April, 2003 to 31st March, 2004 to the Directors of the Company.

Name of the Directors	Salary (Rs.)	Perquisites (Rs.)	Service Contract
1) Shri. Chintan A. Patel Managing Director	-	-	Period for a 2 years w.e.f. 28.06.2003
2) Shri. Tapan M. Patel Jt. Managing Director	-	-	- do -

B. NON EXECUTIVE DIRECTORS :

Name of the Director	Sitting Fees (Rs.)
Shri. Bhupesh R. Patel	NIL
Dr. Dinesh Patel	NIL
Shri. Sanjay Gupta	NIL
Shri. Chintan A. Patel	NIL
Shri. Tapan M. Patel	NIL
Shri. Subhash M. Jain	NIL

REMUNERATION COMMITTEE :

Matters of remuneration of the Managing Director and the Joint Managing Director are considered by the Board where the interested Managing Director and Joint Managing Director do not participate or vote. The terms are approved by the shareholders at the General Meeting. During the year, the Company has only Managing Director & Joint Managing Director and no remuneration is paid to them therefore no separate remuneration Committee has been constituted.

4. BOARD PROCEDURE :

- A. The Company holds minimum of Four Board Meetings every year. During the financial year 2003-2004, Board met on 28th May, 2003, 25th July, 2003, 29th July, 2003, 20th October, 2003 & 30th January, 2004. Thus there were Five Meetings in the year ended 31st March, 2004.
- B. None of the Directors of our Company is a Member in more than 10 committees or acts as Chairman of more than five committees across all Companies in which he is a Director.

5. MANAGEMENT :

Periodical disclosures of this requirement are made by the management from time to time. Management Discussion and Analysis report is attached.

6(A) SHAREHOLDERS :

The relevant information relating to the Directors who would be appointed/re-appointed at the ensuing Annual General Meeting to be held on 28th September, 2004 are given below :

Dr. Dinesh S. Patel

He is aged 55 years and his Educational / Professional Qualifications :

- M.Sc., Ph.D., C.Chem., FRSC (Lon.)
- Certificate Course in Business Management from the JAMNALAL BAJAJ INSTITUTE OF MANAGEMENT, Mumbai.
- Received Scholarship from TESCO, Budapest, Hungary for - Study in Research and Factory Management.

Expertise in specific functional areas : A technocrat with interests revolving around research activity, specializing in biotechnology and medicinal chemistry (he holds a Doctorate in Medicinal Chemistry) he is also an expert in Patent Law and Intellectual Property Rights-being associated with National Working Group on Patent Laws and on the International front is a Permanent International Chamber of Commerce (ICC) India delegate to the Commission on Intellectual & Industrial Property.

Dr. Dinesh S. Patel, Directorship in other public companies, i) Themis Medicare Ltd. - Managing Director & CEO, ii) Pharmaceutical Business Group (India) Ltd., and iii) Gujarat Themis Biosyn Ltd., iv) Themis Medicare Singapore Pte. Ltd. - Chairman.

- (B)** The Company agrees that information like Quarterly Results shall be put on Company's Website.

(C) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Committee consists of following Directors :

1. Dr. Dinesh Patel, Chairman of the Committee Non-Executive Independent Director.
2. Shri. Sanjay Gupta, Non-Executive Independent Director during the period 01-04-2003 to 31-03-2004, the Company's Registrars and Transfer Agents received NIL complaints. There are no investors complaints pending as on 31-03-2004. Number of Share Transfer pending as on 31-03-2004 was NIL.