

VALECHA
Engineers & Contractors

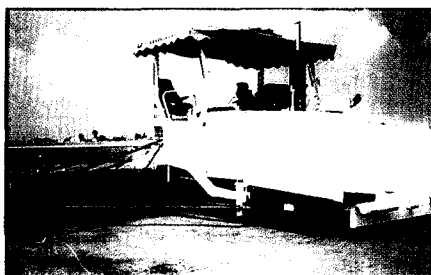


VALECHA ENGINEERING LIMITED

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Engineers & Contractors



MISSION STATEMENT

**"A Dedicated Professional Team
Building cost effective quality
Building Assets
For the People-for the Nation"**

10. 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, 310 and other applicable provisions, if any, of the Companies Act, 1956 (‘the Act’) or any re-enactments thereof, read with schedule XIII to the Act and all guidelines for managerial remuneration issued by the Central Government from time to time, and the Articles of Association of the Company, and subject to such approvals/consents/sanctions/permissions as may be necessary, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Ramchand H. Valecha as the Whole-Time Director, for a period of two years w.e.f. 1st July, 2005, upon terms and conditions as set out in the Agreement dated 30th June, 2005 entered into by the Company with him, submitted to this meeting for the purpose of ratification and initialled by the Chairman for the purpose of identification, which Agreement is hereby specifically approved with liberty to the Board of Directors of the Company (‘the Board’) and the Remuneration Committee (‘the Committee’) to alter and vary the terms and conditions of the said Agreement from time to time and in such manner as may be agreed to by the Board/Committee and Mr. Ramchand H. Valecha, but so as not to exceed the limits specified in Schedule XIII to the Act or any amendment thereto or re-enactments thereof, with effect from such dates as may be decided by them.

RESOLVED FURTHER that in the event of absence or inadequacy of profit in any financial year, the remuneration payable to Mr. Ramchand H. Valecha shall be governed by Section II of Part II of Schedule XIII of the Companies Act, 1956, or any modification(s) thereto.

RESOLVED FURTHER that the Board/Committee be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

11. 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, 310 and other applicable provisions, if any, of the Companies Act, 1956 (‘the Act’) or any re-enactments thereof, read with schedule XIII to the Act and all guidelines for managerial remuneration issued by the Central Government from time to time, and the Articles of Association of the Company, and subject to such approvals/consents/sanctions/permissions as may be necessary, the consent of the Company be and is hereby accorded for the appointment of Mr. Umesh H. Valecha as the Whole-Time Director, for a period of two years w.e.f. 1st July, 2005, upon terms and conditions as set out in the Agreement dated 30th June, 2005 entered into by the Company with

him, submitted to this meeting for the purpose of ratification and initialled by the Chairman for the purpose of identification, which Agreement is hereby specifically approved with liberty to the Board of Directors of the Company (‘the Board’) and the Remuneration Committee (‘the Committee’) to alter and vary the terms and conditions of the said Agreement from time to time and in such manner as may be agreed to by the Board/Committee and Mr. Umesh H. Valecha, but so as not to exceed the limits specified in Schedule XIII to the Act or any amendment thereto or re-enactments thereof, with effect from such dates as may be decided by them.

RESOLVED FURTHER that in the event of absence or inadequacy of profit in any financial year, the remuneration payable to Mr. Umesh H. Valecha shall be governed by Section II of Part II of Schedule XIII of the Companies Act, 1956, or any modification(s) thereto.

RESOLVED FURTHER that the Board/Committee be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

12. 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, 310 and other applicable provisions, if any, of the Companies Act, 1956 (‘the Act’) or any re-enactments thereof, read with schedule XIII to the Act and all guidelines for managerial remuneration issued by the Central Government from time to time, and the Articles of Association of the Company, and subject to such approvals/consents/sanctions/permissions as may be necessary, the consent of the Company be and is hereby accorded for the appointment of Mr. Arvind Balakrishna Gogate as the Whole-Time Director, for a period of two years w.e.f. 1st August, 2005, upon terms and conditions as set out in the Agreement to be entered into by the Company with him, submitted to this meeting and initialled by the Chairman for the purpose of identification, which Agreement is hereby specifically approved with liberty to the Board of Directors of the Company (‘the Board’) and the Remuneration Committee (‘the Committee’) to alter and vary the terms and conditions of the said Agreement from time to time and in such manner as may be agreed to by the Board/Committee and Mr. Arvind Balakrishna Gogate, but so as not to exceed the limits specified in Schedule XIII to the Act or any amendment thereto or re-enactments thereof, with effect from such dates as may be decided by them.

RESOLVED FURTHER that in the event of absence or inadequacy of profit in any financial year, the remuneration payable to Mr. Arvind Balakrishna Gogate shall be

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governed by Section II of Part II of Schedule XIII of the Companies Act, 1956, or any modification(s) thereto.

RESOLVED FURTHER that the Board/Committee be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution."

13. 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, 310 and other applicable provisions, if any, of the Companies Act, 1956 ('the Act') or any re-enactments thereof, read with schedule XIII to the Act and all guidelines for managerial remuneration issued by the Central Government from time to time, and the Articles of Association of the Company, and subject to such approvals/consents/sanctions/permissions as may be necessary, the consent of the Company be and is hereby accorded for the appointment of Mr. Dinesh H. Valecha as the Whole-Time Director, for a period of two years w.e.f. 1st August, 2005, upon terms and conditions as set out in the Agreement to be entered into by the Company with him, submitted to this meeting and initialled by the Chairman for the purpose of identification, which Agreement is hereby specifically approved with liberty to the Board of Directors of the Company ('the Board') and the Remuneration Committee ('the Committee') to alter and vary the terms and conditions of the said Agreement from time to time and in such manner as may be agreed to by the Board/Committee and Mr. Dinesh H. Valecha, but so as not to exceed the limits specified in Schedule XIII to the Act or any amendment thereto or re-enactments thereof, with effect from such dates as may be decided by them.

RESOLVED FURTHER that in the event of absence or inadequacy of profit in any financial year, the remuneration payable to Mr. Dinesh H. Valecha shall be governed by Section II of Part II of Schedule XIII of the Companies Act, 1956 or any modification(s) thereto.

RESOLVED FURTHER that the Board/Committee be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution."

By order of the Board

Mumbai
29th July, 2005.

KAVITA VALECHA SHARMA
Company Secretary

Registered Office:
"Valecha Chambers",
7th Floor, Plot No. B-6,
Andheri New Link Road,
Andheri (West), Mumbai-400 053.

NOTES:

- (A) 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.

The instrument of proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

- (B) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 6th September 2005 to Thursday, the 15th September, 2005 (both days inclusive).
- (C) The explanatory statement as required under section 173 (2) of the Companies Act, 1956, in relation to the Special Business of the meeting is annexed hereto.
- (D) The dividend declared at the Meeting will be made payable on or after 19th September, 2005, as applicable, in respect of shares held in physical form to those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfer lodged with the Company on or before the end of business hours on Monday, the 5th September, 2005 and in respect of shares held in the electronic form to those "Deemed Members" whose names appear in the statement of Beneficial Ownership furnished by the National Securities Depository Limited and Central Depository Services (India) Limited as on that date.
- (E) Pursuant to Section 205C of the Companies Act, 1956, the Company will be transferring in the month of October, 2005, the Unclaimed dividend for the year 1997-98 to the Investor's Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrants so far, for the Financial Year ended on 31st March, 1998 or any subsequent financial years are requested to make their claims addressed to

The Company Secretary
Valecha Engineering Limited
"Valecha Chambers", 7th Floor,
Andheri New Link Road, Andheri (West),
Mumbai - 400 053.

It may also be noted that once the unclaimed dividend is transferred to the credit of the said Fund, as above, no claim shall lie in respect thereof.

- (F) Members are requested to notify immediately any change in their address to the Company and details about their Bank Account Number, Name of the Bank, Bank's Branch name and address to enable the Company to draw dividend warrants payable accordingly. In respect of shares held in electronic form, the instruction regarding change of address should be given directly to the Depository Participants and

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the Company cannot entertain any such request directly from the shareholders.

(G) Any member requiring further information on Accounts at the meeting is requested to send queries in writing to the Company's Registered Office so as to reach on or before 5th September, 2005.

(H) All documents referred to in the above Notice and the accompanying explanatory statement are open for

inspection at the Registered office of the Company on all working days Between 11.00 a.m. to 1.00 p.m upto the date of Annual General Meeting.

(I) Pursuant to clause 49 (VI) (A) of the listing agreement following information is furnished about the Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting.

1.	Name	Mr. Jagdish K. Valecha
	Age	45 years
	Qualifications	B.Com.
	Expertise/Occupation	Over 22 years of experience in execution of Civil Construction Work.
	Other Directorship	Valecha Infrastructure Ltd., F2 Fun-N-Fitness (India) Pvt. Ltd., First Fitness (India) Pvt. Ltd.
	Committee Member/Chairmanship	Member Share Transfer Committee of Valecha Engineering Limited
2.	Name	Mr. Ramchand H. Valecha
	Age	66 years
	Qualifications	B.A.
	Expertise/Occupation	Over 47 years of experience in execution of Civil Construction Work.
	Other Directorship	Juhu Beach Real Estates Private Limited
	Committee Member/Chairmanship	NIL
3.	Name	Mr. Umesh H. Valecha
	Age	28 years
	Qualifications	B.E. (Civil)
	Expertise/Occupation	Over 6 years of experience in execution of Civil Construction Work.
	Other Directorship	Valecha Investments Private Limited, Juhu Beach Real Estates Private Limited, F2 Fun-N-Fitness (India) Pvt. Ltd. and First Fitness (India) Pvt. Ltd.
	Committee Member/Chairmanship	NIL
4.	Name	Mr. Arvind Balakrishna Gogate
	Age	53 years
	Qualifications	B.Tech (Civil) from IIT, Mumbai
	Expertise/Occupation	Over 27 years of experience in execution of Civil Construction Work.
	Other Directorship	NIL
	Committee Member/Chairmanship	NIL
5.	Name	Mr. Dinesh H. Valecha
	Age	35 years
	Qualifications	B.E (Electronics), D.B.M
	Expertise/Occupation	Over 12 years of experience in execution of Civil Construction Work.
	Other Directorship	Valecha Infrastructure Ltd., Valecha Investment Pvt. Ltd. and Gopaldas Vasudev Constructions Pvt.Ltd
	Committee Member/Chairmanship	NIL

ANNEXURE TO THE NOTICE**Explanatory Statement as required under Section 173(2) of the Companies Act, 1956.****Item No. 6**

At its meeting held on 28th June, 2005 the Board of Directors appointed Mr. Umesh H. Valecha as Director of the Company w.e.f. 1st July, 2005 to fill in the casual vacancy caused by the resignation of Mr. Madanlal L. Valecha in terms of section 262 of the Companies Act, 1956. The Company has received a notice from a Member under section 257 of the Companies Act, 1956, signifying his intention to propose Mr. Umesh H. Valecha as a candidate for the office of Director.

Mr. Umesh H. Valecha has also been appointed as Whole-time Director of the Company w.e.f. 1st July, 2005. The Board, therefore recommends the Resolution at item no. 6 of the annexed Notice for the approval of the members.

Mr. Umesh H. Valecha and Mr. Dinesh H. Valecha may be deemed to be concerned or interested in this resolution.

No other Director is concerned or interested in the said resolution.

Item No. 7

At its meeting held on 29th July, 2005 the Board of Directors appointed Mr. Arvind Balakrishna Gogate as an Additional Director of the Company w.e.f. 1st August, 2005. The Company has received a notice from a Member under section 257 of the Companies Act, 1956, signifying his intention to propose Mr. Arvind Balakrishna Gogate as a candidate for the office of Director.

Mr. Arvind Balakrishna Gogate has also been appointed as Whole-time Director of the Company w.e.f. 1st August, 2005. The Board, therefore recommends the Resolution at item no. 7 of the annexed Notice for the approval of the members.

Mr. Arvind Balakrishna Gogate may be deemed to be concerned or interested in the said resolution as it concerns him.

No other Director is concerned or interested in the said resolution.

Item No. 8

At its meeting held on 29th July, 2005 the Board of Directors appointed Mr. Dinesh H. Valecha as an Additional Director of the Company w.e.f. 1st August, 2005. The Company has received a notice from a Member under section 257 of the Companies Act, 1956, signifying his intention to propose Mr. Dinesh H. Valecha as a candidate for the office of Director.

Mr. Dinesh H. Valecha has also been appointed as Whole-time Director of the Company w.e.f. 1st August, 2005. The Board, therefore recommends the Resolution at item no. 8 of the annexed Notice for the approval of the members.

Mr. Dinesh H. Valecha and Mr. Umesh H. Valecha may be deemed to be concerned or interested in the said resolution.

No other Director is concerned or interested in the said resolution.

Item No. 9

The Board of Directors at its meeting held on 28th June, 2005 have re-appointed Mr. Jagdish K. Valecha as a Managing

Director of the Company w.e.f. 11th June, 2005 for a period of two years. This appointment is subject to approval of shareholders at this meeting.

The Principal terms and conditions of the agreement appointing Mr. Jagdish K. Valecha are as under:

1. The Managing Director shall conduct the day to day management of the Company subject to the supervision and control of the Board of Directors.
2. Period of appointment : Two years
3. Remuneration (Effective from 11th June, 2005).
 - (a) Salary: Salary of Rs.1,20,000/- (Rupees One Lakh Twenty Thousand only) per Month w.e.f. 11th June, 2005 with an increase of Rs.20,000/- (Rupees Twenty Thousand Only) per month w.e.f. 11th June, 2006.
 - (b) Perquisites:

PART - A

- (i) The expenditure incurred by the Company on gas, electricity and water shall be valued as per the Income-tax Rules, 1962
- (ii) The Company shall reimburse the Managing Director medical expenses for self and family, subject to a ceiling of one month's salary in a year or Two months salary in a block of Two years.
- (iii) The Company shall reimburse to the Managing Director actual travelling expenses for proceeding on leave from Mumbai to any place in India or abroad and returning therefrom once in a year for self and family, subject to a ceiling of one month's salary.
- (iv) The Company shall arrange to insure the Managing Director against personal accident risk, subject to the condition that the premium payable by the company shall not exceed Rs.1,000/- (Rupees One Thousand Only) per month.
[Family means spouse, dependent children and dependent parents of the Managing Director.]

PART - B

- (i) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund if any, to the extent these either singly or together are not taxable under the Income-tax Act.
- (ii) Gratuity not exceeding half a month's salary for each completed year of service subject to a ceiling of Rs. 3,50,000/- or such other ceiling as may be prescribed by the Gratuity Act or Company's Gratuity Scheme.

PART - C

Provision of the company's car/s and driver/s for use on company's business and telephone/s at residence shall be valued as per Income-Tax Rules, 1962. The car used for private purposes shall be billed by the company to the Managing Director

4. The terms and conditions of the said appointment/re-appointment and/or agreement may be altered and varied

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from time to time by the Board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendments made hereafter in that regard.

5. The agreement may be terminated by either party giving the other party three month's notice.
6. If at any time the Managing Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Managing Director.
7. The Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors of the Company or any committee or committees thereof.
8. The Managing Director shall be entitled to leave, on full pay allowance, at the rate of one month for every eleven months of service. Leave accumulated but not availed of shall not be allowed to be encashed.

Minimum Remuneration:

In the absence of inadequacy of profits in any financial year Mr. Jagdish K. Valecha – Managing Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the limits specified in Paragraph (A) of Part II, Section II to Schedule XIII to the Companies Act, 1956.

This may be treated as an abstract under Section 302 of the Companies Act, 1956, of the terms of the Agreement with Mr. Jagdish K. Valecha.

The Agreement entered into with the Managing Director is available for inspection by the members of the Company at the Registered office at "Valecha Chambers" 7th Floor, Plot No. B-6, Andheri New Link Road, Andheri (West), Mumbai-400 053, on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays, upto the date of the Annual General Meeting.

Mr. Jagdish K. Valecha is deemed to be concerned or interested in the said Resolution. None of the other Directors are concerned or interested in this Resolution.

Your Directors recommend the resolution for your approval.

Item No. 10

The Board of Directors at its meeting held on 28th June, 2005 have re-appointed Mr. Ramchand H. Valecha as Whole-Time Director of the Company w.e.f. 1st July, 2005 for a period of two years. This appointment is subject to approval of shareholders at this meeting.

The Principal terms and conditions of the agreement appointing Mr. Ramchand H. Valecha are as under:

1. The Whole Time Director shall conduct the day to day management of the Company subject to the supervision and control of the Board of Directors and Managing Director.
2. Period of appointment : Two years.
3. Remuneration (Effective from 1st July, 2005).
 - (a) Salary: Salary of Rs.90,000/- (Rupees Ninety Thousand only) per Month w.e.f. 1st July, 2005, with an increase of Rs.10,000/- (Rupees Ten Thousand Only) per month w.e.f. 1st July, 2006].

- (b) Perquisites:

PART A

- (i) The expenditure incurred by the Company on gas, electricity and water shall be valued as per the Income-tax Rules, 1962.
- (ii) The Company shall reimburse the Whole Time Director medical expenses for self and family, subject to a ceiling of one month's salary in a year or two months salary in a block of two years.
- (iii) The Company shall reimburse to the Whole Time Director actual travelling expenses for proceeding on leave from Mumbai to any place in India or abroad and returning there from once in a year for self and family, subject to a ceiling of one month's salary.
- (iv) The Company shall arrange to insure the Whole Time Director against personal accident risk, subject to the condition that the premium payable by the company shall not exceed Rs. 1,000/- (Rupees One Thousand Only) per month
[Family means spouse, dependent children and dependent parents of the Whole Time Director.]

PART B

Contribution to the Provident Fund, Superannuation Fund or Annuity Fund if any, to the extent these either singly or together are not taxable under the Income-tax Act.

PART C

Provision of the company's car with driver for use on company's business and telephone at residence shall be valued as per Income-Tax Rules, 1962. The car used for private purposes shall be billed by the company to the Whole Time Director.

4. The terms and conditions of the said appointment/re-appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendments made hereafter in that regard.
5. The agreement may be terminated by either party giving the other party three month's notice.
6. If at any time the Whole Time Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Whole Time Director.
7. The Whole Time Director shall not be entitled to sitting fees for attending meetings of the Board of Directors of the Company or any committee or committees thereof.
8. The Whole Time Director shall be entitled to leave, on full pay allowance, at the rate of one month for every eleven months of service. Leave accumulated but not availed of shall not be allowed to be encashed.

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Minimum Remuneration:

In the absence of inadequacy of profits in any financial year Mr. Ramchand H. Valecha – Whole-Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the limits specified in Paragraph (A) of Part II, Section II to Schedule XIII to the Companies Act, 1956.

This may be treated as an abstract under Section 302 of the Companies Act, 1956, of the terms of the Agreement with Mr. Ramchand H. Valecha.

The Agreement entered into with the Whole Time Director is available for inspection by the members of the Company at the Registered office at "Valecha Chambers" 7th Floor, Plot No. B-6, Andheri New Link Road, Andheri (West), Mumbai-400 053, on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays, upto the date of the Annual General Meeting.

Mr. Ramchand H. Valecha is deemed to be concerned or interested in the said Resolution. None of the other Directors are concerned or interested in this Resolution.

Your Directors recommend the resolution for your approval.

Item No. 11

Mr. Umesh H. Valecha graduated in Civil Engineering (B.E. Civil) and having the experience in executing the civil construction work for more than 6 years in your company.

The Board of Directors at its meeting held on 28th June, 2005 have appointed Mr. Umesh H. Valecha as Whole-Time Director of the Company w.e.f. 1st July, 2005 for a period of two years. This appointment is subject to approval of shareholders at this meeting.

The Principal terms and conditions of the agreement appointing Mr. Umesh H. Valecha are as under:

1. The Whole Time Director shall conduct the day to day management of the Company subject to the supervision and control of the Board of Directors and Managing Director.
2. Period of appointment : Two Years.
3. Remuneration (Effective from 1st July, 2005):
 - (a) Salary: Salary of Rs.75,000/- (Rupees Seventy Five Thousand only) per Month w.e.f. 1st July, 2005 with an increase of Rs.10,000/- (Rupees Ten Thousand Only) per month w.e.f. 1st July, 2006].

(b) Perquisites:**PART – A**

- (i) The expenditure incurred by the Company on gas, electricity and water shall be valued as per the Income-tax Rules, 1962.
- (ii) The Company shall reimburse the Whole Time Director medical expenses for self and family, subject to a ceiling of one month's salary in a year or two months salary in a block of two years.
- (iii) The Company shall reimburse to the Whole Time Director actual travelling expenses for proceeding on leave from Mumbai to any place in India or abroad and returning there from once in a year for self and family, subject to a ceiling of one month's salary.

- (iv) The Company shall arrange to insure the Whole Time Director against personal accident risk, subject to the condition that the premium payable by the company shall not exceed Rs.1,000/- (Rupees One Thousand Only) per month.

[Family means spouse, dependent children and dependent parents of the Whole Time Director.]

PART – B

- (i) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund if any, to the extent these either singly or together are not taxable under the Income-tax Act.
- (ii) Gratuity not exceeding half a month's salary for each completed year of service subject to a ceiling of Rs.3,50,000/- or such other ceiling as may be prescribed by the Gratuity Act or Company's Gratuity Scheme.

PART – C

Provision of the company's car with driver for use on company's business and telephone at residence shall be valued as per Income-Tax Rules, 1962. The car used for private purposes shall be billed by the company to the Whole Time Director.

4. The terms and conditions of the said appointment and or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendments made hereafter in that regard.
5. The agreement may be terminated by either party giving the other party three month's notice.
6. If at any time the Whole Time Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Whole Time Director.
7. The Whole Time Director shall not be entitled to sitting fees for attending meetings of the Board of Directors of the Company or any committee or committees thereof.
8. The Whole Time Director shall be entitled to leave, on full pay allowance, at the rate of one month for every eleven months of service. Leave accumulated but not availed of shall not be allowed to be encashed.

Minimum Remuneration:

In the absence of inadequacy of profits in any financial year Mr. Umesh H. Valecha – Whole-Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the limits specified in Paragraph (A) of Part II, Section II to Schedule XIII to the Companies Act, 1956.

This may be treated as an abstract under Section 302 of the Companies Act, 1956, of the terms of the Agreement with Mr. Umesh H. Valecha.

The Agreement entered into with the Whole-Time Director is available for inspection by the members of the Company at the Registered office at "Valecha Chambers" 7th Floor, Plot No. B-6,

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Andheri New Link Road, Andheri (West), Mumbai-400 053, on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays, upto the date of the Annual General Meeting.

Mr. Umesh H. Valecha and Mr. Dinesh H. Valecha are deemed to be concerned or interested in the said Resolution as they are relatives. Besides them, none of the other Directors are concerned or interested in this Resolution.

Your Directors recommend the resolution for your approval.

Item No. 12

Mr. Arvind Balakrishna Gogate graduated in B. Tech. (Civil) from IIT, Mumbai, having the experience in executing the civil construction work for more than 27 years.

The Board of Directors at its meeting held on 29th July, 2005 have appointed Mr. Arvind Balakrishna Gogate as Whole - Time Director of the Company w.e.f. 1st August, 2005 for a period of two years. This appointment is subject to approval of shareholders at this meeting.

The Principal terms and conditions of the agreement appointing Mr. Arvind Balakrishna Gogate are as under:

1. The Whole Time Director shall conduct the day to day management of the Company subject to the supervision and control of the Board of Directors and Managing Director.
2. Period of appointment : Two Years.
3. Remuneration (Effective from 1st August, 2005):
 - (a) Salary: Salary of Rs.80,000/- (Rupees Eighty Thousand only) per Month w.e.f. 1st August, 2005 with an increase of Rs.10,000/- (Rupees Ten Thousand Only) per month w.e.f. 1st August, 2006].

(b) Perquisites:**PART - A**

- (i) The expenditure incurred by the Company on gas, electricity and water shall be valued as per the Income-tax Rules, 1962.
- (ii) The Company shall reimburse the Whole Time Director medical expenses for self and family, subject to a ceiling of one month's salary in a year or two months salary in a block of two years.
- (iii) The Company shall reimburse to the Whole Time Director actual travelling expenses for proceeding on leave from Mumbai to any place in India or abroad and returning there from once in a year for self and family, subject to a ceiling of one month's salary.
- (iv) The Company shall arrange to insure the Whole Time Director against personal accident risk, subject to the condition that the premium payable by the company shall not exceed Rs. 1,000/- (Rupees One Thousand Only) per month.

[Family means spouse, dependent children and dependent parents of the Whole Time Director.]

PART - B

- (i) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund if any, to the extent these

either singly or together are not taxable under the Income-tax Act.

- (ii) Gratuity not exceeding half a month's salary for each completed year of service subject to a ceiling of Rs.3,50,000/- or such other ceiling as may be prescribed by the Gratuity Act or Company's Gratuity Scheme.

PART - C

Provision of the company's car with driver for use on company's business and telephone at residence shall be valued as per Income-Tax Rules, 1962. The car used for private purposes shall be billed by the company to the Whole Time Director.

4. The terms and conditions of the said appointment and or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendments made hereafter in that regard.
5. The agreement may be terminated by either party giving the other party three month's notice.
6. If at any time the Whole Time Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Whole Time Director.
7. The Whole Time Director shall not be entitled to sitting fees for attending meetings of the Board of Directors of the Company or any committee or committees thereof.
8. The Whole Time Director shall be entitled to leave, on full pay allowance, at the rate of one month for every eleven months of service. Leave accumulated but not availed of shall not be allowed to be encashed.

Minimum Remuneration:

In the absence of inadequacy of profits in any financial year Mr. Arvind Balakrishna Gogate Whole Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the limits specified in Paragraph (A) of Part II, Section II to Schedule XIII to the Companies Act, 1956.

This may be treated as an abstract under Section 302 of the Companies Act, 1956, of the terms of the Agreement with Mr. Arvind Balakrishna Gogate.

The Agreement entered into with the Whole Time Director is available for inspection by the members of the Company at the Registered office at "Valecha Chambers" 7th Floor, Plot No. B-6, Andheri New Link Road, Andheri (West), Mumbai-400 053, on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays, upto the date of the Annual General Meeting.

Mr. Arvind Balakrishna Gogate is deemed to be concerned or interested in the said Resolution.

None of the other Directors are concerned or interested in this Resolution.

Your Directors recommend the resolution for your approval.

VALECHA

Eng. Dinesh H. Valecha

Annual Report 2004-2005

Item No. 13

Mr. Dinesh H. Valecha graduated in B.E. (Electronics), and D.B.M. having the experience in executing the civil construction work for more than 12 years in your company.

The Board of Directors at its meeting held on 29th July, 2005 have appointed Mr. Dinesh H. Valecha as Whole-Time Director of the Company w.e.f. 1st August, 2005 for a period of two years. This appointment is subject to approval of shareholders at this meeting.

The Principal terms and conditions of the agreement appointing Mr. Dinesh H. Valecha are as under:

1. The Whole Time Director shall conduct the day to day management of the Company subject to the supervision and control of the Board of Directors and Managing Director.
2. Period of appointment: Two Years.
3. Remuneration (Effective from 1st August, 2005):
 - (a) Salary: Salary of Rs. 75,000/- (Rupees Seventy Five Thousand only) per Month w.e.f. 1st August, 2005 with an increase of Rs. 10,000/- (Rupees Ten Thousand Only) per month w.e.f. 1st August, 2006].

(b) Perquisites:**PART - A**

- (i) The expenditure incurred by the Company on gas, electricity and water shall be valued as per the Income-tax Rules, 1962.
- (ii) The Company shall reimburse the Whole Time Director medical expenses for self and family, subject to a ceiling of one month's salary in a year or two months salary in a block of two years.
- (iii) The Company shall reimburse to the Whole Time Director actual travelling expenses for proceeding on leave from Mumbai to any place in India or abroad and returning there from once in a year for self and family, subject to a ceiling of one month's salary.
- (iv) The Company shall arrange to insure the Whole Time Director against personal accident risk, subject to the condition that the premium payable by the company shall not exceed Rs. 1,000/- (Rupees One Thousand Only) per month.

[Family means spouse, dependent children and dependent parents of the Whole Time Director.]

PART - B

- (i) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund if any, to the extent these either singly or together are not taxable under the Income-tax Act.
- (ii) Gratuity not exceeding half a month's salary for each completed year of service subject to a ceiling of Rs. 3,50,000/- or such other ceiling as may be prescribed by the Gratuity Act or Company's Gratuity Scheme.

PART - C

Provision of the company's car with driver for use on company's business and telephone at residence shall be

valued as per Income-Tax Rules, 1962. The car used for private purposes shall be billed by the company to the Whole Time Director.

4. The terms and conditions of the said appointment and or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendments made hereafter in that regard.
5. The agreement may be terminated by either party giving the other party three month's notice.
6. If at any time the Whole Time Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Whole Time Director.
7. The Whole Time Director shall not be entitled to sitting fees for attending meetings of the Board of Directors of the Company or any committee or committees thereof.
8. The Whole Time Director shall be entitled to leave, on full pay allowance, at the rate of one month for every eleven months of service. Leave accumulated but not availed of shall not be allowed to be encashed.

Minimum Remuneration:

In the absence of inadequacy of profits in any financial year Mr. Dinesh H. Valecha - Whole-Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the limits specified in Paragraph (A) of Part II, Section II to Schedule XIII to the Companies Act, 1956.

This may be treated as an abstract under Section 302 of the Companies Act, 1956, of the terms of the Agreement with Mr. Dinesh H Valecha.

The Agreement entered into with the Whole Time Director is available for inspection by the members of the Company at the Registered office at "Valecha Chambers" 7th Floor, Plot No. B-6, Andheri New Link Road, Andheri (West), Mumbai-400 053, on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays, upto the date of the Annual General Meeting.

Mr. Dinesh H. Valecha and Mr. Umesh H. Valecha are deemed to be concerned or interested in the said Resolution as they are relatives. Besides them, none of the other Directors are concerned or interested in this Resolution.

Your Directors recommend the resolution for your approval.

By order of the Board

Mumbai
29th July, 2005.

KAVITA VALECHA SHARMA
Company Secretary

Registered Office:
"Valecha Chambers",
7th Floor, Plot No. B-6,
Andheri New Link Road,
Andheri (West), Mumbai-400 053