



## **Annual Report 2010-2011**



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**TATIA GLOBAL VENNTURE LIMITED**

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**BOARD OF DIRECTORS**

Chairman	:	Shri S. Pannalal Tatia
Managing Director	:	Shri. S. P . Bharat Jain Tatia
Director	:	Shri. E. Subbarayan Shri. Arun Kumar Bafna Shri P . Kamlesh Shri. Jetender Surchander Rao
Auditors	:	M/s. K. Subramanyam & Co. Chartered Accountants No. 252, Mugapair ERI Scheme Third Main Road, Chennai – 600 037
Registered Office	:	“Aroshree Towers” 3rd Floor, 19, Rutland Gate, 4th Street, Nungambakkam, Chennai – 600 006, Email: <a href="mailto:tatia@vsnl.com">tatia@vsnl.com</a>
Bankers	:	State Bank of Travancore Commercial Branch Teynampet, Chennai – 600 018 HDFC Bank Ltd., Anna Nagar West, Chennai – 600 040
Share Transfer Agent (For Demat Mode - CDSL)	:	Cameo Corporate Services Ltd., No. 1 Club House Road, “Subramanian Building” Chennai -600 002
Share Transfer Agent (For a Demat Mode - NSDL)	:	Knack Corporate Services Limited 17/9, Thiruvengadam Street, Mandaveli, Chennai - 600 028.
Share Transfer System ( for Physical Mode)	:	In house

**NOTICE TO THE SHARE HOLDERS**

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Share Holders of Tatia Global Vennture Limited will be held at Samuganala Kudam, Vallanur, Ambattur, Chennai – 600 062 on 30<sup>th</sup> September 2011 at 9.30 A.M. to transact the following Business

**ORDINARY BUSINESS**

1. To consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2011 and Profit and Loss for the year ended on that date together with the Directors, and Auditors Report thereon.
2. To appoint a Director in place of Mr. S. Pannalal Tatia, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Arun Kumar Bafna, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors for the current year and fix their remuneration. M/s. K. Subramanyam & Co., Chartered Accountant, Chennai retire and eligible for re-appointment.

BY THE ORDER OF THE BOARD  
For TATIA GLOBAL VENNTURE LIMITED

-sd-

Place: Chennai  
Date : 31.08.2011

S.P. Bharat Jain Tatia  
Managing Director

**NOTES:**

- i) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the company. The Proxy form duly completed must reach the Registered Office of the Company not later than forty eight hours before the time appointed for holding the meeting.
- ii) The Register of Members and the Share Transfer books shall remain closed from 22-09-2011 to 30-09-2011 (both days inclusive)
- iii) Members are requested to notify immediately any change in the address
  - To the respective Depository Participants (DP's) in respect of their electronic share account.
  - To the registered office at "Aroshree Towers, 3<sup>rd</sup> Floor, No. 19, Rutland Gate, 4<sup>th</sup> Street, Nungambakam, Chennai - 600 006 in respect to their physical share folios.
- iv) For the convenience of the share holder's attendance slip is annexed to the proxy form. The members are requested to bring the attendance slips duly filled in along with their copies of the annual reports to the meeting. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.
- v) The Securities and Exchange Board of India notified your company's equity share for compulsory trading in dematerialized form. Share holders may avail such facility.
- vi) The equity shares of the Company are listed on Bombay Stock Exchange Limited and Madras Stock Exchange Limited.
- vii) Members having any specific query on the financial statement of the company are requested to mail their queries directly to the company.
- viii) Share holders are requested to furnish the email ID's to enable the company to forward information in relation to the company.

- ix) The Company has designated a email ID called [tatia@vsnl.com](mailto:tatia@vsnl.com) for redressal of shareholder's complaints/grievances. In case you have any queries / complaints or grievance then please write to us at our mail ID provided above. The company has its own website called [www.tatia.co.in](http://www.tatia.co.in). All the information's are available on the website.
- x) Member who hold shares in physical form in multiple folios in identical names or joint account in the same order or names are requested to send the share certificates to the Registered Office of the Company.
- xi) The shares of the Company are tradable compulsorily in electronic form and your company has established connectivity with both the depositories i.e., National Securities Depositories Limited (NSDL) and Central Securities Depositories Limited (CDSL). In view of the enormous advantages offered by the Depository Systems, Members are requested to avail the facilities of dematerialization of the company's shares on either of the depositories as aforesaid.
- xii) **REQUEST TO MEMBERS**  
As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the meeting. They are further requested to occupy the seats at least fifteen minutes before the scheduled time for the commencement of the meeting to avoid interruption in the proceedings. The Annual Report copy shall also be available at the company's website [www.tatia.co.in](http://www.tatia.co.in)
- xiii) The Securities and Exchange Board of India (SEBI) vide Circular Ref. No.MRD/DOP/Cir-05/2007 dated 27-07-2007 made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transaction and off-market/private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company /RTA for registration of such transfer of shares.

#### Directors Profile

##### Brief profile of the directors seeking re-appointment

Name of the Director	:	Shri. S. Pannalal Tatia
Age	:	62 years.
Date of Appointment	:	23-11-1994
Area of Experience	:	Accounts & Finance
Qualification	:	B.Com, F.C.A
List of outside directorship	:	Public – 2, Private -14
Membership in other committees	:	Member of Audit Committee of Ashram Online . .Com Limited & Kreon Finnancial services Limited

Name of the Director	:	Shri.Arun Kumar Bafna
Age	:	34 years
Date of Appointment	:	20-01-2003
Area of Experience	:	Insurance & Finance
Qualification	:	Diploma in Income Tax
List of outside directorship	:	Public – Nil Private -Nil
Membership in other committees	:	Nil

**DIRECTORS' REPORT**

**Dear Stockholders,**

Your Directors have great pleasure in presenting the Seventeenth Annual Report together with the Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March 2011.

**1. OPERATIONS**

The financial results of the Company for the year ended 31<sup>st</sup> March 2011 is summarized below:

*(Rs in Lacs)*

Particulars	Year ended 31st March 2011	Year ended 31st March 2010
Income from Operations		
Non-operating Income	5.64	62.63
Total Income	5.64	62.63
Total Expenditure	57.24	42.79
Profit / (Loss) before Depreciation Interest and Taxation	(51.60)	19.84
Interest & Finance Charges	-	-
Depreciation	4.53	3.74
Profit / (Loss) before Tax	(56.13)	16.10
Provision for Current Taxes	-	0.02
Provision for Deferred Taxes	-	-
Profit / (Loss) after Tax	(56.13)	16.08
Balance in Profit & Loss Account	(106.92)	(66.87)
Balance carried to Balance Sheet	(106.92)	(50.79)

Your Company has made a net loss of Rs.56.13 Lakhs for the financial year 2010-2011 as compared to a profit of Rs. 16.08 lacs in the previous year 2009-2010.

**2. DIVIDEND**

Since the Company incurred Loss, no dividend is recommended for the current financial year by Board of Directors.

## **1. FUTURE PROSPECTS**

The company has prepared itself for entering into diversified projects through its special purpose vehicles. And your Board of Directors believes this will help the company to make profitable.

## **2. CHALLENGES**

Your company is pursuing growth opportunities, which are strategic to its intents and operations.

## **3. FIXED DEPOSITS**

The company has not accepted or invited any Fixed Deposit from the Public in terms of section 58A of the Companies Act, 1956 during the financial year ended 31<sup>st</sup> March 2011

## **4. DIRECTORS**

Mr. S. Pannalal Tatia and Mr. Arun Kumar Bafna Directors retire by rotation and being eligible offer themselves for re-appointment

## **5. DIRECTORS RESPONSIBILITY STATEMENT**

The Directors confirm:

- i) that in the preparation of final accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that they had 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 the financial period and of the profit or loss of the company for that period;
- iii) that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that they had prepared the annual accounts on a going concern basis.

## **6. AUDITORS**

The auditors of the company M/s. K. Subramanyam & Co., Chartered Accountants, Chennai, retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Auditor furnished a certificate under section 224 (1B) regarding their eligibility for re-appointment.

## **7. CORPORATE SOCIAL RESPONSIBILITY**

The activities carried by your companies are always socio - economic concerned and your company will always have it in concern about the community in which it is operating and the people belonging to that community. While your company continues to grow, it also contributes to the development of the society, economy and the nation at large.

## 8. PARTICULARS OF EMPLOYEES

None of the employees fall under the category specified under Sec.217 (2A) of the Companies Act, 1956 and the Rules there under.

The relations with the employees during the year had been smooth and cordial.

## 9. PARTICULARS AS REQUIRED UNDER SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

### ***Conservation of Energy:-***

The Company had taken steps to conserve energy in its office use, consequent to which energy consumption has been minimized. Since the company has not carried on industrial activities, disclosures regarding impact of measures on cost of production of goods, total energy consumption, etc., are not applicable. However the company has invested in power generation projects through its wholly owned subsidiary.

### ***Technology Absorption:-***

The company has not adopted / intends to adopt any technology for its business and hence no reporting is required to be furnished under this heading.

### ***Foreign Exchange Inflow & Outgo:-***

Foreign Exchange inflow during the year: - 45 Lakhs.\*

Foreign Exchange outgo during the year: - Nil

### **Note:**

\* Company has received the above money in Indian Rupees from Foreign Institutional Investors and directly remitted in the Bank Account.

## 12. SUBSIDIARIES

### **By virtue of Circular**

Ministry of Corporate Affairs, Government of India vide their General Circular No. 2/2011 dated 8<sup>th</sup> February 2011 had granted approval that the requirement to attach various documents in respect of subsidiary companies, as set out in sub-section (1) of Section 212 of the Companies Act, 1956, shall not apply to the company. Accordingly, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. Financial information of the subsidiary companies, as required by the said approval is disclosed in the Annual Report. The company will make available the Annual Accounts of the Subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary Companies. The Consolidated Financial Statements presented by the Company include financial results of its subsidiary companies.



### 13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Tatia Global Vennture Limited is an infrastructure and real estate developer, building a reputation of quality, craftsmanship and expertise through its special purpose vehicles. World economy has shown initial indications of recovery after a severe spell of recession. The world economy is expected to grow in 2012 and projected to maintain the growth momentum in the next 5 years. However, the consumer confidence in major importing countries like USA and EU has been lagging behind economic growth projections and may take some more time before showing any convincing revival.

Along-with recovery, the textile industry is also facing increase in input prices in sync with the global trends. In addition to appreciating rupee, free export of cotton followed by withdrawal of export incentives on cotton yarn are also causing concerns for the sustained recovery in the textile industry. In our view, there is need for an integrated approach to be adopted for the development of the textile and clothing industry in the country. Such an approach is required to ward off any such situation where the strengths of one segment of the textile industry is being undermined for passing temporary relief to another segment of the industry leading to permanent damage to the complete textile value chain. In our views, if any segment suffers from some systemic disadvantages affecting its global competitiveness, it should be overcome through suitable incentives mechanism without affecting any other segment of the industry.

Robust growth in the economic activity in various sectors of the economy as well as all segments of infrastructure and Real Estate Industry turned in an impressive performance in recent time. International Outsource Phenomenon has given boost to the real estate business especially in southern region of the country due to the enabled infrastructure by the Government.

The company will continue its business strategy of building and creating value for all its stake holders in both its existing and new business.

#### OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK

In a dynamic industry like Export oriented business as well as Infrastructure and Real Estate where the company intends for foray has added opportunities and risks and are inherent aspect of business. The opportunities which the company is looking to harness are as mentioned below:

- ✍ 100% FDI permitted into Infrastructure projects in India.
- ✍ Entry of Institutional Investor in Real Estate Investment. Real estate is growing as a preferred asset class of HNI's
- ✍ Rapid urbanization driven by increased Rail, Road, Air Connectivity make development in suburban and Tier II cities feasible.
- ✍ Burgeoning middle class and higher disposable income creating demand for Malls and Entertainment centers.
- ✍ Inculcating Internationally accepted standards in construction and infrastructure.
- ✍ Fast growing requirement for Industrial clusters.

The company's business, results of operations and financial condition are affected by number of risks, so the risk management function is of paramount importance and integral to the functioning of the company. The objective of the risk management strategy includes ensuring that critical risks are identified, monitored and managed effectively in order to protect the company's business. The company has formal reporting and control mechanism to ensure timely information availability and facilitate proactive risk management. At the enterprise level de-risking of the company's business risk is sought to be achieved by a policy of undertaking diversified projects in different verticals, geographies and revenue model. All key functions

and divisions are independently responsible for monitoring risk associated within their prospective areas of operation. These are the following factors affecting Export oriented business as well as company's contemplated new line of business of infrastructure and Real Estate sectors.

- ✍ Increase in the competition in the infrastructure/construction/ real estate industry.
- ✍ Volatility in the currently markets coupled with the increase in inflation.
- ✍ Slowdown in the global economic scenario.
- ✍ High increase in the property prices, labour costs and raw material prices in India.
- ✍ Increases in prices of plant & Machineries and insurance premium.
- ✍ Changes in laws and regulations having implication on infrastructure and Real Estate industry.

#### **SEGMENT WISE / PRODUCT WISE PERFORMANCE**

The company currently has only one segment in line with the Accounting Standard on Segment Reporting (AS-17). Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company.

#### **INTERNAL CONTROL SYSTEM AND ADEQUACY**

The company has adequate system of internal control in place. This is to ensure that assets are safeguarded and all transactions are authorized, recorded and correctly reported. The internal audit function is empowered to examine the adequacy, relevance and effective control system, compliance with policies, plans and statutory requirements. The top management and the Audit Committee of the Board review the findings and recommend to the Board for improvement on the same.

#### **FINANCIAL PERFORMANCE**

We are confident that in Financial Year 2012, we should again see a healthy growth both in the turnover and the order book. We indeed are back on growth track.

Further the company's has planned to diversify itself into the infra structure developmental activities.

The financial performance of the company has been given in detail separately in Directors report.

#### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCE**

The company believes, thinks and performs in a manner that is in line with global best of breed practices. Your company attaches significant importance to continuous up gradation of Human resource for achieving higher level of efficiency customer satisfaction and growth.

#### **CAUTIONARY STATEMENT**

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements.