



SHIRPUR GOLD REFINERY LIMITED

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24TH ANNUAL REPORT
2008 - 2009

SHIRPUR GOLD REFINERY LIMITED

BOARD OF DIRECTORS

Shri Sanjay Gupta *Director*

Shri Sanjay Jain *Director*

Shri Anish Goel *Director*

Shri Sriprakash Goenka *Director*

AUDITORS

M/s. Utpal Bhayani & Co.
Chartered Accountants

BANKERS

IDBI BANK LTD.

REGISTRARS & TRANSFER AGENTS

Sharepro Services (India) Pvt. Ltd.

Samhita Warehousing Complex, 13 AB, Gala No.52, 2nd Floor,
Near Sakinaka Telephone Exchange, Off Kurla-Andheri Road,
Sakinaka, Mumbai - 400 072.

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 Twentyfourth Annual General Meeting of the members of SHIRPUR GOLD REFINERY LIMITED will be held on Wednesday, 30th September, 2009 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, 2009 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 at a remuneration to be determined by the Board of Directors of the Company.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Sanjay Jain, who was appointed as an Additional Director of the Company on 24th December, 2008 pursuant to the provisions of Section 260 of the Companies Act, 1956 read with the Articles of Association of the Company and who would vacate his office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 along with necessary deposit from a shareholder proposing the candidature of Mr. Sanjay Jain, as a Director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Anish Goel, who was appointed as an Additional Director of the Company on 24th December, 2008 pursuant to the provisions of Section 260 of the Companies Act, 1956 read with the Articles of Association of the Company and who would vacate his office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 along with necessary deposit from a shareholder proposing the candidature of Mr Anish Goel, as a Director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Sriprakash Goenka, who was appointed as an Additional Director of the Company on 24th December, 2008 pursuant to the provisions of Section 260 of the Companies Act, 1956 read with the Articles of Association of the Company and who would

SHIRPUR GOLD REFINERY LIMITED

vacate his office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 along with necessary deposit from a shareholder proposing the candidature of Mr. Sriprakash Goenka, as a Director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation."

7. To consider and if thought fit to pass with or without modification(s), the following resolution as an Special Resolution:

"RESOLVED THAT that the tenure of the existing Registrar and Transfer Agent, M/s. Sharepro Services (India) Pvt. Ltd. be continued till next Annual General Meeting of the Company."

By Order of the Board

For **SHIRPUR GOLD REFINERY LIMITED**

Place: Mumbai.

Date : 25th August, 2009.

SANJAY GUPTA

Director

REGISTERED OFFICE :

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

NOTES :

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item No. 4 to 6 is annexed hereto.
2. 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.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21.9.2009 to 30.9.2009 (both days inclusive).
4. Members are requested to notify change of address to our Registrar and Transfer Agent M/s. Sharepro Services (India) Pvt. Ltd. at Samhita Warehousing Complex, 13 AB, Gala No. 52, 2nd Floor, Near Sakinaka Telephone Exchange, Off Kurla-Andheri Road, Sakinaka, Mumbai - 400 072.
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. 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.

EXPLANATORY STATEMENT**As required under section 173(2) of the Companies Act, 1956 (the Act)****ITEM NO. 4**

Mr. Sanjay Jain, was appointed by the Board as an Additional Director of the Company at its meeting held on 24th Dec, as per Articles of Association of the Company. pursuant to the provisions of Section 260 of the Companies Act, 1956. Mr. Sanjay Jain will hold office as an Additional Director upto the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice proposing the candidature of Mr. Sanjay Jain for the office of Company under the provisions of Section 257 of the Companies Act, 1956.

Brief Profile : Sanjay Jain, 37, is a finance professional with over 14 years of working experience in the field of Corporate Finance and Business Strategy. He has worked in various senior positions with corporate houses like Gautam Thapar Group (including Pauwels International NV, Belgium, Crompton Greaves Ltd, Ballarpur Industries Ltd), Eicher Group and other companies viz Delphi Automotive Systems Ltd and IFCL. Mr. Jain completed his B.Sc. from Kurukshetra University securing 1st position and M.F.C. (Masters of Finance and Control) from University of Delhi.

ITEM NO. 5

Mr. Anish Goel, was appointed by the Board as an Additional Director of the Company at its meeting held on 24th Dec, as per Articles of Association of the Company. pursuant to the provisions of Section 260 of the Companies Act, 1956. Mr. Anish Goel will hold office as an Additional Director upto the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice proposing the candidature of Mr. Anish Goel for the office of Company under the provisions of Section 257 of the Companies Act, 1956.

Brief Profile : Anish Goel, 43, qualified with Diploma in Mechanical Engineering - Switzerland and has been associated with Victorinox since 1995. He introduced Original Swiss Army Knife in India as representative of Victorinox and ran the business for 12 years. In 2007 Victorinox formed a subsidiary in India with Mr.Goel as the head of operations. During the association Mr.Goel was instrumental in the creation of the 'Kirpan' by Victorinox which was a great success not only in India but globally.

ITEM NO. 6

Mr. Sriprakash Goenka, was appointed by the Board as an Additional Director of the Company at its meeting held on 24th Dec, as per Articles of Association of the Company. pursuant to the provisions of Section 260 of the Companies Act, 1956. Mr. Sriprakash Goenka will hold office as an Additional Director upto the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice proposing the candidature of Mr. Sriprakash Goenka for the office of Company under the provisions of Section 257 of the Companies Act, 1956.

Brief Profile : Sriprakash Goenka, 56, a Bachelor of Engineering is an entrepreneur having varied business interests in Import and Export of pulses, Computer Accessories and entertainment equipment etc.

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

Place: Mumbai.
Date : 25th August, 2009.

SANJAY GUPTA
Director

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

SHIRPUR GOLD REFINERY LIMITED**DIRECTORS' REPORT**

To,
The Members of
SHIRPUR GOLD REFINERY LIMITED

Your Directors are presenting the Twentyfourth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS	31.03.2009	31.03.2008
Gross Profit/(Loss) before Interest & Depreciation	(98,77,945)	1,21,05,105
Less : Interest	—	18,22,67,188
Depreciation	16,62,61,998	17,08,45,395
Profit/(Loss) Before Tax	(17,61,39,944)	(34,10,07,478)
Less : Provision for Taxation	75,000	75,400
Profit/(Loss) after Tax	(17,62,14,944)	(34,10,82,878)
Balance of Previous Year	(1,32,88,94,720)	(98,78,11,842)
Balance carried forward in Balance Sheet	(1,50,51,09,664)	(1,32,88,94,720)

OPERATIONS & FUTURE PROSPECTS

As reported in the Twenty third Annual Report of the Company, the financial assets of the Company have taken over by Messrs. Jayneer Capital Pvt. Ltd. (JCPL) and subsequently transferred to its wholly owned subsidiary M/s. Kala Kosh Auctions (P) Ltd. (KKAPL) from Assest Reconstruction Company of India Ltd. (ARCIL) under the Securitisation Act (SARFESAI). JCPL has also acquired 48.91 % of paid up equity shareholding of the Company representing 7565503 nos. equity shares under SEBI's SAST (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Consequent to the above takeover, the secured loans in the Company amounting to Rs.227.23 crores (as on 31st March, 2008) stands transferred from respective Banks (Oriental Bank of Commerce, HDFC Bank Ltd and Jammu & Kashmir Bank Ltd) to JCPL. and consequently to its wholly owned subsidiary (KKAPL). The Company has also received confirmation from JCPL & KKAPL that they have not charged any interest on these secured loan amount for the financial year 2008-09. Consequently the secured loan outstanding amount for the financial year 2008-09 stands at Rs.227.23 crores.

DIVIDEND

Your directors do not recommend dividend for the year under consideration.

DIRECTORS

Appointment of Additional Directors: Shri Sanjay Jain, Shri Anish Goel, and Shri Sriprakash Goenka were appointed as Additional Directors of the Company on 24th December, 2008.

Resignation of Directors:

Shri Chintan A. Patel, Shri Tapan M. Patel and Shri Subhash M. Jain resigned from the Board of Directors with effect from 30.6.2009.

The Board wishes to put on record the excellent contributions made by the outgoing directors during their tenure as directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors further report :

- That in the preparation of Annual Accounts, for the Financial Year ended 31st March, 2009 the applicable accounting standards has been followed and that there were no material departures.

24TH ANNUAL REPORT

- ii. That selected accounting policies were applied consistently and the Directors made judgment 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, 2009 and of the loss of the Company for the period ended 31st March, 2009.
- 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 there under.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of Listing Agreement with the Stock Exchanges, a compliance report on Corporate Governance has been included (Page No. 13) as part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of Listing Agreement with the Stock Exchanges, a MANAGEMENT DISCUSSION AND ANALYSIS report has been annexed as part of the Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION 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

DEMATERIALIZATION OF SECURITIES

Your Company has achieved high level of dematerialization with **99.16%** of the total number of Equity Shares being held in the electronic mode with both the depositories and the transactions are being duly monitored by the company by way of reports from the company appointed Registrar and Share Transfer Agents.

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 & Co. the Statutory Auditors of the Company who retire at the conclusion of the ensuing Annual General Meeting has expressed their unwillingness for the re-appointment. The Company has approached M/s. B. S. Sharma & Co., Chartered Accountants for the appointment of Statutory Auditors of the Company subject to the approval of members at the ensuing Annual General Meeting and in response the Company has received consent letter from them to the effect that their appointment, if made, will be in accordance with the limits specified under Section 224(1B) of the Companies Act, 1956.

ACKNOWLEDGEMENTS

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 : 25th August, 2009.

Sanjay Jain **Sanjay Gupta**
Director Director

SHIRPUR GOLD REFINERY LIMITED**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, 2009**

Sr. No.	Name of Directors	Other Directorship/ Board Committees (Numbers)	
		Directors	Committees
1	Shri. Chintan A. Patel Managing Director	10	—
2	Shri. Tapan M. Patel Jt. Managing Director	5	—
3	Shri. Sanjay Gupta	—	2
4	Shri. Subhash M. Jain	3	2
5.	Shri Sanjay Jain	1	2
6.	Shri Anish Goel	2	—
7.	Shri Sriprakash Goenka	2	—

Code of Conduct

The Board of Directors of the Company have approved and adopted Code of Conduct for Members of the Board of Directors and Senior Management of the Company. The Code is circulated to all the members of the Board and management personnel and the compliances of the same is affirmed by them annually.

Declaration

I Confirm that the Company has obtained from all Directors and Senior Management of the Company their affirmation of compliance with the 'Code of Conduct from Members of the Board of Directors and Senior Management' of the Company for the financial year ended March 31, 2009.

Place : Mumbai.

Dated : 25th August, 2009.

Sanjay Gupta
Director

24TH ANNUAL REPORT**NUMBER OF BOARD MEETINGS AND THE ATTENDANCE OF DIRECTORS DURING 1ST APRIL, 2008 TO 31ST MARCH, 2009**

Name of Directors	Number of Board Meetings attended (out of 4 Meetings)	Attendance at last AGM Held on 29.9.2008
1. Shri Chintan A. Patel	4	—
2. Shri Tapan M. Patel	4	Yes
3. Shri Sanjay Gupta	4	—
4. Shri Subhash M. Jain	1	Yes
5. Shri Sanjay Jain	1	—
6. Shri Anish Goel	1	—
7. Shri Sriprakash Goenka	1	—

(B) None of the non-executive Directors of the Company have any pecuniary relationship or transactions with the Company other than fees paid, if any, 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
• Shri. Sanjay Gupta	Non-Executive
• Shri. Subhash M. Jain (Resigned w.e.f. 30.6.2009)	Non-Executive Independent
• Shri. Anish Goel (Appointed w.e.f. 24.12.2008)	Non-Executive Independent

During the financial year under review four Meeting of the Committee were held on the following dates: 2008-09 on 30th June, 2008, 31st July, 2008, 31st October, 2008, 24th December, 2008 and 31st January, 2009.

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 :**

No remuneration is being paid to Shri Chitan A. Patel, Managing Director & Shri Tapan M. Patel, Jt. Managing Director.

B. NON EXECUTIVE DIRECTORS :

Though eligible, the directors are not drawing sitting fees.

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.