

V R WOODART LIMITED**ANNUAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2011**

- | | | | |
|----|---|---|---|
| 1. | Date and Time of Annual General Meeting | : | Wednesday, 29 th June 2012 at 9.00 am |
| 2. | Venue | : | 1-2, Shiv Smriti Chambers,
49-A, Dr. Annie Besant Road,
Worli Mumbai – 400 018. |
| 3. | Book Closure | : | Saturday 23 rd June 2012 to Friday ,
29 th June 2012 (Both days
Inclusive) |
| 4. | Investors' Complaints may be addressed to | : | The Secretarial Department
V R Woodart Limited
1-2, Shiv Smriti Chambers,
49-A, Dr. Annie Besant Road,
Worli, Mumbai – 400 018.
Phone: 022 5660 4600 |

CONTENTS :**Page No.**

Notice

Directors' Report

Corporate Governance Report

Auditors Certificate on Corporate Governance Report

Auditors' Report

Balance Sheet

Profit & Loss Account

Cash Flow Statement

Schedules

Notes to the Financial Statements

Balance Sheet Abstract

Board of Directors

Mr. Ajay Anand
Director

Mr. Sanjay Anand
Director

Nitin Panchal
Director

Auditors

M/s. Majibail & Co.
Chartered Accountants
Mumbai.

Registered Office

1-2, Shiv Smriti Chambers,
49-A, Dr. Annie Besant Road, Worli
Mumbai 400 018.

Bankers

Canara Bank

Registrars and Share Transfer Agents

Sharex Dynamic (I) Private Limited
Unit-1, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool
Andheri(E), Mumbai – 400 072

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of V R WOODART LIMITED will be held on Friday, 29th June, 2012 at 1-2, Shiv Smriti Chambers, 49-A, Dr. Annie Besant Road, Worli Mumbai – 400 018 at 9.00 A.M. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st December 2011 and the Profit & Loss account for the year ended 31st December 2011 together with the Report of the Directors and auditors thereon.
2. To appoint a Director in place of Mr. Nitin Panchal , who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

By Order of the Board of Directors
For **V R WOODART LIMITED**

Place: Mumbai
Date: 30.05.2012

Ajay Anand
Director

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a Proxy, in order to be effective, should be deposited with the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and the Share Transfer Registers of the Company shall remain closed from Saturday, 23rd June 2012 to Friday, 29th June 2012 (both days Inclusive).
4. Members are requested to intimate any change in their address to the Registrars and Share Transfer Agents, Sharex Dynamic (India) Private Limited, Unit-1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai-400 072.
5. Documents referred to in any of the items in the Notice are available for inspection at the Registered Office of the Company on any working day during Business Hours of the Company between 9.00 a.m. to 1.00 p.m.
6. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the meeting so that the answers may be made available at the meeting.
7. Members are requested to bring their copy of this Annual Report to the Meeting.
8. Members/Proxies should bring the attendance slip duly filled in for attending the Meeting.
9. Brief resume of Mr. Nitin Panchal, Director retiring by rotation is given under the Corporate Governance Report.

By Order of the Board of Directors
For **V R WOODART LIMITED**

Place: Mumbai
Date: 30.05.2012

Ajay Anand
Director

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are presenting the 22nd Annual Report of your Company and the Audited Accounts for the year ended 31st December 2011.

FINANCIAL RESULTS**(Rupees in Lacs)**

Particulars	For the year ended 31.12.2011	For the year ended 31.12.2010
Sales	43.02	141.73
Profit / (Loss) before taxation	121.47	29.65
Profit/ (Loss) for the year carried to Balance Sheet	121.47	29.65

OPERATIONS, OVERVIEW AND BUSINESS OUTLOOK

During the year under review, the Company Sales stood at Rs. 43.02 Lacs as against Rs. 141.73 Lacs in the previous year. The Company has earned a Net profit of Rs. 121.47 Lacs as compared to the Loss of Rs. 29.65 Lacs during the previous accounting year.

DIVIDEND

Due to financial constraints, your Directors do not recommend any dividend on Equity Shares for the year under review.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the Public.

DIRECTORS

Mr. Nitin Panchal, Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment.

PARTICULARS OF EMPLOYEES

There are no employees drawing salary as required to be mentioned under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

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

The Particulars 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 is given in Annexure to this Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000, the Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) The directors had prepared the annual accounts on “going concern basis”.

CORPORATE GOVERNANCE

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is annexed thereto.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The company is currently not carrying on any manufacturing activities. The Company sold its plant located at Plot No. 42, Cochin Special Economic Zone. The accumulated losses of the Company stood at 17,43,68,702/- on the balance sheet date 31.12.2011 which is more than its Networth.

AUDITORS

M/s. Majibail & Co., Chartered Accountants, being eligible offer themselves for re-appointment. If re-appointed, it will be within the prescribed limits specified in Section 224 (1B) of the Companies Act, 1956. Members are requested to appoint the auditors and to fix their remuneration.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the co-operation extended by all the employees, Bankers, Financial Institutions, various State and Central Government authorities.

By Order of the Board of Directors
For **V R WOODART LIMITED**

Place: Mumbai
Date: 30.05.2012

Ajay Anand
Director

DETAILS OF DIRECTOR BEING APPOINTED/REAPPOINTED:

Name of the Director	Mr. Nitin Panchal
Date of Birth	20.07.1968
Date of appointment	09.04.2008
Qualifications	C. A.
Expertise in specific functional area	vast experience in Finance
Directorship held in other Public Companies	N. A.
Membership/chairmanship of committees of other Public Companies	N.A.

Annexure to Directors' Report

Information pursuant to the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 forming part of the Report of the Directors.

1. RESEARCH & DEVELOPMENT

- (i) Specific area in which R & D is carried by the Company:
 - Improving the Processes of the existing products
 - Making new Designs.
- (ii) Benefits derived as a result of R & D activities:
 - Improvement of Quality and Yield
 - Cost reduction leading to competitiveness.
 - Development of new Designs as well as new products.
 - Reduction in Cost and time cycle, better effluent management and utilising only indigenous products for offering finished products in export market.
- (iii) Future Plan of Action:
 - Development of Products for indigenous market.
 - Substitute Development of new designs for Export of high value products, which are currently imported.
 - Developing new products range to have edge over others with high standard of quality and unique design to compete with other indigenous manufactures to improve the export turnover base.

2. CONSERVATION OF ENERGY

The Particulars with respect to Conservation of Energy etc. pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, under Section 217 (1) (e) of the Companies Act, 1956 are set out hereunder:

(A) POWER AND FUEL CONSUMPTION	For the year 2011	For the year 2010
(i) Electricity :		
(a) Purchased:		
Units (Lakhs)	0.95	1.17
Total Cost (Rs. in Lakhs)	2.83	3.52
Rate per Unit (Rs.)	3.00	3.00
(b) Own Generation (Thru DG Set)		
Litres (Lakhs)	NIL	NIL
Total Cost (Rs. In Lakhs)	NIL	NIL
Rate per Litre (Rs.)	NIL	NIL

FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs. in Lakhs)

	2011	2010
Total Foreign Exchange Earned	39.15	145.03
Total Foreign Exchange Used	NIL	NIL

By Order of the Board of Directors
For V R WOODART LIMITED

Place: Mumbai
Date: 30.05.2012

Ajay Anand
Director

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges)

The Company has complied in all material respects with the features of Corporate Governance code as per Clause 49 of Listing Agreement with the Stock Exchange.

1. Company's Philosophy on Code of Governance:

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good Corporate Governance leads to long-term shareholder value and enhance interest of other stakeholders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

2. Board of Directors:

The Board comprises of independent directors as well as company executives having in-depth knowledge of the business of the Industry. The size and composition of the Board conforms to the requirements of the Corporate Governance Code under the Listing Agreement with the Stock Exchange. Out of the total number of Three directors, One Director is "Executive Director" and all other are "Independent and Non-Executive Directors".

None of the Directors hold directorships in more than the permissible number of companies under the relevant provisions. Further, none of the directors on the Board is a member of more than ten Committees or Chairman of more than five Committees.

During the financial year under review, 7 Board Meetings were held on the following dates: 28.01.2011, 28.03.2011, 13.05.2011, 30th May, 2012, 03.10.2011 15.11.2011 & 19.12.2011

The name of the Directors and the category to which they belong to, along with their attendance at Board Meetings during the year under review and at the last annual general meeting, and the number of directorships and committee memberships held by them in other companies are given below:

<u>Name</u>	<u>Category</u>	<u>Attendance Particulars</u>		<u>No. of Other Directorships and Committee Member / Chairmanship</u>		
		<u>Board Meetings</u>	<u>Last AGM</u>	<u>Director</u>	<u>Chairman</u>	<u>Member</u>
Mr. Ajay Anand	Non Executive Chairman	7	Yes	2	-	2
Mr. Sanjay Anand	Executive Director	2	NO	1	-	1
Mr. Nitin Panchal	Non Executive Independent	7	YES	--	--	--

1. Audit Committee:

The Company has constituted an Audit Committee of the Company. All the Members of the Committee are Non-Executive and Independent.

Name of the Member	Status	No. of Meetings Held	No. of Meetings Attended
Mr. Nitin Panchal	Chairman	4	4
Mr. Ajay Anand	Member	4	4
Mr. Sanjay Anand	Member	4	2

Terms of Reference:

- Oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transactions, i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of company at large.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors and significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with external auditors before the audit commences, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors.

2. Shareholders'/Investors' Grievance Committee:

The Shareholders'/Investors' Grievance Committee of the Company is chaired by Mr. Nitin Panchal, a Non-Executive Independent Director. Mr. Ajay Anand and Mr. Sanjay Anand are the other members of the committee.

The Company has not received any serious complaints. However few routine complaints received in connection with non-receipt of annual report have been attended to promptly and no complaint as such is pending with the company.

3. Remuneration Committee:

The Company has not constituted a separate committee to determine the terms of reference and remuneration package for its managerial personnel.

No Sitting fee is paid to the Non-Executive Directors of the Company.

4. Management :

The Management and Discussion Analysis Report is given as part Directors' Report in the Annual Report of the Company

5. General Body Meetings :

Year	Location	Date	Time
2008	1-2, Shiv Smriti Chambers, 49-A, Dr. Annie Besant Road, Worli Mumbai – 400 018.	27 th June 2009	10.30 a.m.
2009	1-2, Shiv Smriti Chambers, 49-A, Dr. Annie Besant Road, Worli Mumbai – 400 018.	29 th June 2010	9.00 a.m.
2010	1-2, Shiv Smriti Chambers, 49-A, Dr. Annie Besant Road, Worli Mumbai – 400 018.	29 th June 2011	9.00 a.m.

Other Information:**a) Risk Management Framework:**

The Company has in place mechanism to inform Board of Directors about the Risk assessment and risk minimization procedures and periodical reviews to ensure that risk is controlled by the Management through the means of a properly laid-out framework.

b) Code of Conduct:

The Company has laid down a code of conduct for the Board of Directors and Senior Management personnel of the Company. The declaration of Chairman & Managing Director is given below:

To the Shareholders of V R Woodart Limited

Sub: Compliances with Code of Conduct

I hereby declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Mumbai, 30.05.2012

Ajay Anand
Director