

WELTERMAN INTERNATIONAL LTD.

TWENTYIETH ANNUAL REPORT

2011 - 2012

BOARD OF DIRECTORS

KAYUM R. DHANANI	MANAGING DIRECTOR
BIJI PAUL	DIRECTOR
SHAMIM SHEIKH	DIRECTOR
PAVIT G. AMIN	DIRECTOR

AUDITORS

Parikh Shah Chotalia & Associates
Chartered Accountants
Vadodara.

BANKERS

Union Bank of India

REGISTERED OFFICE

AND

FACTORY

Plot No. 1135, Lamdapura Road,
Near Manjusar, At & Post: Lamdapura – 391 775
Tal. Savli, Dist. Vadodara

TRADING UNIT

4/249, Alagappa Nagar,
PTC QTRS-Thuraiyakkam
Chennai-600097

Contents

NOTICE	3
DIRECTORS' REPORT	5
REPORT ON CORPORATE GOVERNANCE	8
AUDITORS' REPORT	15
BALANCE SHEET	22
PROFIT AND LOSS STATEMENT	23
CASH FLOW STATEMENT.....	24
NOTES FORMING PART OF ACCOUNTS	25

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of WELTERMAN INTERNATIONAL LIMITED will be held on Friday 28th September, 2012 at 12.00 noon at the Registered Office at Plot no. 1135, Lamdapura Road, Nr. Manjusar, At & Post, Tal. Savli, Dist Vadodara to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended even date alongwith the Report of Auditors and Directors thereon.
2. To appoint a Director in place of Smt. Shamim Sheikh, who retires by rotation and being eligible offers herself for appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s) following resolution, as an ORDINARY RESOLUTION.

“RESOLVED THAT Shri Paveet Amin, who was appointed as an Additional Director pursuant to section 260 of the Companies Act, 1956 read with clause 134 of the Articles of Association of the Company to hold office up to the ensuing Annual General Meeting, for whom requisite notice u/s 257 of the Companies Act, 1956 is received, be and is, hereby appointed as a Director liable to retire by rotation.”

5. To consider and if thought fit, to pass, with or without modification(s) following resolution, as an ORDINARY RESOLUTION.

“RESOLVED THAT pursuant to the provisions of Section 269 and other provisions applicable, if any read with Schedule XIII of the Companies Act, 1956 and subject to statutory approvals, if any, approval, be and is, hereby accorded to the appointment of Mr. Kayum Dhanani as a Managing Director of the Company for a period of 5 years with effect from 1st June, 2012 to 31st May, 2017 on the terms and conditions of appointment as set out in the agreement to be entered into by the Company with him, with liberty to the Board of Directors to alter and / or to vary the terms and conditions of the said Agreement as may be agreed to between the Board of Directors and Mr. Kayum Dhanani.

RESOLVED FURTHER THAT Mr. Kayum Dhanani shall neither be liable to retire by rotation nor be reckoned for determining the number of directors liable to retire by rotation, till the time he holds the office as a Managing Director.”

FOR AND ON BEHALF OF THE BOARD

(Kayum R. Dhanani)
CHAIRMAN & MANAGING DIRECTOR

Place: Vadodara
Date: 10th July, 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 INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. The Register Of Members And Share Transfer Books Of The Company Will Remain Closed From 27.09.2012 To 28.09.2012(Both Days Inclusive)
4. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item No. 4 & 5 is Annexed
5. In line with "GREEN INITIATIVE" of the Ministry of Corporate Affairs vide their circular dtd 06/06/2011, members are requested to send their consent to receive communication electronically at the e-mail address in the format appearing in last page of this report.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 4

Your Directors have appointed Mr. Pavet Amin as an Additional Director of the Company at their meeting held on 2nd September, 2011 pursuant to section 260 of the Companies Act, 1956 read with clause 134 of Articles of Association to hold office up to ensuing Annual General Meeting. The Company has received requisite notice pursuant to sec 257 of the Companies Act, 1956 for his appointment as retiring director. It is proposed to appoint him as a Director liable to retire by rotation.

Your Directors seek your approval to the resolution as appearing in item No. 4 of the accompanying notice as an ordinary resolution. No Director except Mr. Pavet Amin shall be deemed to be interested or concerned in the resolution.

Item No. 5

Considering valuable contributions and able guidance of Shri Kayum Dhanani, your Directors their its meeting held on 10th July, 2012 approved the reappointment of Mr. Kayum Dhanani as a Managing Director for a period of 5 years with effect from 1st June, 2012 on the terms and conditions as set out in the Draft Agreement.

A draft Agreement will be available for inspection to the members of the Company between 11:00 a.m. to 1:00 p.m. on all working days (except Saturdays and Sundays) upto the date of Annual General Meeting at the Registered office of the Company.

No Director except Shri Kayum Dhanani and his relative Mrs. Shamim Sheikh shall be deemed to be interested or concerned in the resolution.

FOR AND ON BEHALF OF THE BOARD

(Kayum R. Dhanani)
CHAIRMAN & MANAGING DIRECTOR

Place: Vadodara

Date: 10th July, 2012

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure to present their **TWENTIETH ANNUAL REPORT** together with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2012

1) FINANCIAL & WORKING RESULTS:

Particulars	2011-2012 Rs. In lacs	2010-2011 Rs. In lacs
Total income	2309.36	1116.46
Gross Profit/ (Loss) Before Depreciation:	(12.76)	113.05
(Less): Depreciation	(11.06)	(14.83)
PROFIT / (LOSS) BEFORE TAX	(23.82)	98.22
(Less): Income Tax and Fringe Benefit Tax	NIL	(00.02)
Deferred Tax Asset	192.29	NIL
PROFIT AFTER TAX	168.47	98.20
Balance Loss Brought Forward:	(1423.12)	(1521.32)
Balance Loss Carried Forward :	(1254.65)	(1423.12)

2) DIVIDENDS:

In view of carried forward losses, your Directors do not recommend dividend.

3) DEPOSITS:

The Company has not accepted / renewed deposits within the meaning of the Companies (Acceptance of Deposits) Rules, 1975.

4) PRESENT STATUS UNDER BIFR:

As you are aware, the Company is a 'Sick Industry' registered under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 and the case of the Company is pending for further directions from BIFR.

5) REVOCATION OF SUSPENSION OF TRADING BY BOMBAY STOCK EXCHANGE LTD:

Bombay Stock Exchange Ltd. (BSE) has revoked Suspension of trading of Equity Shares of the Company effective from 16th April, 2012 and accordingly its trading at BSE is resumed in T group.

6) PARTICULARS OF EMPLOYEES:

There was no employee drawing remuneration of Rs 60, 00,000 per annum or Rs. 5, 00,000 per month for any part of the year or more and hence no particulars have been furnished as prescribed under Section 217(2A) of the Companies Act, 1956.

7) PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company does not have material information required under Section 217 (1)(e) of the Companies act, 1956 read with the Companies (Disclosure of Particulars in the Board of Directors) Rule, 1988 to offer and hence no particulars have been furnished.

8) DIRECTORS' RESPONSIBILITY STATEMENT :

(i) Your Directors have followed the applicable accounting standards alongwith proper explanation relating to material departures, if any, while preparing the annual accounts;

(ii) Your 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 financial year and of the loss of the Company for the period;

(iii) Your 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;

(iv) Your Directors have prepared the annual accounts on a going concern basis.

9) DIRECTORATE:

Ms. Shamim Sheikh, Director of the Company retires at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

Your Directors appointed Mr. Paveet Amin as an Additional Director to hold office upto the ensuing Annual General Meeting. A requisite notice pursuant to Section 257 of the Companies Act, 1956 has been received for his appointment as a Retiring Director at ensuing AGM.

Your Directors have reappointed Mr. Kayum Dhanani as a Managing Director.

10) SECRETARIAL COMPLIANCE CERTIFICATE:

Secretarial Compliance Certificate as required under Rule 3(1) of The Companies (Compliance Certificate) Rules 2001 read with Section 383A(1) of the Companies Act, 1956 received from M/s. Devesh Vimal & Co., Practising Company Secretaries has been attached to this report.

11) AUDITORS:

M/s Parikh Shah Chotalia & Associates, Chartered Accountants, Vadodara, retire at the conclusion of this Annual General Meeting.

A written certificate is obtained from the Auditors, M/s. Parikh Shah Chotalia & Associates, Chartered Accountants to the effect that in case of their reappointment as Auditors the same would be within the limits laid down in Section 224(1B) of the Companies Act, 1956. You are requested to appoint Auditors and fix their remuneration.

12) ACKNOWLEDGEMENTS:

Your Directors place on record their sincere gratitude to bank, financial institutions, shareholders, the employees and all the associates of the Company for their hard work and continual support to the Company.

FOR AND ON BEHALF OF THE BOARD

(Kayum R. Dhanani)

CHAIRMAN & MANAGING DIRECTOR

Place: Vadodara

Date: 10th July, 2012

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Welterman International Limited is committed to attain the highest standard of Corporate Governance. It recognizes that the Board is accountable to all the Stockholders for good governance. The philosophy of the Company in relation to Corporate Governance is to ensure transparency in all its operations, make appropriate disclosure and enhance stakeholder's value without compromising in anyway and in compliance with laws and regulations.

2. BOARD OF DIRECTORS

Composition and category of Directors.

The Board of Directors consists of Four Directors

Name of Directors	Category
Shri Kayum R. Dhanani	Promoter Executive Director
Shri Biji Paul	Independent Non Executive Director
Smt. Shamim Sheikh	Promoter Non Executive Director
Shri Paveet G. Amin	Independent Non Executive Director

Meetings and Attendance

The Board of Directors meets at least once in quarter to approve the financial results in compliance with Listing Agreement and more often, if considered necessary, to transact any other business.

No Director is a member of more than ten committees or Chairman of more than five committees in other Companies in which they are Directors.

During the year under review, six Board meetings were held on **31st May 2011, 31st July 2011, 13th August 2011, 2nd September 2011, 14th November 2011 and 14th February 2012**

Attendance of directors at the meetings of the Board of Directors held during the year and Annual General Meeting held on 28th September 2011 was as follows:

Name of Director	No. of Board meetings attended during 2011-12.	Whether present at the last AGM
Shri Kayum R. Dhanani	6	Yes
Shri Biji Paul	6	Yes
Smt Shamim Sheikh	6	Yes
Shri Paveet G. Amin*	2	No

* Appointed on 02.09.2011

AUDIT COMMITTEE

The terms of reference and powers of the Audit Committee are as mentioned in Clause 49 II (D) of the Listing Agreement entered into with stock Exchanges read with Section 292A of the Companies Act, 1956. The Audit Committee comprises of

three Directors viz. Shri Biji Paul and Shri Paveet Amin, both independent Directors in addition to Shri Kayum Dhanani, Managing Director. In addition to the audit committee members, the head of accounts and statutory auditors also attend the meetings.

During the year under review, Audit committee meetings were held four **times** on **31st May 2011, 31st July 2011, 14th November 2011 and 14th February 2012** under the Chairmanship of Shri Biji Paul, which were attended by all the Members of the Audit committee

REMUNERATION COMMITTEE

At present there is no Remuneration committee as No Executive Director is paid any remuneration. However, the said committee will be constituted as and when required.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders'/Investors' Grievance committee is headed by Shri Biji Paul, a non executive Independent Director. In order to expeditiously approve transfer etc the Board of Directors at its meeting held on 30th July, 2009 has individually, authorized Mr. Asif Razzak Dhanani, Mr. N.M. Patel and Mr. Biji Paul, in the best interest of the investors and dissolved share transfer committee. The said authorized persons approve transfer /transmission/ transposition/ issue of duplicate share certificates in lieu of lost /misplaced/ worn out etc. Share certificate, issue of fresh share certificate in view of rematerialization of shares, consolidation and division and incidental matters relating to shares.

GENERAL BODY MEETINGS

Locations and time of last three Annual General Meetings held.

Details of AGM	Location	Date & Time
Seventeenth	Regd. Office of the Company at Plot No. 1135, AT & Post Lamdapura, Near Manjusar, Taluka Savali, District Vadodara	29/09/09 At 12.00 Noon
Eighteenth	-do-	09/09/2010 At 12.00 Noon
Nineteenth	-do-	28/09/2011 At 12.00 Noon

No special resolutions were passed in any of the aforesaid the meetings.

NOTES ON DIRECTORS APPOINTMENT /RE-APPOINTMENT

Smt. Shamim Sheikh, Director of the Company is retiring by rotation and being eligible offers herself for re-appointment. She is Commerce Graduate

It is proposed to appoint Shri Paveet Amin as a retiring Director. He is a Commerce Graduate and had completed Diploma in Business Management.

DISCLOSURES

None of the transactions with any of the related parties were in conflict with the interest of the Company.

There has been no non-compliance by the Company, no penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during last three years.

GENERAL SHAREHOLDERS INFORMATION

20th Annual General Meeting: **Date: 28th September, 2012**

Time: 12.00 Noon

Venue:

Registered office of the Company at Plot
No. 1135,
At & Post: Lamdapura,
Near Manjusar,
At: Savli, Dist: Vadodara.

Financial calendar

Unaudited results for the quarter ending on 30th June, 2012	Mid August, 2012
Unaudited results for the quarter ending on 30 th September, 2012	Mid November, 2012
Unaudited results for the quarter ending on 31 st December, 2012	Mid February, 2013
Unaudited results for the quarter ending on 31 st March, 2013	Mid May, 2013

Dates of book closure: 27thSept. 2012 to 28th Sept. 2012
(both days inclusive)

Listing on the Stock Exchanges Bombay Stock Exchange Ltd.
Vadodara Stock Exchange Ltd.
Ahmedabad Stock Exchange Ltd.
Madras Stock Exchange Ltd.

Stock code 526431 (BSE)

ISIN of the Company's Equity: INE662D01013
Shares in demat form:

Depository Connectivity: CDSL