

**CORPORATE GOVERNANCE**

Your Company is committed to the highest standards of corporate governance in all its activities.

Company's Philosophy on code of governance:

The Company's Philosophy of corporate governance is aimed at assisting the top management of the company in the efficient conduct of its business and in meeting its obligation to stakeholders.

**Board of Directors:**

a) Composition

The Board of Directors of the Company consists of 4 Members comprising of.

- Two Promoters Directors, one of them is in the Whole time employment of the Company and the other is Non-Executive Director.
- Two Independent Director.

b) Other Directorship / Committee memberships held

<b>Name of Director</b>	<b>Category</b>	<b>Designation</b>	<b>Memberships held in other companies Committee Member</b>
Shri Vijaykumar Agarwal	Promoter	M.D	Nil
Shri Vishal Agarwal	Promoter	Director	Nil
Shri Udaybhan V. Tripathi	Independent	Director	Nil
Shri Harishbhai Joshi	Independent	Director	Nil

**DIRECTORS SEEKING RE- APPOINTMENT**

Mr. Harishbhai Joshi retires at Annual General Meeting. He is Post Graduate in medical Science and has experience of 30 years of a Neurophysician.

Mr. Vijaykumar Agrawal is Commerce Graduate and has experience of over 30 years

c) Board Meeting held during the year:

<b>S. No.</b>	<b>Date of Board Meeting</b>
1.	01/04/2010
2.	11/05/2010
3.	12/07/2010
4.	7/08/2010
5.	31/08/2010
6.	20/10/2010
7.	04/02/2011

d). Attendance of Directors at Board Meetings and Last Annual General Meeting :

<b>Name of Director</b>	<b>Meetings Attended</b>	<b>Attendance at last AGM</b>
Shri Vijaykumar Agarwal	7	Yes
Shri Vishal V. Agarwal	7	Yes
Shri Udaybhan V. Tripathi	7	Yes
Shri Harishbhai Joshi	7	Yes

(a) **Terms of Reference**

The Audit Committee Provides the Board with additional Assurance as to the adequacy of the Company's internal control systems and financial disclosures. The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors, and the Board of Directors. The Broad terms of reference of the Audit Committee are to review with the Management and / or Internal Auditors and / or Statutory Auditors in the following areas.

- i. Overview of Company's financial reporting process and financial information disclosures.
- ii. Review with Management, external and internal audits, the adequacy of internal control systems.
- iii. Review the adequacy and effectiveness of accounting and financial controls of the Company, compliance with the company's policies and applicable laws and regulations.
- iv. Review with Management, the Annual financial statement before submission to the Board.
- v. Recommending the appointment / removal of external and internal auditors, fixation of Audit fees.

**NOTE:-At present the Company has formed the Audit Committee consisting of Mr. Udaybhan V. Tripathi, Independent Director as Chairman and Mr. Vijaykumar Agarwal as a member of the Committee.**

(b) **Composition, name of members and Chairman**

The Audit Committee of the Company comprises two members. The names of the members of the Audit Committee are as follows.

1. Shri Udaybhan Tripathi
2. Shri Vijaykumar Agarwal

Mr. Udaybhan Tripathi, the Chairman of Audit Committee.

**Meetings and Attendance During the Year**

<b>Name of the Director</b>	<b>No. of Meetings Held</b>	<b>No. of Meetings Attended</b>
Shri Udaybhan V. Tripathi	4	4
Shri Vijaykumar Agarwal	4	4

**Remuneration policy**

The Company does not have a Remuneration Committee. The Remuneration payable to whole-time Directors and Non-executive Directors are decided by the Board of Directors, subject to the approval of the Members.

Details of Remuneration to Directors paid / payable for the financial year 2010-11 is as follows.

**a) Executive Directors (Amount in Rupees)**

Particulars	Designation	Amount in Rs.
Shri Vijaykumar Agarwal	Managing Director.	55,16,917

**b) Non-Executive Directors**

Non-Executive Directors are not paid sitting fees for attending Board and Committee meetings.

**Shareholders / Investors Grievance Committee**

As a measure of Good corporate Governance and to focus on the shareholder's grievances and towards strengthening investor relations, an investor's Grievance Committee has been constituted as sub committee of the Board.

**a) The functions of the Committee include :**

To specifically look into redressing investor's grievances pertaining to;

1. Transfer of shares
2. Dividend
3. Dematerialisation of Shares
4. Replacement of lost / stolen / mutilated Share certificates.
5. Non-receipt of rights / bonus / split share certificates
6. Any other related issues

**b) Constitution and composition**

The committee was constituted with Two Directors under the Chairmanship of Independent Director as follow.

Shri Harishbhai Joshi

Shri Vijaykumar Agarwal

**Investor Complaints Received and resolved during the year**

Nature of Complaints                      2009-2010

Nil

**General Body Meetings**

a) Particulars of last three Annual General Meetings:

Venue	Date	Time	No. of Special Resolutions
34, Omkar House, Navrangpura, Ahmedabad-09	18 <sup>th</sup> September, 2008	4.00P.M.	0
34, Omkar House, Navrangpura, Ahmedabad-09	31 <sup>st</sup> December, 2009	4.00P.M.	0
34, Omkar House, Navrangpura, Ahmedabad-09	30 <sup>th</sup> September, 2010	4.00 P.M.	0

b) Particulars of last three Extraordinary General Meetings

Purpose	Venue	Date	Time
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NO EXTRA ORDINARY GENERAL MEETING WAS HELD.

**Disclosures**

- 1) The company has related party transactions in the ordinary course of business, which are not having any potential conflict with the interest of the company.
- 2) The company has complied with the requirements of regulatory authorities on capital markets and no penalties / strictures have been imposed against it in the last three years.

**Share Transfer System**

The Company has appointed MCS Limited as Register and Transfer Agent, for transfer Of shares in Physical and Demate form.

**Date, time and Venue of the 22<sup>nd</sup> Annual General Meeting:**

Friday, 30<sup>th</sup> September, 2011 at 04.00 P.M. at 306, 3<sup>rd</sup> Floor, Iscon Mall, Star bazaar Building, Jodhpur Char Rasta, Satellite, Ahmedabad- 380015

**Dividend Payment Date**

Not applicable

**Dematerialisation of Shares:**

The company has established connectivity with the depository. In the interest of shareholder the stakeholder are requested to hold their shares in electronic form.

**Financial Calendar (tentative)**

Financial reporting for the quarter ending June 30, 2011 29<sup>th</sup> July, 2011

Financial reporting for the quarter/half year ending September 30, 2011 29<sup>th</sup> November, 2011

Financial reporting for the quarter ending December 31, 2011 28<sup>th</sup> February, 2011.

Financial reporting for the quarter and ended March 31, 2012 31<sup>st</sup> May 2012

**Means of Communication**

Quarterly/ Annual Results published in Western Times & Prabhat News Paper.

**Distribution of shareholding (as on 31 March, 2011)**
**A) On the basis of Share held**

No of Shares	No. of Shareholders	% of Share holders	No. of Shares held	% of Total
Up to 500	871	76.58	227800	05.42
501-1000	107	9.42	91600	02.18
1001-2000	56	04.93	87600	02.09
2001-3000	17	01.50	44600	01.06
3001-4000	16	01.41	57900	01.38
4001-5000	18	01.58	79800	01.90
5001-10,000	15	01.32	108200	02.58
10,001-50000	22	01.94	618800	14.73
50001-100000	07	0.62	486800	11.59
100001 & above	09	0.70	2396900	57.07
<b>Total</b>	<b>1138</b>	<b>100</b>	<b>4200000</b>	<b>100</b>

**On the basis of Category**

Category	No. of shares held	Voting strength (%)
Promoters, Relatives & Associate	29,31,600	69.80
Companies	-	-
Public	-	-
NRI/ FII's/ OCB's	-	-
Banks and Mutual Funds	27,100	0.65
Domestic Companies	12,41,300	29.55
Others	-	-
<b>Total</b>	<b>42,00,000</b>	<b>100</b>

**Listing on Stock Exchange at :**

The Ahmedabad Stock Exchange, Kamdhenu Complex, Panjarapole, Opp. Sahajanand College Ahmedabad.

The Bombay Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 023.

Listing Fees for the year 2010-11 has been paid to the Stock Exchanges

**Stock Code**

A.S.E. Code :- 13251

B.S.E. Code :- 531227

**Registered Office & Shareholders Correspondence address**

306, 3rd Floor, Iscon Mall, Star Bazaar Building, Nr. Jodhpur Char Rasta, Ahmedabad-15

**Factory:**

Plot No. 1195, Rajpur, Chhatral-Mehsana Highway, Taluka-Kadi, Gujarat

**For and on behalf of the Board**

Place : Ahmedabad

Date : 14.06.2011

Vijaykumar Agarwal  
Chairman & Managing Director**DECLARATION**

I hereby declare that all the members of the Board and the senior management personnel of the Company have affirmed compliance with the Code of Conduct.

It is further, declared that the Board of Directors of the Company had at its meeting held on 14.06.2011 taken note of the CEO/CFO Certificate.

**For and on behalf of the Board**

Place : Ahmedabad

Date : 14-06-2011

Vijaykumar Agarwal  
Chairman & Managing Director