



SHIRPUR GOLD REFINERY LIMITED

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23RD ANNUAL REPORT
2007 - 2008

SHIRPUR GOLD REFINERY LIMITED

BOARD OF DIRECTORS

Shri Chintan A. Patel	<i>Managing Director</i>
Shri Tapan M. Patel	<i>Jt. Managing Director</i>
Shri Sanjay Gupta	<i>Director</i>
Shri Subhash M. Jain	<i>Director</i>

AUDITORS

M/s. Utpal Bhayani & Co.
Chartered Accountants

BANKERS

Oriental Bank of Commerce
HDFC Bank Ltd. (eCBOP)
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.

SHIRPUR GOLD REFINERY LIMITED**NOTICE**

NOTICE is hereby given that the Twentythird Annual General Meeting of the members of SHIRPUR GOLD REFINERY LIMITED will be held on Monday, 29th September, 2008 at 2.15 pm. 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, 2008 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 Shri Sanjay Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion 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: Mumbai.

Date : 30th June, 2008.

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 20.9.2008 to 29.9.2008 (both days inclusive).
3. Members are requested to notify 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: Mumbai.

Date : 30th June, 2008.

DIRECTORS' REPORT

To,
The Members of
SHIRPUR GOLD REFINERY LIMITED

Your Directors are presenting the Twentythird Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS	31.03.2008	31.03.2007
Gross Profit/(Loss) before Interest & Depreciation	1,21,05,105	(3,09,668)
Less : Interest	18,22,67,188	16,76,17,551
Depreciation	17,08,45,395	17,38,56,544
Profit/(Loss) Before Tax	(34,10,07,478)	(34,17,83,763)
Less : Provision for Taxation	75,400	45,104
Profit/(Loss) after Tax	(34,10,82,878)	(34,18 28,867)
Balance of Previous Year	(98,78,11,842)	(64,59,82,975)
Balance carried forward in Balance Sheet	(1,32,88,94,720)	(98,78,11,842)

OPERATIONS & FUTURE PROSPECTS

As reported in the Twentysecond Annual Report the Company was informed in June 2007 that Oriental Bank of Commerce and Bank of Punjab Ltd. (now HDFC Bank Ltd.) have assigned their outstanding debts to Asset Reconstruction Company of India Ltd. (ARCIL). This was further confirmed by ARCIL in their communication to the Company.

Subsequently M/s. Jayneer Capital Pvt. Ltd. (JCPL) have informed the Company that they have acquired the financial assets of the Company through a bid process which was awarded in their favour by ARCIL. JCPL have also acquired 40,00,000 shares of Shirpur Gold Refinery Ltd. This constitutes 25.7% of the paid up capital of the Company. JCPL further informed that acquisition of 40,00,000 shares of SGRL would attract the provisions of Substantial Acquisition of Shares and Takeover (SAST) Regulation as per SEBI guidelines. Vide a public notification under SAST regulation of SEBI, JCPL have further informed that they are in process of acquiring further 19.85% of SGRL equity shares.

Your company is pursuing recommencement of operations of the company with due support from JCPL.

DIVIDEND

Directors do not recommend dividend for the year under consideration.

DIRECTORS

Shri Subhash Jain retired by rotation and being eligible offered himself for re-appointment.

AUDIT COMMITTEE

Audit Committee of the Directors as on 31st March, 2008 consists of :-

- 1) Shri. Sanjay Gupta - Member
- 2) Shri. Subhash Manakchand Jain - Member

SHIRPUR GOLD REFINERY LIMITED**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors further report :

- i. That in the preparation of Annual Accounts, for the Financial Year ended 31st March, 2008 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 affairs of the Company as at 31st March, 2008 and of the loss of the Company for the period ended 31st March, 2008.
- 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.

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 is yet to commence production on a commercial scale 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 **99.15%** 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 : 30th June, 2008.

CHINTAN A. PATEL

Managing Director

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 judgment in the Board deliberations and decisions. Only the Managing Director is a Whole-time Director.

COMPOSITION OF BOARD OF DIRECTORS :

As on 31st March, 2008

Sr. No.	Name of Directors	Category	Other Directorship/ Board Committees (Numbers)	
			Directors	Committees
1	Shri. Sanjay Gupta	Non-Executive Independent Director	-	-
2	Shri. Chintan A. Patel Managing Director	Promoter Group	10	-
3	Shri. Tapan M. Patel Jt. Managing Director	Promoter Group	5	-
4	Shri. Subhash M. Jain	Non-Executive Independent Director	3	-

SHIRPUR GOLD REFINERY LIMITED**NUMBER OF BOARD MEETINGS AND THE ATTENDANCE OF DIRECTORS DURING 1ST APRIL, 2007 TO 31ST MARCH, 2008**

Name of Directors	Number of Board Meetings attended (out of 4 Meetings)	Attendance at last AGM Held on 21.12.2007
Shri Sanjay Gupta	4	–
Shri Chintan A. Patel	4	–
Shri Tapan M. Patel	4	Yes
Shri Subhash M. Jain	4	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
• Shri. Sanjay Gupta	Non Executive Independent Director	Appointed
• Shri. Subhash M. Jain	Non Executive Independent Director	Appointed

During the financial year under review four Meeting of the Committee were held on the following dates: 29th June, 2007, 30th July, 2007, 29th October, 2007 and 31st January, 2008.

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.

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, 2007 to 31st March, 2008 to the Directors of the Company.

Name of the Directors	Salary (Rs.)	Perquisites (Rs.)	Service Contract
1) Shri. Chintan A. Patel Managing Director	–	–	–
2) Shri. Tapan M. Patel Jt. Managing Director	–	–	–

B. NON EXECUTIVE DIRECTORS :

Name of the Director	Sitting Fees (Rs.)
Shri Sanjay Gupta	NIL
Shri Chintan A. Patel	NIL
Shri Tapan M. Patel	NIL
Shri Subhash M. Jain	NIL
Total:	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 and no remuneration is paid to him. 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 under review four Board Meeting were held on the following dates: 29th June, 2007, 30th July, 2007, 29th October, 2007 and 31st January, 2008.
- 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.

SHIRPUR GOLD REFINERY LIMITED**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 Monday, 29th September, 2008 are given below :

(B) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Committee consists of following Directos :

1. Shri Sanjay Gupta, Non-Executive Independent Director.
2. Shri Subhash M.Jain, Non-Executive Independent Director

During the year, the Company's Registrars and Transfer Agents received no complaint and there is no investor complaint pending as on 31.03.2008. Number of Share Transfer pending as on 31.03.2008 was NIL.

CORPORATE GOVERNANCE :

Details of Annual General / Extra Ordinary General Meetings :

Financial Year	General Meeting	Location	Date	Time
2006-2007	Annual General Meeting	Registered Office Refinery Site, Shirpur, Dist. Dhulia, Maharashtra.	21.12.2007	02.15 P.M.
2005-2006	Annual General Meeting	Registered Office Refinery Site, Shirpur, Dist. Dhulia, Maharashtra.	29-09-2006	02.15 P.M.
2004-2005	Annual General Meeting	Registered Office Refinery Site, Shirpur, Dist. Dhulia, Maharashtra.	29-09-2005	02.15 P.M.

No special resolution was put through Postal Ballot at the last AGM nor is any proposed for this year.

Disclosure :

The Company has generally complied with the requirements of the listing agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. Shares of the company is not being traded at NSE, except this no penalties and strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.