



**Veer Energy & Infrastructure Ltd.**

**“NATURE-AL DIRECTION TO ENERGY”**

ISO 9001-2008 Certified Company

# ANNUAL REPORT

## 2011-2012

For further details please log in to [www.veerenergy.net](http://www.veerenergy.net) or E-mail us at [info@veerenergy.net](mailto:info@veerenergy.net)

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# VEER ENERGY & INFRASTRUCTURE LIMITED

## BOARD OF DIRECTORS

NAME	DESIGNATION
Mr. Yogesh M Shah	Chairman & Managing Director
Mr. Prakashcandra C. Shah	Executive Director
Mr. Bhavin S. Shah	Executive Director
Mr. Dhimant J Shah	Independent Director
Dr. Dharendra B Shah	Independent Director
Mr. Joseph J Tauro	Independent Director
Mr. Arvind M Shah	Independent Director
Mr. Prakash A Patel	Independent Director

## AUDITORS

NAME	OFFICE
M/S Jayesh R. Shah & Co. Chartered Accountants	B-2, Swagat, Ciba Society, Amrut Nagar, Ghatkopar (W) Mumbai-400086.

## REGISTERED OFFICE

1st Floor, Gazdar House,

629 - A, J. Shankar Sheth Marg,

Mumbai - 400002.

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**VEER ENERGY & INFRASTRUCTURE LIMITED**

Regd. Office.: 1<sup>st</sup> Floor, Gazdar House, 629 – A, J. Shankar Sheth Marg, Mumbai: – 400002.

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**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Members of **M/s. VEER ENERGY & INFRASTRUCTURE LIMITED** will be held on Monday the 24<sup>th</sup> September, 2012 at the 6, New Nadu Industrial estate, Mahakali Caves Road, Andheri (E), Mumbai- 400 093.at 10.00 a.m. to transact the following business :

**ORDINARY BUSINESS**

- 1) To receive, consider and adopt the Audited Balance Sheet of the Company as at **31<sup>st</sup> March, 2012**, the Statement of Profit & Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon.
- 2) To declare a dividend.
- 3) To appoint a Director in place of Mr. Joseph Tauro, who retires by rotation and being eligible, offer him for reappointment.
- 4) To appoint a Director in place of Mr. Arvind M Shah, who retires by rotation and being eligible, offer him for reappointment.
- 5) To appoint Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution.  
“RESOLVED THAT M/s Jayesh R. Shah & Co. Chartered Accountants (Registration No. 104182W), be and hereby appointed as a auditors of the company, to hold the office from the conclusion of this annual general meeting to the conclusion of the next annual general meeting of the company to audit the accounts for the financial year 2012-2013 on such a remuneration as shall be fixed by the Board Of Directors.”

**SPECIAL BUSINESS**

- 6) To re-appoint Shri Yogesh M Shah as a Whole time director designated as a Chairman & Managing Director and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an ordinary resolution.  
“RESOLVED that pursuant to the provisions of Sections 198, 269, 309 and 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the said act including any modification (s) or reenactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded for the re-appointment of Shri. Yogesh M Shah , as a Whole time director of the company designated as a Chairman & Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2012 on the terms, conditions and stipulations including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting with liberty to Board of Directors (hereinafter refereed to as “the Board” which term shall be deemed to include any committee of the Board constituted to exercise its power, including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under the Schedule XIII to the Companies Act, 1956 or any other statutory modification(s) or re-enactment thereof.”  
  
“RESOLVED FURTHER that the Board be and hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”
- 7) To re-appoint Shri Prakash C Shah as a Whole time director designated as a Executive Director and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an ordinary resolution.  
“RESOLVED that pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the said act including any modification (s) or reenactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded for the re-appointment Shri Prakash C Shah as a Whole time director designated as a Executive Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2012 on the terms, conditions and stipulations including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting with liberty to Board of Directors (hereinafter refereed to as “the Board” which term shall be deemed to include any committee of the Board constituted to exercise its power, including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under the Schedule XIII to the Companies Act, 1956 or any other statutory modification(s) or re-enactment thereof.  
  
RESOLVED FURTHER that the Board be and hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”
- 8) To re-appoint Shri Bhavin S Shah as a Whole time director designated as a Executive Director and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an ordinary resolution.

“RESOLVED that pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the said act including any modification (s) or reenactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded for the re-appointment Shri Bhavin S Shah as a Whole time director designated as a Executive Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2012 on the terms, conditions and stipulations including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting with liberty to Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any committee of the Board constituted to exercise its power, including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under the Schedule XIII to the Companies Act, 1956 or any other statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER that the Board be and hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board of Directors  
For Veer Energy & Infrastructure Limited**

SD/-

**Yogesh M. Shah  
Chairman & Managing Director**

**Place: Mumbai  
Date: 23<sup>rd</sup> August, 2012**

**NOTES:**

- 1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of him and a proxy need not be a member. Proxies in order to be effective must be received by the company not less than 48 hours before the time for holding the meeting.
- 2) The Register of Members and the Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September, 2012 to 24<sup>th</sup> September, 2012 (both days inclusive)
- 3) The dividend, as recommended by the Board, if sanctioned at the Annual General Meeting, will be paid to those members or their mandates whose names stand registered on the Company's Register of Members.
- 4) Members/proxies should bring the attendance slip duly filled in for attending the meeting.
- 5) 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 readily available at the Meeting.
- 6) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report at the Meeting.

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956**

The following explanatory statements sets out all the material facts relating to the Special Business mentioned in the accompanying:

**ITEM NO. 6**

The Board of Directors of the Company (the 'Board'), at its meeting held on August 23, 2012 has, subject to the approval of Members, re-appointed Shri Yogesh M Shah as a Whole-time Directors, designated as Managing Director, for a further period of 5 (five) years with effect from 1<sup>st</sup> April, 2012 respectively, on the remuneration determined by the Remuneration Committee of the Board and approved by the Board. It is proposed to seek Members' approval for the re-appointment of and remuneration payable to, Shri Yogesh M Shah, as Whole-time Directors, designated as Managing Director, in terms of the applicable provisions of the Companies Act, 1956 ("the Act"). Broad particulars of the terms of re-appointment of and remuneration payable to Shri Yogesh M Shah are as under:

- i) Salary: Rs.12,00,000/- Per annum with an annual increment subject to maximum of 15% of salary every year, effective from such month as may be decided by the Board.
- ii) Performance linked incentive, subject to maximum of 100% of the annual salary.
- iii) Statutory contributions, if any applicable.
- iv) Perquisites as given below in accordance with the policies of the Company:
  - a. Gratuity
  - b. Leave encashment
  - c. Medical insurance
  - d. Company maintained car, subject to a maximum expense on car limited to Rs. 120000/- per annum
  - e. Telephone at residence
  - f. Club fees (maximum of two clubs)
- v) Stock Options – As per the policies of the company.

**ITEM NO. 7**

The Board of Directors of the Company (the 'Board'), at its meeting held on August 23, 2012 has, subject to the approval of Members, re-appointed Shri Prakash C Shah as a Whole-time Directors, designated as Executive Director, for a further period of 5 (five) years with effect from 1<sup>st</sup> April, 2012 respectively, on the remuneration determined by the Remuneration Committee of the Board and approved by the Board. It is proposed to seek Members' approval for the re-appointment of and remuneration payable to, Shri Prakash C Shah, as Whole-time Directors, designated as Executive Director, in terms of the applicable provisions of the Companies Act, 1956 ("the Act"). Broad particulars of the terms of re-appointment of and remuneration payable to Shri Prakash C Shah are as under:

- i) Salary: Rs.6,00,000/- Per annum with an annual increment subject to maximum of 15% of salary every year, effective from such month as may be decided by the Board.
- ii) Performance linked incentive, subject to maximum of 100% of the annual salary.
- iii) Statutory contributions, if any applicable.
- iv) Perquisites as given below in accordance with the policies of the Company:
  - a. Gratuity
  - b. Leave encashment
  - c. Medical insurance
  - d. Company maintained car, subject to a maximum expense on car limited to Rs. 120000/- per annum
  - e. Telephone at residence
  - f. Club fees (maximum of two clubs)
- v) Stock Options – As per the policies of the company.

**ITEM NO. 8**

The Board of Directors of the Company (the 'Board'), at its meeting held on August 23, 2012 has, subject to the approval of Members, re-appointed Shri Bhavin S Shah as a Whole-time Directors, designated as Executive Director, for a further period of 5 (five) years with effect from 1<sup>st</sup> April, 2012 respectively, on the remuneration determined by the Remuneration Committee of the Board and approved by the Board. It is proposed to seek Members' approval for the re-appointment of and remuneration payable to, Shri Yogesh M Shah, as Whole-time Directors, designated as Executive Director, in terms of the applicable provisions of the Companies Act, 1956 ("the Act"). Broad particulars of the terms of re-appointment of and remuneration payable to Shri Bhavin S Shah are as under:

- i) Salary: Rs. 6,00,000/- Per annum with an annual increment subject to maximum of 15% of salary every year, effective from such month as may be decided by the Board.
- ii) Performance linked incentive, subject to maximum of 100% of the annual salary.
- iii) Statutory contributions, if any applicable.
- iv) Perquisites as given below in accordance with the policies of the Company:
  - a. Gratuity
  - b. Leave encashment
  - c. Medical insurance
  - d. Company maintained car, subject to a maximum expense on car limited to Rs. 120000/- per annum
  - e. Telephone at residence
  - f. Club fees (maximum of two clubs)
- v) Stock Options – As per the policies of the company.

**By Order of the Board of Directors  
For Veer Energy & Infrastructure Limited**

SD/-

**Yogesh M. Shah  
Chairman & Managing Director**

**Place: Mumbai  
Date: 23<sup>rd</sup> August, 2012**

## DIRECTORS REPORT

To,  
The Members  
M/s. Veer Energy & Infrastructure Ltd.  
Your Directors have pleasure in presenting their 32<sup>nd</sup> Annual Report of the Company for the year ended 31st March, 2012.

### FINANCIAL RESULT

PARTICULARS	AS ON 31/03/2012 (AMOUNT. IN "000")	AS ON 31/03/2011 (AMOUNT. IN "000")
<b>Total Income (A)</b>	<b>7,24,155</b>	<b>4,37,987</b>
<b>Net Profit/ (loss) before tax (B)</b>	<b>72,086</b>	<b>51,996</b>
<b>Less: Provision for Taxation Prior Year Adjustment (c)</b>	<b>29,856</b>	<b>16,761</b>
	<b>4,205</b>	<b>(204)</b>
<b>(A+B -C)</b>	<b>46,435</b>	<b>35,439</b>
<b>Add: Profit/(Loss) Brought forward from Last Year</b>	<b>54,599</b>	<b>26,119</b>
	<b>1,01,034</b>	<b>61,559</b>
<b>Less: Appropriation Transfer to General Reserve</b>	<b>2000</b>	<b>2,000</b>
<b>Proposed Dividend &amp; Tax</b>	<b>4960</b>	<b>4,960</b>
<b>Balance carried to Balance Sheet</b>	<b>94,074</b>	<b>54,599</b>

### DIVIDEND

Your Directors are pleased to recommend a dividend @ 6 paise on Equity Share of Rs.1/- each for the year ended 31st March, 2012, subject to approval of Members of the Company at the ensuing Annual General Meeting

### OPERATIONS

The main Business of the Company is to create infrastructure development facilities for the installation of Wind Turbine Generator. As a pioneer in this field, Your Company is very well positioned to take advantage of ever increasing demand for the renewable energy resources. Since recession in the international market and in our country is almost over. In view of this development, Your Directors are hopeful to achieve better results in the coming years. Your Directors are also exploring the possibilities of starting operations in the state of Maharashtra. During the current year, the company has commissioned 35MW in village Vinzalpur district Jamnagar and 20.40 MW out of 79.5MW in Rajasthan by March 2012.

### CORPORATE GOVERNANCE

Your Company has complied with the mandatory requirements of clause 49 of the listing agreement entered into with the Stock Exchange regarding the Corporate Governance for the Financial Year 2011-2012. The compliance report along with Auditors Certificate is provided in the Corporate Governance Report annexed to this report.

### PERFORMANCE

The turnover of the Company for the year under review is **Rs. 72.19 crores as against Rs.43.32 crores** in the previous year which in the opinion of the Directors are satisfactory as the power purchase policy by Gujarat State Government. Is favorable and encouraging to the industry, your Directors are hopeful to improve the growth rate in turnover and profitability in current year.

Net Profit before tax for the year under review is **Rs 7.21crores as against Rs. 5.20 crores** in the previous year. Net Profit after tax and other provisions is higher at **Rs.4.22 Crores as against Rs. 3.52 crores** in the previous year.

### FUTURE PROSPECTS

India is perceived as a developing country, but it is developing at a pace that is not matched by many others. We have experienced significant economic growth. Yet the fact remains that our growth is constrained by energy supply and availability. Although we have seen an impressive increase in installed capacity addition, from barely about 1,350 MW at the time of independence (1947) to about 160,000 MW today, over 90,000 MW of new generation capacity is required in the next seven years.

Wind energy is where India competes globally in manufacturing and deployment in the present scenario. India has an installed capacity of over 11,000 MW in wind energy, and occupies the fifth position in the world, after USA, Germany, China and Spain. Our policy framework in wind energy generation is extremely investor- friendly, and an attractive tariff and regulatory regime provide a strong foundation for the growth of the sector.

Gujarat has enormous potential for wind power generation. The average velocity of wind in the state is just less than seven meters per second, which is very much suitable for wind power generation. Besides this, the state has the longest coast-line in the country and a desert in Kutch. This makes land availability for the wind power projects. Investor-friendly policies of the Government of Maharashtra and technical viability of demonstration projects have attracted private investment of more than Rs 11895 crores in the wind sector so far. Nearly 2309 MW of private wind power projects have been installed in the State upto Mar-2011.

The Rajasthan Government has adopted a new wind power policy to facilitate installation of wind energy plants of 3,000 MW capacity during the next three to four years and promote private investments in the sector through a slew of incentives and concessions. Nearly 2072 MW of wind power projects have been installed in the State upto Mar-2012.



Keeping all this scenario in mind and a rising demand for the renewable energy, company has planned to come up with 200MW project at Gujarat and is also planning to come up with 25MW in state of Maharashtra as there is huge potential in the Industries and there is huge demand.

#### **PUBLIC DEPOSITS**

The Company has not accepted any deposits from public during the year ended on 31st March 2012, in terms of the provisions of Section 58 A of the Companies Act, 1956.

#### **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interest in Subsidiaries, the audited Consolidated Financial Statements are provided in the Annual Report.

#### **SUBSIDIARIES**

The Balance Sheet, Profit and Loss Account and other documents of the subsidiary company is being attached with the Balance Sheet of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary company Veer Enterprise GmbH

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors of the Company confirm pursuant to Section 217 (2AA) of the Companies Act, 1956 as under:

- 1) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with the proper explanations relating to material departures
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give 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
- 3) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- 4) That the directors have prepared the annual accounts on a going concern basis

#### **AUDITORS & AUDITORS' REPORT**

Mr. Jayesh R. Shah & Co., Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting, and being eligible, has consented to act as the Statutory Auditors of the Company, if re-appointed. You are requested to appoint the Statutory Auditors for the Financial Year 2012-2013 and fix their remuneration.

Notes on Accounts referred to in the Auditors' Report for the year are self-explanatory and therefore does not call for any further comment thereon.

#### **CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO**

Foreign exchange outgo – Rs. 50, 34,897/- on account of investment in Subsidiary

Considering the nature of the activities carried out by the Company, the other particulars specified in Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are not applicable for the year. However, constant endeavors are made to check power consumption and optimize the use of energy.

#### **PARTICULARS OF EMPLOYEES**

None of the employees, during the year under review or part of it has been drawn salary above limits specified under section 217 (2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules, 1975.

#### **LISTING OF THE COMPANY'S SHARES**

The Equity Shares of your Company are listed at The Stock Exchange – Mumbai. The Company has paid annual listing fees for the financial year 2012-13.

#### **DEMATERIALISATION**

As the Members are aware, the Company's shares are tradable compulsorily in electronic format, your Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). In view of enormous advantages offered by the Depository system, Members are requested to avail the facility of dematerializations of the Company's Shares on depositories as aforesaid.

#### **ACKNOWLEDGMENTS**

Your Directors acknowledges with gratitude and wish to place on records, their sincere appreciation for the support and co-operation received by the Company from the various Government authorities, bankers and Shareholders during the year.

**By Order of the Board of Directors  
For Veer Energy & Infrastructure Limited**

SD/-

**Yogesh M. Shah  
Chairman & Managing Director**

Place: Mumbai

Date: 23<sup>rd</sup> August, 2012



## **CORPORATE GOVERNANCE (ANNEXURE TO DIRECTORS' REPORT)**

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is an ongoing process that ensures that the Company displays the highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics in its dealings. Good Corporate Governance is a critical doctrine to the global economic system, enabling the business to not only effectively and efficiently achieve its corporate objectives but also develop a structure and methodology to sustain its survival in a globally competitive environment. Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all interactions with its Shareholders, Depositors, and Debenture holders, Employees, Creditors, Debtors and Regulatory Authorities.

### **BOARD OF DIRECTORS**

Veer Energy & Infrastructure Limited's Board comprises of Eight Directors, of which two are designated as Executive Directors and the rest are Non-Executive Directors. As per the requirement of the Clause 49 of the listing agreement half of the members are Independent Directors.

#### **A BRIEF PROFILE OF THE DIRECTORS IS GIVEN BELOW:**

Mr. Yogesh M. Shah (53 years) is the managing Director and Chairman of the Company, is a tax and Financial consultant.

Mr. Prakash C. Shah (60 years) is a businessman residing at Ahmadabad having a Textile Trading Business since last 35 years

Mr. Bhavin S. Shah (32 Years) is a M.Com a Microsoft certified professional and vast experience in production and operation management.

Dr. Dharnendra B. Shah (62 years) is a practicing Doctor with experience of 38 years.

Mr. Dhimant J. Shah (48 years) is B.Com and doing his own business in Trading in Paper & Packing Products from last 26 years.

Mr. Joseph J. Tauro (62 years) is a B. Com, CA IIB and retired after 32 years of service in IDBI Bank Ltd as a Dep. General Manager.

Mr. Arvind M. Shah (52 years) is a tax consultant.

Mr. Prakash A. Patel (28 years) has completed M.Sc. in Industrial Chemistry and doing Master in Polymer technology in Germany. Being a chemical engineer he have a good knowledge of the WTG material and its usage. The material used for manufacturing of blade and also the testing of WTG blade. He has one year experience working in Pharmson chemical Chhatral, Gujarat. He have been visiting Wind farms at various parts of Gujarat and enhancing my knowledge from civil work to erection of the Windmill.

### **BOARD MEETINGS**

Sri Yogesh M. Shah, Executive Director of the Company, generally chairs the Board Meeting, during the financial year ended 31st March, 2012. Four (4) Board Meetings were held i.e. on 30/04/2011, 23/07/2011, 24/10/2011 & 31/01/2012.

Attendance of each Director at the Board Meetings and the last Annual General Meeting

DIRECTORS	NO. OF BOARD MEETINGS ATTENDED	WHETHER ATTENDED LAST AGM
Mr. Yogesh M. Shah	4	Yes
Mr. Bhavin S. Shah	2	Yes
Mr. Prakashchandra C. Shah	1	No
Mr. Arvind M. Shah	3	No
Dr. Dharnendra B. Shah	4	No
Mr. Dhimant J. Shah	4	Yes
Mr. Prakash A Patel	1	Yes
Mr. Joseph J. Tauro	4	No

### **COMMITTEES OF THE BOARD / AUDIT COMMITTEE**

The Company has constituted an Audit Committee which is comprised of three Directors majority of them being Independent. The members of the audit committee are Mr. Arvind M. Shah, Mr. Dhimant Shah & Mr. Bhavin Shah.

Terms of reference to the Audit Committee is primarily to Supervise the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible, to appoint and fix the remuneration of internal auditors, to review the internal and external audit reports, the adequacy of internal control systems and to review the Company's financial and risk management policies.

Four (4) such Meetings of the committee were held during the period under review. The meetings were held on 30/04/2011, 23/07/2011, 24/10/2011 & 31/01/2012. Meetings and Attendance of members of the Audit Committee during the Financial Year 2011 - 2012

MEMBER	NO. OF MEETINGS ATTENDED
Mr. Arvind M. Shah	3
Mr. Dhimant J. Shah	4
Mr. Bhavin S Shah	2

### **REMUNERATION COMMITTEE**

The Company has constituted the remuneration committee. The committees decide and review the Managerial Remuneration. The members of the remuneration committee are Mr. Yogesh M shah, Mr. Arvind M Shah & Mr. Dhimant Shah.

### **REMUNERATION TO DIRECTORS:**

Shri Yogesh M. Shah (Managing Director) and Shri Prakash C. Shah & Shri Bhavin S. Shah are the executive directors on the Board, rest are Non - Executive Independent Directors. Salary Drawn by Shri Yogesh M. Shah for the financial year 2011 - 2012 is Rs. 9,75,000/- and Salary Drawn by Shri Prakash C. Shah for the financial year 2011 - 2012 is Rs. 4,55,000/- and Salary Drawn by Shri Bhavin S. Shah for the financial year 2011-2012 is Rs. 6,50,000/-.

#### **SHAREHOLDER GRIEVANCE COMMITTEE**

The Board has constituted a committee comprising of Three Directors Mr. Joseph Tauro, Mr. Dhimant Shah & Dr. Dhrendra B Shah. Analysis of Shareholders Correspondence during the year under consideration:

<b>Nature Of Correspondence</b>	<b>Received</b>	<b>Redressed</b>
<b>Change of Address</b>	NIL	NIL
<b>Demat Request</b>	NIL	NIL
<b>Annual Report</b>	NIL	NIL

#### **DETAILS OF THE LAST THREE GENERAL MEETINGS:**

<b>MEETING</b>	<b>DATE AND TIME OF A. G. M.</b>	<b>PLACE</b>	<b>SPECIAL RESOLUTION PASSED</b>
29th AGM	29-6-2009 at 10.00 am	Regd. Office	Yes. To appoint directors and for raise borrowing limits.
30th AGM	28-5-2010 at 10.00 am	Shri Halali Bhatia Mahajanwadi, 398, Kalbadevi Road, Shrinatji Chowk, Mumbai-400002	Yes. To appoint directors
31st AGM	23-08-2011 at 10.00 am	Regd. office	Yes. To appoint directors

#### **DISCLOSURE:**

The details of the transaction with related parties are given in the Notes to the accounts of Auditors Report. The transaction is in the natural course of the business and is not in conflict with the interest of the Company.

There were no instance of non compliance of any matter relating to the Capital Market and no penalties were imposed on the company by Stock Exchanges or Securities & Exchange Board of India or any other Statutory Authority on any matter relating to capital Markets.

#### **INTERNAL CONTROLS:**

Management feels that the internal controls in place are sufficient considering the complexity, size and nature of operation of the Company.

#### **MEANS OF COMMUNICATION**

The Board of Directors of the company approves and takes on record the Un-audited/Audited financial results in the prescribed Performa of the Stock Exchange on a quarterly basis. The results are announced to all the Stock Exchanges where the shares of the Company are listed.

#### **GENERAL SHAREHOLDERS INFORMATION**

##### **32<sup>ND</sup> ANNUAL GENERAL MEETING**

<b>Date &amp; Time</b>	Monday, 24 <sup>th</sup> September, 2012 at 10:00 A.M
<b>Venue</b>	6, New Nandu Industrial Estate, Mahakali Caves Road, Andheri (E), Mumbai - 400 093.
<b>Date of Book Closure</b>	22 <sup>nd</sup> September, 2012 To 24 <sup>th</sup> September, 2012 (Both days inclusive)

#### **LISTING ON STOCK EXCHANGE:**

THE STOCK EXCHANGE, MUMBAI, (Stock Code: 503657), Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400023. Ph: 022-2272 1234 Fax: 022-2272 2082

#### **LISTING FEE**

The Company has paid Listing Fees to Stock Exchanges where the shares are listed within due date. Your Company is strictly observing all the clauses of the Listing agreement entered into with the Stock Exchanges and there are no investor complaints pending against the Company.

**ADDRESS FOR CORRESPONDENCE:** The Company has appointed M/s. Sharex (India) Pvt. Ltd. as the Share Transfer Agents of the Company.

M/S. SHAREX DYNAMIC (INDIA) PVT LTD, Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Andheri (East) Mumbai-400072. Ph. No. 28515606/28515644. Fax 08512885

Shareholders are requested to address their correspondence relating to Share Transfer, Transmission, Demat, Remat, Change of Address, Change of Bank Mandate etc. to the above address only.

#### **DEMATERIALIZATION OF SHARES:**

Over 99.999% of the Company's paid-up equity share capital has been Dematerialized upto 31st March, 2012. Trading in Equity Shares of the Company is permitted only in Dematerialization form as per notification issued by the Securities Exchange Board of India (SEBI)

Accordingly the Company has entered into an agreement with the following Depositories, which are providing the services of dematerialization of equity shares.

#### **NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL)**