



**26<sup>th</sup> Annual Report  
2010 - 2011**



**SHIRPUR GOLD REFINERY LIMITED**

# State of the art Refining Facilities

- **SGRL-India's Largest and Technologically Advanced Gold Refinery**
- **SGRL-India's only state of the art Indigenous facility**  
**Proudly "Indian Gold"**
- **SGRL Operationally poised and geographically located for efficient volumes**
- **We give back to Mother Nature MORE than we draw from it**  
**PIONEERING GREEN STANDARDS IN GOLD**



# SHIRPUR GOLD REFINERY LIMITED

## CORPORATE INFORMATION

**BOARD OF DIRECTORS** : Mr. Amit Goenka (w.e.f. 26.04.2011)  
Mr. V. K. Agarawal  
Mr. Anish Goel  
Mr. Sriprakash Goenka  
Mr. Himanshu Mody (up to 26.04.2011)  
Mr. Sanjay Gupta (up to 15.05.2010)

**HEAD-FINANCE &  
COMPANY SECRETARY** : Mr. Ashish Pandey

**AUDITORS** : M/s. B. S. Sharma & Co.  
*Chartered Accountants*  
303, Guruprabha Apartments, 507-508,  
Sundernagar, Senapati Bapat Road,  
Dadar (West),  
Mumbai – 400 028.

**BANKERS** : Punjab National Bank  
ICICI Bank

**REGISTRAR & SHARE  
TRANSFER AGENTS** : Sharepro Services (India) Private Limited  
13 AB, Samhita Warehousing Complex,  
2nd Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri-Kurla Road, Sakinaka,  
Andheri (East), Mumbai – 400 072.

**REGISTERED OFFICE** : Refinery Site, Shirpur, Dist. Dhule,  
Maharashtra – 425 405.

**CORPORATE OFFICE** : 135, Continental Building,  
Dr. A. B. Road, Worli,  
Mumbai – 400 018.



## CONTENTS

	Page No.
Notice .....	4-5
Directors' Report .....	6-10
Management Discussion and Analysis .....	11-14
Report on Corporate Governance .....	15-22
Auditors' Certificate on Corporate Governance .....	23
Certification on Financial Statements of the Company .....	24
Auditors' Report .....	25-27
Balance Sheet .....	28
Profit & Loss Account .....	29
Cash Flow Statement .....	30
Schedules .....	31-41
Balance Sheet Abstract .....	42
Proxy Form .....	43

## IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs, Govt. of India has taken a “**Green Initiative in the Corporate Governance**” by allowing paperless compliance by the companies and has issued circular Nos. 17/2011 dated 21-4-2011 and 18/2011 dated 29-4-2011 stating that service of notice / documents including Annual Report can be sent by electronic mode to its members. To support this Green initiative of the Government in full measure, members who has not registered their e-mail addresses so far, are requested to register their e-mail addresses and changes therein from time to time along with their name, address and Folio No./Client Id No., in respect of their shareholding with :

- i) The Registrar and Share Transfer Agents Viz. Sharepro Services (India) Pvt. Ltd. for shares held in physical form and;
- ii) The concerned Depository Participants in respect of shares held in electronic / demat mode

Upon registration of e-mail address(es), the Company would send Notices / Documents including Annual Report via electronic mode.

In cases any Member opts / insist for physical copies of above documents, the same would be sent to him by post free of cost at the address registered with the Company.

## REGISTRATION FORM FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

**M/s. Sharepro Services (India) Pvt. Ltd.,**  
**Unit : Shirpur Gold Refinery Limited**  
 13 A-B, Samhita Warehousing Complex,  
 Sakinaka Telephone Exchange Lane,  
 Off. Andheri Kurla Road, Sakinaka,  
 Andheri (East)  
 Mumbai – 400 072.

I/We is/ are member/s of **M/s. Shirpur Gold Refinery Limited** and hereby exercise my/our option to receive the documents such as Notices / Circulars / Documents including Annual Reports etc. in electronic mode pursuant to the circular Nos. 17/ 2011 dated 21-4-2011 and 18/2011 dated 29-4-2011 by the Ministry of Corporate Affairs, Govt. of India. Please register my following e-mail ID in your records for sending communication through electronic mode.

Name of First Member \_\_\_\_\_

Joint Holder – 1 \_\_\_\_\_

Joint Holder – 2 \_\_\_\_\_

e-mail id for registration \_\_\_\_\_

Date : **Signature (1<sup>st</sup> holder)** \_\_\_\_\_

Regd. Folio/Client Id No. \_\_\_\_\_



## NOTICE

**Notice** is hereby given that the **26<sup>th</sup> Annual General Meeting** of the Members of Shirpur Gold Refinery Limited will be held at the registered office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra - 425 405 on Monday, the 29<sup>th</sup> Day of August, 2011 at 4.30 p.m. to transact the following businesses:

### **ORDINARY BUSINESS :**

1. To consider and adopt the Audited Balance Sheet as at March 31, 2011, the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sriprakash Goenka, who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To appoint M/s. B. S. Sharma & Co., Chartered Accountants, Mumbai, as the Statutory Auditors of the Company to hold such office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Board of Directors of the Company.

### **SPECIAL BUSINESS :**

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT Mr. Amit Goenka, who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 26, 2011 and who holds office up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ('Act') and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company, liable to retire by rotation."

By order of the Board  
For **Shirpur Gold Refinery Limited**

Place : Mumbai  
Dated : July 6, 2011

**Ashish Pandey**  
**Head – Finance & Company Secretary**

### **NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.  
Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of special business to be transacted at the Annual General Meeting is annexed herewith.
3. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
4. Additional information, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, on Directors recommended by the Board for appointment/re-appointment at the Annual General Meeting forms part of the Report on Corporate Governance in the Annual Report.
5. Members/Proxies should bring their Attendance Slips along with copy of the Annual Report at the meeting.

6. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, August 22, 2011 to Monday, August 29, 2011 (both days inclusive).
7. Members desiring any information on accounts and operations of the Company, if any, may be sent to the Company seven days in advance of the meeting so as to enable the Management to keep the information ready at the meeting.
8. Members who are holding Company's shares in dematerialised form are requested to bring details of their Depository Account Number for identification.
9. Members holding equity shares in physical form are requested to notify the change of address to the Company's Registrar and Share Transfer Agent, Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072.
10. Under Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No. 2B in duplicate (which will be made available on request) to M/s. Sharepro Services (India) Pvt. Ltd.

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

### **Item No. 4**

Mr. Amit Goenka was appointed on 26<sup>th</sup> April, 2011 as an Additional Director of the Company in terms of Section 260 of the Companies Act, 1956 ('the Act').

Pursuant to provisions of Section 260 of the Act and the Articles of Association of the Company, Mr. Amit Goenka vacate his office at the conclusion of this Annual General Meeting. Due notice under Section 257 of the Act has been received from a member proposing appointment of Mr. Amit Goenka as Director of the Company, liable to retire by rotation.

Brief profile and other details of Mr. Amit Goenka forms part of the Corporate Governance Report.

The Board recommends the resolution as set out in Item No. 4 for the approval of the members.

None of the Directors of the Company, except Mr. Amit Goenka, is concerned or interested in this resolution.

By order of the Board  
For **Shirpur Gold Refinery Limited**

Place : Mumbai  
Dated : July 6, 2011

**Ashish Pandey**  
**Head – Finance & Company Secretary**



## DIRECTORS' REPORT

To

The Members of  
**SHIRPUR GOLD REFINERY LIMITED**

Your Directors take pleasure in presenting the Twenty Six Annual Report of the Company together with Audited Statement of Accounts for the year ended March 31, 2011.

**FINANCIAL PERFORMANCE***(figures in ` in '000)*

Particulars	For the year ended 31 <sup>st</sup> March, 2011	For the year ended 31 <sup>st</sup> March, 2010
Sales	1980004	—
Other Income	17361	22988
<b>Total Income</b>	<b>1997365</b>	<b>22988</b>
Total Expenses	2043303	13980
Operating Profit/ (Loss)	(45938)	9008
<b>Less : Finance Cost</b>	<b>23910</b>	<b>20</b>
<b>Less : Depreciation</b>	<b>163482</b>	<b>164308</b>
<b>Less : Prior Period Expenses</b>	<b>—</b>	<b>454</b>
<b>Less : Preliminary Expenses written off</b>	<b>1266</b>	<b>—</b>
<b>Profit/ (Loss) before Tax</b>	<b>(234596)</b>	<b>(155774)</b>
Provision for Taxation (Net)	—	—
<b>Add : Deferred Tax Assets</b>	<b>13015</b>	<b>54343</b>
Profit / (Loss) after Tax	(221581)	(101431)
<b>Add : Balance Brought Forward from Previous Year</b>	<b>(101431)</b>	<b>—</b>
<b>Balance Carried To Balance Sheet</b>	<b>(323012)</b>	<b>(101431)</b>

**BUSINESS OVERVIEW**

Business operations of your Company were re-started on 15<sup>th</sup> July, 2010. Your company's product viz., Gold Bars, was well received in the market in Maharashtra and has resulted in a turnover of ` 198 Crores till the year end. However, due to initial costs of such re-start of operations, overheads, competitive market, wide fluctuations in the international gold prices and thin margins on the finished Gold bars resulted in a operating loss of ` 4.59 Crores. The products of your company meet the stringent quality and weightment parameters. Despite fluctuating and rising prices, the demand for gold continues to be rising, except for an intermittent sluggish uptake, since it is considered as the best investment and has customs and traditional values in Indian societies. Considering the Gold consumption, your company has already entered Gujarat and has planned to spread its marketing network throughout India.

**FUTURE OUTLOOK****Mining ventures**

India has been the top importer of gold for several years and the Indian government is concerned over its over-dependence on imports for its bullion needs. India is estimated to have 14,000 tonnes of gold reserves which should be accelerated by 20,000 tonnes in next three years. A new legislation on mining is soon going to be in place as India plans to implement the same which is aimed to help increase the mining sector's contribution to its economy. The new laws will play a major part in doubling the amount contributed by the mining industry, which includes Gold mining firms – to a minimum of four percent in five years' time.

With the positive indication of the Government towards mining sector and to achieve economies of scale in our business, the Company has set in motion efforts to locate, evaluate and if viable, take up mining ventures as a backward integration to its refining operations. Your Company is seeking an opportunity to have Gold Mine in India as well as in foreign countries, primarily African region, which is known for its gold deposits. After due assessment of the mines and on finding its prospective nature, such mining projects would be in place.



**Minting Line**

India has seen a paradigm shift in gold consumption from traditional jewellery to investment demand of coins and bars. The growth for the last few years has been exponential with the figure reaching approx. 35 tons.

Your Company being in the business of refining and fabrication of bars sees this opportunity as logical expansion of its existing product lines by setting up a minting facility. The state of the art minting facility being set up would be able to fabricate / mint coins of world standards. Your Company sees this addition of product line as a huge potential for growth for the coming at least five years and is well placed to take advantage of this emerging and growing market. Your Company has plans of minting coins to cater to the need of markets across the country with products of all sizes and denominations.

**Jewellery**

The jewellery industry occupies an important position in the Indian economy. It is a leading foreign exchange earner, as well as one of the fastest growing industries in the country. Gold jewellery forms around 80 per cent of the Indian jewellery market, with the balance comprising fabricated studded jewellery that includes diamond and gemstone studded jewellery. A predominant portion of the gold jewellery manufactured in India is consumed in the domestic market. Jewellery is one of the fastest growing sectors in the Indian economy with an annual growth rate of approximately 15 per cent. The Indian jewellery market is one of the largest in the world, with a market size of \$13 billion. It is second only to the US market of \$ 40 billion and is followed by China at \$11 billion.

As forward integration plan, your Company intends to enter into the jewellery space which offers good opportunities for growth both in local and international market

**Dealer Network**

Your Company intends to gradually increase its foot prints across all gold consuming centers in the Country. For this purpose, a wide dealer network has to be in place in a phased manner depending on the nature of consumption of gold in different part of the Country. Keeping this in view, your Company has opened a branch office in Ahmedabad and is taking necessary steps to increase the branch offices in other parts of the Country.

**DIVIDEND**

In view of the losses during the year, your Directors have not recommended any dividend on Equity Shares for the year under review.

**DIRECTORS**

Mr. Anish Goel, Mr. Sriprakash Goenka and Mr.V.K.Agarawal continued to remain Directors of the Company. As per the provisions of the Companies Act, 1956 read with Article 89 of the Articles of Association, Mr. Sriprakash Goenka retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Himanshu Mody resigned from the Board of Directors with effect from 26.04.2011. The Board places on record its appreciation for the contributions made by Mr. Himanshu Mody during his tenure as a Director of the Company.

Mr. Amit Goenka was appointed as an Additional Director, with effect from 26.04.2011. Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr.Amit Goenka hold office only up to the date of the ensuing Annual General Meeting of the Company. The Company has received appropriate notices under Section 257 of the Companies Act, 1956 along with requisite deposits, proposing the candidature of Mr.Amit Goenka for the office of Director.

Brief Profile of the Director proposed to be appointed/re-appointed has been included in the Report on the Corporate Governance forming part of the Annual Report.

**CORPORATE GOVERNANCE**

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the stipulations set out in the Listing Agreement with the Stock Exchanges.

A separate section titled 'Corporate Governance' together with the certificate from M/s. B. S. Sharma & Co., Chartered Accountants, confirming compliance with the requirements of Clause 49 of the Listing Agreement(s) with the Stock Exchanges, as also a Management Discussion and Analysis Statement, forms part of the Annual Report.

**AUDITORS**

M/s. B. S. Sharma & Co., Chartered Accountants, the Statutory Auditors of the Company, retire at the conclusion



of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made, will be in accordance with the limits specified under Section 224(1B) of the Companies Act, 1956.

### **PUBLIC DEPOSITS**

During the year under review, your Company has not accepted or renewed any deposits within the meaning of Section 58A of the Companies Act, 1956 and rules made there under.

### **DEMATERIALISATION OF SECURITIES**

Your Company has achieved high level of dematerialization with 99.76% of the total number of Equity Shares being held in the electronic mode with both the depositories NSDL and CDSL and the transactions are being duly monitored by the Company by way of reports from appointed Registrar and Share Transfer Agents — Sharepro Services (India) Pvt. Ltd.

### **PARTICULARS OF EMPLOYEES**

There is no employee drawing the salary in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and hence, no information is reported in this report.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, and based on representations received from the operating management, the Directors hereby confirm that :—

- a) in the preparation of the Annual Accounts for the year ended March 31, 2011, the applicable Accounting Standards have been followed and there are no material departures;
- b) they have selected such accounting policies in consultation with the statutory auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended March 31, 2011 and the loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) they have prepared the Annual Accounts on a going concern basis.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

#### **I. Energy Conservation and Technology Absorption :**

Details of energy conservation, technology absorption by the Company along with the information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 has been given in Annexure – A.

#### **II. Foreign Exchange Earning and Outgo :**

Particulars of Foreign exchange earnings and outgo during the year under review are given in Schedule 18 Note 9(VI) to the Notes to the Accounts forming part of Annual Accounts.

### **ACKNOWLEDGEMENTS**

Your Board takes this opportunity to place on record their appreciation for the dedication and commitment of employees shown at all levels which have contributed to the success of your Company. Your Directors also express their gratitude for the valuable support and co-operation extended by various Governmental Authorities, Bankers, Financial Institutions and various stake holders.

For and on behalf of the Board

Place : Mumbai  
Date : 06.07.2011

**Amit Goenka**  
Director

**V. K. Agarawal**  
Director

## ANNEXURE – A

**INFORMATION UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. CONSERVATION OF ENERGY****a) Energy conservation measures taken :**

Management has taken necessary steps for energy conservation. A separate functional team has been identified and assigned the work exclusively on energy management. Energy consumed is monitored day-wise and separate energy report prepared and circulated to create awareness amongst all consumers within the refinery.

b) Form A is attached disclosing the particular with respect to conservation of energy.

**B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

During the year under review, the Company has not carried out any activities involving Research & Development and technology absorption etc. and therefore the particulars to be mentioned under this item is NIL.

For and on behalf of the Board

Place : Mumbai  
Date : 06.07.2011

**Amit Goenka**  
*Director*

**V. K. Agarawal**  
*Director*



## Form A for disclosure of particulars with respect to conservation of Energy

	2010 - 11 Total	2009 - 10 Total
<b>I. POWER AND FUEL CONSUMPTION :</b>		
<b>1. Electricity :</b>		
<b>a) Purchased Units</b> ( KWH in Thousands )	<b>343,823</b>	<b>226,289</b>
Total amount ( ` In Lacs )	<b>2,800,539</b>	<b>1,236,998</b>
Rate/Unit ( ` )	<b>8.15</b>	<b>5.47</b>
<b>b) Own Generation :</b>		
i) Through D G Power Plant		
Units ( KWH in Thousands )	<b>Nil</b>	<b>Nil</b>
Fuel Cost / Unit ( ` )	<b>Nil</b>	<b>Nil</b>
ii) Through Diesel Generator		
Units ( KWH in Thousands )	<b>Nil</b>	<b>Nil</b>
Fuel Cost / Unit ( ` )	<b>Nil</b>	<b>Nil</b>
iii) Through Steam Turbine		
Generated by Coal/Oil		
Units ( KWH in Thousands )	<b>Nil</b>	<b>Nil</b>
Fuel Cost / Unit ( ` )	<b>Nil</b>	<b>Nil</b>
<b>2. Coal :</b>		
Quantity in M.T.	<b>Nil</b>	<b>Nil</b>
Total Cost ( ` In Lacs)	<b>Nil</b>	<b>Nil</b>
Average Rate ( ` /M.T.)	<b>Nil</b>	<b>Nil</b>
<b>3. Furnace Oil :</b>		
Quantity in K. Ltrs.	<b>Nil</b>	<b>Nil</b>
Total Cost ( ` In Lacs)	<b>Nil</b>	<b>Nil</b>
Average Rate ( ` /M.T.)	<b>Nil</b>	<b>Nil</b>
<b>4. Others</b>		
Quantity in M.T.	<b>Nil</b>	<b>Nil</b>
Total Cost ( ` In Lacs)	<b>Nil</b>	<b>Nil</b>
Average Rate ( ` /M.T.)	<b>Nil</b>	<b>Nil</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

***Investors are cautioned that this discussion contains forward looking statements that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, dependence on availability of qualified and trained man power and other factors. The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.***

### COMPANY OVERVIEW

Shirpur Gold Refinery Limited (the Company), a Essel Group Company, is the largest gold and silver refinery in India. Its installed refining capacity is 217 TPA of gold and silver respectively.

For the year ended March 31, 2011 the loss from operations is ₹/Thousands 221581. This is for a nine months period as the plant has re-started its operation from 15<sup>th</sup> July, 2010.

### Company Background

Shirpur Gold Refinery Ltd. was set up in 2001 for refining gold and silver with installed refining capacity of 217 Metric Ton (MT) p.a each., to a purity of 99.99% +. The Company has its own captive airport for secured and fast logistics.

### Business Activities

Primary business activities of the Company is as follows :

The principal business of the Company is refining of gold and manufacturing marketable products, viz. gold bars of 100g, 1 kg, or different denominations as per market demand. The finished products would be marketed through out the country by its network of dealers.

### Competitive Strengths

The principal competitive strengths of the Company are as follows:

#### ***(i) The Company is one of its kind project in India :***

The Refinery can meet the massive requirement of gold of the local Jewellery trade and of investors. The products have been accepted by the trade. The Company envisages increased production and sales during the next financial year.

#### ***(ii) Strong operational, technical and management team :***

The technical team in charge and the workmen are well trained and adept in the operation as to meet the stringent quality requirement of the gold trade. The procedures and policies put in place by the management ensures that the workmen are continuously updated on the new trends and practices being evolved in the refining arena and the same are implemented as and when found suitable and ideal for the operation of the plant with able guidance of technical consultants the Company has in its panel.

### Business Strategy :

The Company would be manufacturing and marketing its products viz. Gold Bars of 100 gms & 1 kg, through designated dealers of the Company.

### Maintain consistently high standards of corporate governance :

The Company is committed to pursue growth by adhering to the high level of standards of Corporate Governance. The Key elements of Corporate Governance are transparency, disclosure, supervision, internal controls, risk management, internal and external communications and high standards of safety and product quality. The Company believes that practice of each of these creates the right Corporate culture that fulfils the true purpose of the Corporate Governance.

### OPPORTUNITIES AND THREATS :

#### **Opportunities :**

On 15<sup>th</sup> July, 2010 the Company restarted its production activities and have been selling its finished products in the

markets since then. The continued fluctuations in international price of gold did curtail over all consumption of gold however at lower level the interest of the market remained steady, contributing opportunity of sale. The management envisages that the Company would be doing well during the year, barring unforeseen circumstances.

#### Threats :

Though Union Budget 2011 announced changes in duty structure for import of raw material in the form of gold ore, concentrate and dore, there are some issues that require to be resolved. The Company has approached appropriate forum to address this and hope to resolve the issues soon.

#### FINANCIAL PERFORMANCE :

(figures in ` in '000)

Particulars	For the year ended 31 <sup>st</sup> March, 2011	For the year ended 31 <sup>st</sup> March, 2010
Sales	1980004	—
Other Income	17361	22988
Total Income	1997365	22988
Total Expenses	2043303	13980
Operating Profit/ (Loss)	(45938)	9008
<b>Less : Finance Cost</b>	<b>23910</b>	<b>20</b>
<b>Less : Depreciation</b>	<b>163482</b>	<b>164308</b>
<b>Less : Prior Period Expenses</b>	<b>—</b>	<b>454</b>
<b>Less : Preliminary Expenses written off</b>	<b>1266</b>	<b>—</b>
<b>Profit / (Loss) before Tax</b>	<b>(234596)</b>	<b>(155774)</b>
Provision for Taxation (Net)	—	—
<b>Add : Deferred Tax Assets</b>	<b>13015</b>	<b>54343</b>
<b>Profit / (Loss) after Tax</b>	<b>(221581)</b>	<b>(101431)</b>
<b>Add : Balance Brought Forward from Previous Year</b>	<b>(101431)</b>	<b>—</b>
Balance Carried To Balance Sheet	(323012)	(101431)

The precious metal refinery of the Company was re-started on 15<sup>th</sup> July, 2010 and the Company achieved the turnover of ` 198 Crores during the period ended 31<sup>st</sup> March, 2011. Loss is there at operating level because of few months of operation in the year and less capacity utilization. Figures of the previous year are not comparable with this year due to absence of operational activities in the previous year.

#### SEGMENTAL PERFORMANCE :

The Company is in the business of refining, manufacturing and marketing of precious metal which is considered as the only reportable segment. The Company operates only in India.

#### OTHER COMPANY INFORMATION

##### Internal Control Systems :

The Company has in place adequate internal control systems, commensurate with its size and nature of operations so as to ensure smoothness of operations and compliance with applicable legislation. The Company has a well defined system of management reporting and periodic review of business to ensure timely decision making. An internal audit team is in place with professionally qualified financial personnel, which will conduct periodic audit to maintain a proper system of checks and controls. The management information system (MIS) forms an integral part of the Company's control mechanism. All operating parameters are monitored and controlled. Any material change in the business outlook is reported to the Board. Material deviations from the annual planning and budgeting, if any, are reported to the Board on quarterly basis. An effective budgetary control on all capital expenditure ensures that actual spending is in line with the capital budget.

**Human Resources :**

At the Company, Human Capital is a crucial asset and an important business driver. The Company employs a number of well-qualified and skilled employees. The Company's senior management, including the heads of each department, is professionally qualified. The Company's staff includes engineers, marketing specialists, and treasury officers, procurement officers and senior accountants.

**RISK FACTORS****Risk Management :**

The Company's operations would be exposed to frequent market fluctuations on spot on going basis on metal prices and foreign exchange. However the Company has established facilities to ensure that adequate hedging mechanisms could be initiated to effectively counter the risks that arise during operations.

**Metal Price Risks :**

The international prices are largely governed by movements at major bullion exchanges of London, New York, Tokyo and others. The local bullion prices are an algorithm of these movements on 'spot' basis.

**Foreign Exchange Risk :**

Since India mines an insignificant quantity of its bullion requirement, the total demand is met by imports. This exposes the importers to metal and foreign exchange risks. The Company has established a dealing room and placed policies and procedures for mitigating the risks in gold and foreign exchange transactions. However, the management cannot totally eliminate the risks involved in such volatile trades.

**The Company's business is heavily regulated and changes in regulations or failure to obtain required approvals could adversely affect its ability to operate.**

The Company operates in a highly regulated industry structure. Any changes in the duty, rules and regulations or requirements by the Government of India may require the Company to incur significant expenditure and/or significantly increase its potential liabilities which may impact its financial position adversely. The Company may incur loss of revenue and market share if there are any changes in the policies of the Government of India.

**Significant Competition from new entrants and existing players.**

Significant additional competition is in the gold trade and may result in reduced off-take and thereby negatively affect the Company's revenues and profitability. Further, the existing/new foreign players' greater financial resources may benefit them in greater economies of scale and operating efficiencies, thereby enabling them to compete the Company effectively. Maintaining or increasing the market share will depend on effective marketing initiatives including advertising and the Company's ability to improve processes.

**Attrition :**

The success of the Company's business is substantially dependent on its management and technical team, its inability to retain them could adversely affect the Company's business. The Company has a strong management and technical team to oversee the operations and growth of its business. The Company's ability to sustain its growth, largely depends, part, on its ability to attract, train, motivate and retain highly skilled personnel. Its ability to hire and retain additional qualified personnel will impact its ability to continue to expand business. There is a significant demand for personnel who possess the skills required in the refining business. An increase in the Company rate of attrition for its experienced employees, would adversely affect the business. The Company cannot assure that it would be successful in recruiting and retaining a sufficient number or personnel with the requisite skills to replace those personnel who leave. This may adversely affect its business and consequently, the operational results. Further the Company cannot assure that it would be able to re-deploy and re-train its personnel to keep pace with continuing changes in its business.

**Improved Technology :**

The Company would strive to be in line with advancement in refining technology and efforts have already been made



to keep the technical people well informed on the emerging new trend in the refining technology. Any new process that could improve the working of the refinery would be put into test for its adaptability and profitability of the Company. However, the Company competitors may be able to understand the application requirements better and react faster to customer requirements in the future. The Company may also face competition arising from newer technology/automation leading to newer products acceptable to customers. This may lead to erosion of the Company's market share which would adversely impact its results of operations. The Company cannot assure that it will be able to keep up with the technological updates.

**Major business operations in the un-organized sector :**

There is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so it relies on internally developed estimates. While it believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and it cannot assure you of its accuracy. In the event, the Company's estimates differ materially from actual performance; it may adversely impact its results of operations.

**The Company may undertake strategic acquisitions or investments, which may prove to be difficult to integrate and manage or may not be successful :**

In the future, the Company may consider making strategic acquisitions or other businesses, whose resources, capabilities and strategies are complementary to and likely to enhance its business operations. The inability to identify suitable acquisitions targets investments or the inability to complete or integrate such transactions may adversely affect the Company's competitiveness or its growth prospects. There can be no assurance that it shall be able to achieve the strategic purpose of such an acquisition or operational integration or the targeted or any acceptable return on such an investment.

**Mines :**

The Company may undertake mining ventures as a process of integration which may not prove to be successful. As a part of total integration, the Company may venture to invest, operate or acquire gold producing mines or mines with a gold potential. This should increase the profitability of the Company at the same time reduce dependency on external agencies and companies. However there can be no guarantee of a mine's output and the management cannot assure total success of such ventures.



REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011

(As required under Revised Clause 49 of the Listing Agreement(s) with the Stock Exchanges)

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE CODE :**

Your Company believes in continuous good corporate governance and always strives to follow the highest standards of ethics, transparency and integrity to improve performance at all levels. The Company manages its affairs with the diligence, responsibility and accountability. It is also in line with the Core Values determined by the management. It has always been taking necessary steps to realign its corporate practices with the requirements of Listing Agreements. The Company is ever alert to the changing needs in the standards of corporate governance as 'stipulated from time to time by the Regulatory Bodies. Periodic review in the systems and procedures is being carried out.

**I. BOARD OF DIRECTORS :****a) Composition and Category of Directors**

The strength of the Board of Directors during 2010-11 was 4 (four). The composition of the Board complies with the requirements of minimum number of independent Directors and non-executive Directors. All the Directors comply with the ceiling for holding maximum number of Directorship and committee positions under various statutes. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees {as specified in Clause 49(C)(ii)} across all the Companies in which he is a Director.

The detailed disclosure of the Board of Directors are as follows :—

Name	Category	Attendance at		*No. of Directorships in other companies	No. of Membership of Board Sub Committees
		Board Meetings Held during the year	Previous AGM held on 30.11.2010		
Shri V. K. Agarawal	Non-Executive Non-Independent	8	Yes	Nil	Nil
Shri Sriprakash Goenka	Non-Executive Independent	8	No	Nil	Nil
Shri Anish Goel	Non-Executive Independent	6	No	2	Nil
Shri Himanshu Mody (upto 26.04.2011)	Non-Executive Non-Independent	8	Yes	8	4
Shri Sanjay Gupta (upto 15.05.2010)	Non-Executive Non-Independent	Nil	No	Nil	Nil
Shri Amit Goenka (upto 26.04.2011)	Promoter non-executive Non-Independent	—	No	8	2

\* Excluding Directorship in Private Limited Companies.

\*\* Memberships of Audit Committee and Shareholder's Grievance Committee have been considered.

**b) Board Meetings and procedures**

During the financial year under review, 8 meetings of the Board were held. The intervening period between the Board Meetings were well within the maximum time gap of four (4) months prescribed under Clause 49 of the Listing Agreement. The annual calendar of meetings is broadly determined at the beginning of each year. The details of the meetings held during the year are as under :—



Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1	22/04/2010	4	3
2	15/05/2010	4	4
3	27/07/2010	4	4
4	18/08/2010	4	3
5	14/10/2010	4	4
6	12/11/2010	4	4
7	20/12/2010	4	4
8	28/01/2011	4	4

None of the Executive or Non-Executive Directors holds any Equity Shares in the Company.

**c) Brief profile of the Directors to be appointed/re-appointed at the Annual General Meeting**

**Mr. Sriprakash Goenka**, 56 years, a Bachelor of Engineering is an entrepreneur having varied business interest in Import and Export of pulses, Computer Accessories and entertainment equipment etc.

**Mr. Amit Goenka**, 34 years, is a Graduate in Business Administration, with a work experience of more than ten years. He is one of the promoters of Essel Group and currently spearheading the technology front of Essel Group. He has an intense knack in identifying, evaluating & pursuing new Business Opportunities and developing Market Strategies for Essel Group. Mr. Amit lends his know-how to several Essel Group Companies where he plays an active role as a Board member.

The Board of Directors of the Company have approved and adopted Code of Conduct for Members of the Board of Directors and Senior Management of the Company. The Code is circulated to all the members of the Board and Management personnel and the compliance of the same is affirmed by them annually.

**II. Audit Committee :**

The constitution, function and terms of reference of the Audit Committee are in conformity with Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreements with the Stock Exchanges.

Shri Anish Goel, a Non-Executive Independent Director, is the Chairman of the Audit Committee.

The Composition of the Audit Committee and the details of meetings attended by the Audit Committee Members are given below:

Name of Members	Category	No. of Meetings attended (out of 5 Meetings held) during the year 2010-2011 (15 months)
Mr. Anish Goel	Independent & Non-Executive	5
Mr. Shriprakash Goenka	Independent & Non-Executive	5
Mr. Himanshu Mody (upto 26.04.2011)	Non-Independent & Non Executive	5
Mr. Amit Goenka (from 26.04.2011)	Promoter non-executive Non-Independent	—

The Company Secretary acted as the Secretary of the Audit Committee. Statutory Auditors and the Internal Auditors were invited to attend all the meetings.

The Audit Committee Meetings were held on the following dates during the period ended 31.03.2011.  
15/05/2010, 27/07/2010, 14/10/2010, 12/11/2010, 28/01/2011

The role and the powers of the Audit Committee are as per guidelines set out in Clause 49 of the Listing Agreement(s) and provisions of Section 292A of the Companies Act, 1956. The Committee meets periodically and reviews :

- Accounting and financial reporting process of the Company;
- Audited and un-audited financial results;
- Business plans, and various reports placed by the Management; and
- Discusses the larger issues that could be of vital concern to the Company including adequacy of internal controls, reliability of financial statements/other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's business and size of operations.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws.

### III. REMUNERATION COMMITTEE :

Composition of Remuneration Committee is as under :

Name of Members	Category	Position in Committee	Meeting attended (only one meeting held on 14.10.2010) during the year 2010-2011
Mr. Anish Goel	Independent & Non-Executive	Chairman	1
Mr. Shriprakash Goenka	Independent & Non-Executive	Member	1
Mr. Himanshu Mody (upto 26.04.2011)	Non-Independent & Non Executive	Member	1
Mr. Amit Goenka (from 26.04.2011)	Promoter non-executive Non-Independent	Member	—

The terms of reference of the Remuneration Committee, inter alia, consist of reviewing the overall compensation policy, service agreements and other employment conditions of Executive Director(s) and also authorize to consider grant of stock options to the employees under Company's ESOP scheme. The remuneration of Executive Director is decided by the Board of Directors on the recommendation of the Remuneration Committee as per the remuneration policy of the Company within the overall ceiling approved by shareholders.

#### Remuneration to executive Director

None of Director is in receipt of any remuneration from the Company.

#### Non Executive Director

Though eligible, the Directors are not drawing sitting fees.

### IV. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :

The Shareholders'/Investors' Grievance Committee (SIGC) meets at periodic intervals to approve transfers and look into the redressal of investor complaints. The Committee has delegated the power of approving requests for share transfer, transmission, rematerialisation, dematerialisation etc. of Shareholders to the officials of the Secretarial Department.

Mr. Ashish Pandey, Company Secretary of the Company is the Compliance Officer of the Company.

The Shareholders'/Investors' Grievance Committee five times during 2010-2011 on the following dates : 15/05/2010, 27/07/2010, 14/10/2010, 12/11/2010, 28/01/2011



The composition of the Shareholders'/Investors' Grievance Committee and details of the meetings attended by the Directors are given below : –

Name of Members	Category	Position in Committee	No. of Meetings attended (out of 5 Meetings held) during the year 2010-11
Mr. Anish Goel	Independent & Non-Executive	Chairman	5
Mr. V. K. Agarawal	Independent & Non Executive	Member	5
Mr. Himanshu Mody (Resigned w.e.f. 26.04.2011)	Non-Independent & Non Executive	Member	5
Mr. Amit Goenka (from 26.04.2011)	Promoter non-executive Non-Independent	Member	—

**Name, designation & address of Compliance Officer :**

**Shri Ashish Pandey**

*Head – Finance & Company Secretary*

135, Continental Building, Dr. Annie Besant Road,  
Worli, Mumbai – 400 018.

Phone : (022) 24831234 Extn. 5699 Fax: 24983103

E-mail : investorinfo@shirgold.com

No. of Shareholders' complaints received during 2010-2011 : Nil

No. of pending Share Transfer as on 31<sup>st</sup> March, 2011 : Nil

**V. GENERAL BODY MEETINGS :**

(i) Details of Annual General Meeting of the Company held during the last three years are as follows:

Annual General Meeting	Day, Date and time of the Meeting	Venue
23 <sup>rd</sup> AGM	Monday, September 29, 2008, 2.15 p.m.	Refinery Site, Shirpur, Dist. Dhulia, Maharashtra – 425 405.
24 <sup>th</sup> AGM	Wednesday, September 30, 2009, 2.15 p.m.	Refinery Site, Shirpur, Dist. Dhulia, Maharashtra – 425 405.
25 <sup>th</sup> AGM	Tuesday, November 30, 2010, 11.00 a.m.	Refinery Site, Shirpur, Dist. Dhulia, Maharashtra – 425 405.

(ii) Whether special resolutions passed in the previous 3 AGMs : Yes

(iii) Whether special resolutions passed last year through postal ballot : No

(iv) Person who conducted the postal ballot exercise : N.A.

(v) Whether any special resolutions are proposed to be conducted through postal ballot : No

(vi) Procedure for postal ballot : N.A.

**VI. DISCLOSURES :**

(i) During the year under review, besides the transactions reported elsewhere in the Accounts, there were no other related party transactions of material nature by the Company with its promoters, Directors, the management and their associates/ groups companies or relatives etc. that had a potential conflict with the interests of the Company at large.

- (ii) The Company has complied with various rules and regulations prescribed by Stock Exchanges, Securities and Exchange Board of India or any other Statutory authority relating to the capital markets during the last three years. No penalties or strictures have been imposed by them on the Company (except an amount of ₹ 4,25,000/- was paid to SEBI in FY 09-10 as compounding fee on account of non-compliances of previous years).
- (iii) The Company has duly complied with all the mandatory requirements.

## VII. MEANS OF COMMUNICATION :

The Company has promptly reported all material information including declaration of quarterly financial results, press releases, etc. to all Stock Exchanges where the securities of the Company are listed. Such information is also simultaneously displayed immediately on the Company's website [www.shirpurgold.net](http://www.shirpurgold.net). The financial results i.e. quarterly, half yearly and annual results and other statutory information were communicated to the shareholders by way of an advertisement in a English daily viz. 'Free Press Journal' and in a vernacular language newspaper viz. 'Navshakti' (Marathi) as per requirement of the Stock Exchanges.

## VIII. GENERAL SHAREHOLDERS INFORMATION :

### 1. Annual General Meeting

Date	: August 29, 2011
Time	: 4:30 p.m.
Venue	: Registered Office at Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405.

2. Financial Year : 2010-11

3. Date of Book Closure : August 22, 2011 to August 29, 2011 (both date inclusive)

4. Dividend Payment Date : Not Applicable

5. Listing on Stock Exchanges : Company's Equity Shares are listed on the following two Stock Exchanges in India  
Bombay Stock Exchange Limited (BSE),  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001.  
National Stock Exchange of India Ltd. (NSE)  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (E), Mumbai – 400 051.

6. Stock Code : BSE - 512289  
NSE - AGEEGOLD

7. ISIN No. : INE196B01016

**Note :** 1. Listing fees for the year 2010-11 (upto 31<sup>st</sup> March, 2011) has been paid to the respective Stock Exchanges.

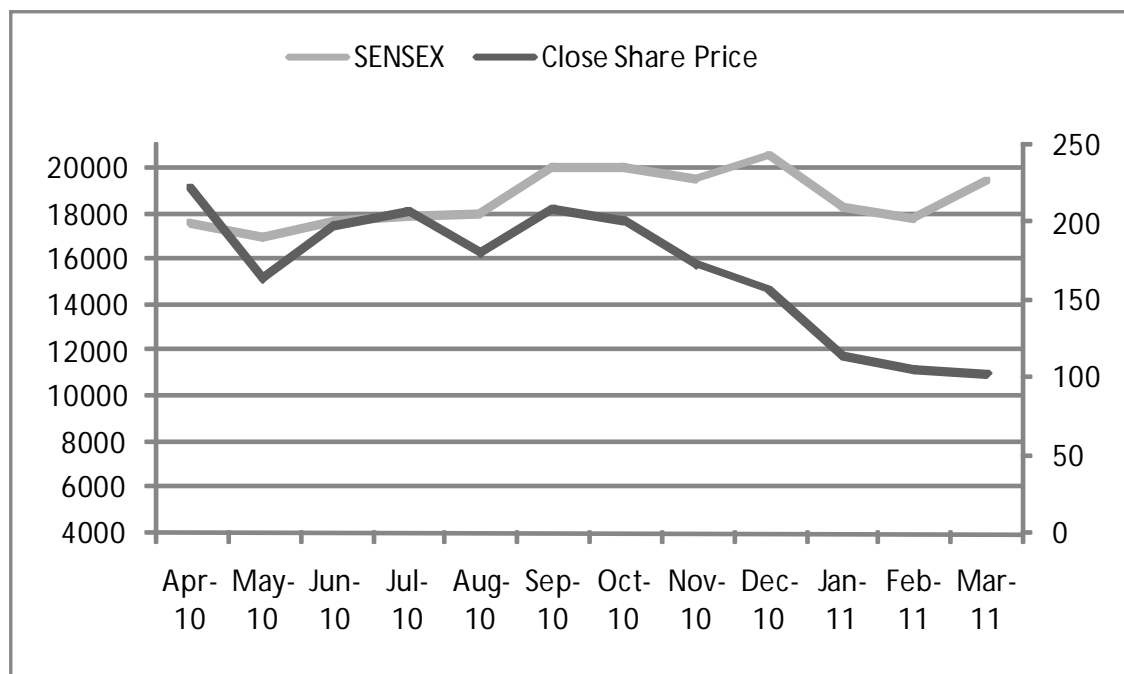
8. Registrar and Share Transfer Agent : Sharepro Services (India) Limited  
13AB, Samhita Warehousing Complex,  
Second Floor, Sakinaka Telephone Ex.  
Lane, Sakinaka, Andheri (West),  
Mumbai – 400 007  
Ph. : 022-67720300/400  
FAX : 022-28591568  
E-mail : [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com)

**9. Market Price Data :**

MONTHLY HIGH AND LOW MARKET PRICE DURING THE FINANCIAL YEAR 2010-11

Month	At Bombay Stock Exchange (BSE)		
	High Price (₹)	Low Price (₹)	No. of Shares Traded
Apr-10	274.80	212.00	8920745
May-10	223.10	149.20	659877
Jun-10	210.45	164.00	1322969
Jul-10	233.50	185.05	2641135
Aug-10	219.00	176.25	1168274
Sep-10	237.65	177.50	3196203
Oct-10	238.00	200.00	2393751
Nov-10	225.00	141.15	1423441
Dec-10	179.30	141.35	693299
Jan-11	169.90	108.00	757225
Feb-11	124.90	85.00	774788
Mar-11	119.80	100.00	500974

Shares of the Company are not being traded in NSE.

**10. Performance of the Company's market share price in comparison to BSE SENSEX**

- 11. Share Transfer System:** Share transfers in physical form can be lodged with Sharepro Services (India) Limited at the above mentioned address or at their branch offices which are available on their website. Shares sent for physical transfers/dematerialization are normally processed within fifteen days from the date of receipt if the documents are complete in all respects.

**12. Distribution of Shareholding as on 31<sup>st</sup> March, 2011 :**

No. of Ordinary Shares held	No. of Shareholders as on 31.03.2011	% of holders as on 31.03.2011	No. of Shares	% of Shares
1 to 500	9229	88.35	1140265	3.91
501 to 1000	619	5.92	492968	1.69
1001 to 5000	489	4.68	1054910	3.62
5001 to 10000	57	0.55	425933	1.46
10000 to 20000	30	0.29	434040	1.49
20000 to 30000	3	0.03	80750	0.28
30001 to 40000	1	0.01	39900	0.14
40001 to 50000	1	0.01	46950	0.16
50001 to 100000	6	0.06	417783	1.44
100001 and above	11	0.10	25003703	85.81
<b>TOTAL</b>	<b>10446</b>	<b>100.00</b>	<b>29137202</b>	<b>100.00</b>

**13. Shareholding Pattern as on 31<sup>st</sup> March, 2011 :**

Category	% Shareholding		Number of Ordinary Shares held	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Promoters	<b>72.71</b>	48.91	<b>21185703</b>	7611003
Individuals	<b>15.87</b>	24.4	<b>4623265</b>	3797499
Domestic Companies	<b>3.57</b>	6.43	<b>1042262</b>	1000534
Mutual Funds	<b>0.00</b>	0.00	<b>Nil</b>	Nil
FII's & NRI	<b>7.85</b>	20.26	<b>2284972</b>	3153464
Trust	<b>0.00</b>	0.00	<b>1000</b>	Nil
<b>TOTAL</b>	<b>100.00</b>	100.00	<b>29137202</b>	15562500

**14. Dematerialisation of shares and liquidity:**

The Company has arrangements with National Securities Depository Ltd. (NSDL) as well as the Central Depository Services (India) Ltd. (CDSL) for demat facility. Out of total share capital, 99.76% is dematerialized as on 31.03.2011.

**15. Plant Location**

: Shirpur Gold Refinery Limited  
Refinery Site, Shirpur, Dist. Dhule – 425 405  
Maharashtra.

**16. Address for Communication**

: Registrar and Share Transfer Agent :  
Sharepro Services (India) Limited  
13AB, Samhita Warehousing Complex,  
Second Floor, Sakinaka Telephone Ex.  
Lane, Sakinaka, Andheri (West),  
Mumbai – 400 072.  
Ph. : 022-67720300/400  
FAX : 022-28591568  
E-mail : sharepro@shareproservices.com



Corporate office :

Shirpur Gold Refinery Limited  
135, Continental Building, Dr. Annie Besant Road,  
Worli, Mumbai – 400 018  
Phone : (022) 24831234 Extn. 5699  
Fax : 24983103  
E-mail : investorinfo@shirgold.com

**Risk Management Framework :**

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are being reviewed periodically to ensure that the executive management controls risk through means of a properly defined framework.

**Management Discussion & Analysis Report :**

Management Discussion & Analysis Report given as a separate section after Directors Report.

**Declaration & Auditor's certificate on Corporate Governance :**

Declaration affirming compliance with the code of conduct by the members of the Board and Senior Management and the Auditor's Certificate on Corporate Governance is annexed to this report.

**DECLARATION**

I confirm that the Company has obtained from all Directors and Senior Management of the Company their affirmation of compliance with the 'Code of Conduct' from Members of the Board of Directors and Senior Management of the Company for the financial year ended March 31, 2011.

Place : Mumbai  
Dated : 06.07.2011

**Milind Pradhan**  
*Manager*



## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of  
**Shirpur Gold Refinery Limited**

We have examined the compliance of the conditions of Corporate Governance by Shirpur Gold Refinery Limited for the year ended 31<sup>st</sup> March, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion of the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year, no investor grievances are pending against the Company as on 31<sup>st</sup> March, 2011, as per the records maintained by the Company's Registrar & Share Transfer Agents, the Company and presented to the Investors' / Shareholders' Grievance Committee.

We further state that such compliance is neither an assurance of the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **B. S. SHARMA & Co.,**  
*Chartered Accountants*  
FRN No.128249W

MUMBAI  
Dated : 6<sup>th</sup> July, 2011

**(CA B. S. SHARMA)**  
*Proprietor*  
FCA 031578



**CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY**

To,

The Board of Directors,  
**Shirpur Gold Refinery Limited**

We, the undersigned, in our respective capacities as Director and Head – Finance of the Company hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the same for the financial year ended 31<sup>st</sup> March, 2011 and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
  - i. significant changes in internal control over financial during the financial year ended 31<sup>st</sup> March, 2011;
  - ii. significant changes in accounting policies during the said financial year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai  
Date : 06.07.2011

**Milind Pradhan**  
*Manager*

**Ashish Pandey**  
*Head – Finance*

## AUDITORS' REPORT

To,

**The Members, Shirpur Gold Refinery Limited**

1. We have audited the attached Balance Sheet of SHIRPUR GOLD REFINERY LIMITED, as at 31<sup>st</sup> March, 2011, the related Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we give in the Annexure a statement of the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
4. Attention is invited to the following Notes in Schedule 18 :  
Note no.1(a) regarding non fulfillment of export commitment under EPCG scheme and application for extension of time;
5. Further to our comments in the annexure referred to in paragraph 4 above, we report that :
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.
  - e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the Director of the Company is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a Director in terms of Section 274 (1) (g) of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the significant accounting policies and Notes to Accounts as per Schedule 18, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011;
    - (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
    - (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **B. S. SHARMA & Co.,**  
Chartered Accountants  
FRN No.128249W

**(CA B. S. SHARMA)**  
Proprietor  
FCA 031578

MUMBAI  
Dated : 06<sup>th</sup> July, 2011



## **ANNEXURE TO THE AUDITORS' REPORT**

**Statement referred to in paragraph 3 of our report of even date on the accounts of SHIRPUR GOLD REFINERY LIMITED for the year ended on 31<sup>st</sup> March, 2011.**

**A. FIXED ASSETS :**

- 1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, except for furniture and fittings.
- (b) Some of the fixed assets were physically verified by the management in accordance with the program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals, having regard to the size of the Company. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Fixed assets disposed off during the year, as reported in Note no.8 to Schedule 18, in our opinion, do not constitute substantial part of the Fixed Assets and such disposal has not affected the going concern status of the Company.

**B. INVENTORIES :**

- 2) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanation given, the Company has maintained proper records of inventories. No material discrepancies were noticed on physical verification.

**C. LOANS & ADVANCES :**

- 3) The Company has neither taken nor granted any loans, secured or unsecured, to companies, firms or other entities covered in the register maintained under Section 301 of the Companies Act 1956. Accordingly clauses (iii)(b) to (iii)(d) of paragraph 4 of the the Order are not applicable to the Company.

**D. INTERNAL CONTROLS:**

- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to the purchases of inventories, fixed assets and for sale of goods. We have not observed any continuing failure to correct major weaknesses in internal controls systems of the Company.

**E. TRANSACTIONS U/S 301 OF THE COMPINES ACT, 1956 :**

- 5) (a) According to the information and explanations given to us, transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered, in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ` 500,000/- in respect of each party during the year, hence the details relating to the reasonability or otherwise of the prices having regard to prevailing market prices, is not applicable.

**F. PUBLIC DEPOSITS :**

- 6) The Company has not accepted any deposits from the public as per the provisions of Section 58A, 58AA or other relevant provisions of the Companies Act, 1956 and rules made thereunder.

**G. INTERNAL AUDIT :**

- 7) In our opinion, the Company has an internal audit system, commensurate with the size and nature of its business.

**H. COST RECORDS :**

- 8) On the basis of the records produced, we are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.

**I. STATUTORY DUES :**

- 9) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth tax, Custom duty, Excise duty, cess and material statutory dues applicable to it, *except for delays in payments of provident fund etc.* MVAT collected of ₹ 197.98 lacs under the Deferred Sales Tax Liability Scheme PSI-1993 of Government of Maharashtra, as appearing in Schedule 3 to the Financial statements under report, is to be repayable as per the terms and conditions contained in the scheme.
- (b) According to the information and explanation given to us, at the last day of the financial year, there was no undisputed amount outstanding in respect of such statutory dues which were due for more than six months from the date they become payable.
- (c) According to the information and explanations given to us, there are no dues in respect of sales tax, income tax, customs duty, wealth tax, excise duty, and cess that have not been deposited with the appropriate authorities on account of any dispute.

**J. ACCUMULATED OR CASH LOSSES :**

- 10) The Company has accumulated losses of ₹ 32,30.12 lacs (₹ 10,14.32 lacs) at the end of the financial year and has incurred cash loss of ₹ 7,11.14 lacs (₹ Nil) in the financial year under report. There is no cash loss in the immediately preceding financial year.

**K. OTHER CLAUSES :**

- 11) As per the information and explanation given to us, the Company has not defaulted in repayment of dues to a bank. The Company has not issued any debentures.
- 12) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the provisions of any special Statute applicable to Chit Fund, Nidhi or Mutual Benefits Fund/Societies are not applicable to the Company.
- 14) According to the information and explanations given, the Company is not dealing or trading in shares, securities, debentures or other investments and hence requirements of Para 4(xiv) are not applicable to the Company.
- 15) According to information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16) The Company has been sanctioned term loan during the year by a nationalized bank but has not availed the same, hence the clause relating to default on repayment etc., is not applicable.
- 17) According to the Cash Flow statement and other records examined by us, and the information and explanations given, on an overall basis, funds raised on short term basis have not, prima facie, been used for long-term investments.
- 18) During the year the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained U/s. 301 of the Companies Act, 1956.
- 19) During the year the Company has not issued any debentures and hence, question of creating securities in respect thereof does not arise.
- 20) The Company has not raised any money by public issues during the year.
- 21) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **B. S. SHARMA & Co.,**  
Chartered Accountants  
FRN No.128249W

**(CA B. S. SHARMA)**  
Proprietor  
FCA 031578

MUMBAI  
Dated : 6<sup>th</sup> July, 2011

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2011

		<i>Amount in `</i>	
PARTICULARS	Schedule	31.03.2011	31.03.2010
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds :</b>			
Share Capital	1	291,372,020	291,372,020
Reserves & Surplus	2	2,503,588,019	2,503,588,019
<b>TOTAL</b>		<b>2,794,960,039</b>	<b>2,794,960,039</b>
<b>Loan Funds :</b>			
Secured Loan	3	154,988,152	—
Unsecured Loan	4	269,697,676	176,366,000
		<b>424,685,828</b>	<b>176,366,000</b>
<b>TOTAL</b>		<b>3,219,645,867</b>	<b>2,971,326,039</b>
<b>APPLICATION OF FUNDS :</b>			
<b>Fixed Assets :</b>			
a. Gross Block	5	3,518,391,877	3,514,102,123
b. <b>Less : Accumulated Depreciation</b>		<b>(1,273,378,665)</b>	<b>(1,111,828,907)</b>
c. <b>Net Block (a-b)</b>		<b>2,245,013,212</b>	<b>2,402,273,216</b>
Capital Work in Process		7,168,947	—
<b>INVESTMENTS</b>	6	<b>324,808</b>	<b>212,500</b>
<b>DEFERRED TAX ASSETS</b>		<b>515,448,237</b>	<b>502,433,376</b>
<b>A. CURRENT ASSETS, LOANS &amp; ADVANCES :</b>			
a. Inventories	7	452,875,191	4,747,804
b. Sundry Debtors		174,248,411	—
c. Cash & Bank Balances	8	92,292,937	1,327,864
d. Loans and Advances	9	84,058,513	19,001,631
<b>TOTAL</b>		<b>803,475,052</b>	<b>25,077,299</b>
<b>B. Less : CURRENT LIABILITIES &amp; PROVISIONS</b>			
a. Current Liabilities	10	678,280,804	59,424,994
b. Provisions		2,876,638	676,989
<b>TOTAL</b>		<b>681,157,442</b>	<b>60,101,983</b>
<b>C. NET CURRENT ASSETS (A – B)</b>		<b>122,317,610</b>	<b>(35,024,684)</b>
<b>MISC. EXPENDITURE - to the extent not written off :</b>			
Preliminary Expenses	11	5,064,061	—
Preoperative Expenses		1,296,685	—
<b>PROFIT &amp; LOSS ACCOUNT – Loss</b>		<b>323,012,307</b>	<b>101,431,631</b>
<b>TOTAL</b>		<b>3,219,645,867</b>	<b>2,971,326,039</b>
<b>Notes forming part of Accounts</b>	<b>18</b>		

As per our report of even date

For **B. S. Sharma & Co.**  
Chartered Accountants  
FR. No. 128249W

**CA B. S. SHARMA**  
Proprietor  
Membership No. 031578

Mumbai  
Dated : 06.07.2011

For and on behalf of the Board of Directors

Amit Goenka — Director

V. K. Agarawal — Director

Ashish Pandey — Head (Finance) &amp; Company Secretary

Milind Pradhan — Manager

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011

		<i>Amount in `</i>	
PARTICULARS	Schedule	31.03.2011	31.03.2010
<b>INCOME :</b>			
Sales		1,980,003,777	—
Other Income	12	17,361,001	22,987,574
<b>TOTAL</b>		<b>1,997,364,778</b>	<b>22,987,574</b>
<b>EXPENDITURE :</b>			
Cost of goods Sold	13	1,985,056,686	—
Operational Cost	14	8,986,474	2,238,394
Personnel Cost	15	13,458,891	3,976,285
Administrative Expenses	16	35,800,872	7,765,758
<b>TOTAL</b>		<b>2,043,302,922</b>	<b>13,980,437</b>
<b>Operating Profit / (Loss) before Depreciation &amp; Interest</b>		<b>(45,938,144)</b>	<b>9,007,137</b>
Financial Expenses	17	23,909,471	20,116
Depreciation		163,481,907	164,307,746
<b>Profit / (Loss) before Tax after Depreciation &amp; Interest</b>		<b>(233,329,522)</b>	<b>(155,320,725)</b>
<b>Less :</b> Preliminary expenses written off		1,266,015	—
<b>Less :</b> Prior Period Item		—	453,629
<b>Profit / (Loss) Before Tax</b>		<b>(234,595,537)</b>	<b>(155,774,354)</b>
<b>Provision for Taxation :</b>			
<b>Less :</b> Current Tax		—	—
<b>Add :</b> Deferred Tax		13,014,861	54,342,723
<b>Profit / (Loss) After Tax</b>		<b>(221,580,676)</b>	<b>(101,431,631)</b>
<b>Add :</b> Losses brought forward of Previous Year.		<b>(101,431,631)</b>	<b>—</b>
<b>Profit / (Loss) Carried over to Balance Sheet</b>		<b>(323,012,307)</b>	<b>(101,431,631)</b>
<b>Earning Per Share</b>		<b>(8.05)</b>	<b>(5.35)</b>
<b>Notes forming part of Accounts</b>	18		

As per our report of even date

For **B. S. Sharma & Co.**  
Chartered Accountants  
FR. No. 128249W

**CA B. S. SHARMA**  
Proprietor  
Membership No. 031578

Mumbai  
Dated : 06.07.2011

For and on behalf of the Board of Directors

Amit Goenka — Director

V. K. Agarawal — Director

Ashish Pandey — Head (Finance) &amp; Company Secretary

Milind Pradhan — Manager



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

PARTICULARS	Amount in `	
	31.03.2011	31.03.2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Loss before Taxation and extraordinary items	(234,595,537)	(155,774,354)
<b>Adjustment for :</b>		
Preliminary Expenses written off	1,266,015	—
Depreciation	163,481,907	164,307,746
Interest on FDR	—	—
Profit on sale of Assets	(8,713,934)	—
Financial Charges	—	—
Dividend recd	(31,890)	(31,890)
<b>Operating Profit /(Loss) before Working Capital Changes</b>	<b>(78,593,438)</b>	<b>8,501,502</b>
<b>Adjustment for :</b>		
Change in Current Assets & Current Liabilities		
(Increase) /Decrease in Inventory	(448,127,387)	21,790
(Increase)/Decrease in Loans & Advances & Other Current Assets	(65,056,882)	(4,461,369)
(Increase)/ Decrease in Sundry Debtors	(174,248,411)	—
Increase/(Decrease) in Current Liabilities	621,055,459	(18,665,585)
Increase/(Decrease) in Deposits	—	(695,364)
Cash Generated from Operation	(66,377,221)	(23,800,528)
<b>Less : Direct taxes paid (Net)</b>	<b>—</b>	<b>—</b>
<b>Net Cash flow from Operating Activities (A)</b>	<b>(144,970,660)</b>	<b>(15,299,026)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(7,730,892)	(767,000)
Capital Work in progress	(7,168,947)	—
Sale of fixed assets	10,222,920	—
Preoperative Expenses	(1,296,685)	—
Amalgamation Expenses	(6,330,076)	—
Investment made during the year	(112,308)	—
Dividend received	31,890	31,890
<b>Net cash generated in Investing Activities (B)</b>	<b>(12,384,098)</b>	<b>(735,110)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Borrowings of Unsecured Loans	93,331,676	16,545,000
Borrowings of Secured Loans	154,988,152	—
<b>Net cash generated in Financing Activities (C)</b>	<b>248,319,828</b>	<b>16,545,000</b>
<b>Net Cash Flow during the year (A+B+C)</b>	<b>90,965,071</b>	<b>510,864</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,327,864</b>	<b>817,000</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>92,292,937</b>	<b>1,327,864</b>

As per our report of even date  
Read with Schedule 18

For **B. S. Sharma & Co.**  
Chartered Accountants  
FR. No. 128249W

**CA B. S. SHARMA**  
Proprietor  
Membership No. 031578

Mumbai  
Dated : 06.07.2011

For and on behalf of the Board of Directors

**Amit Goenka** — Director

**V. K. Agarawal** — Director

**Ashish Pandey** — Head (Finance) & Company Secretary

**Milind Pradhan** — Manager



SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2011

PARTICULARS	Amount in `	
	31.03.2011	31.03.2010
<b><u>SCHEDULE – 1</u></b>		
<b>SHARE CAPITAL</b>		
<b>Authorized</b>		
3,50,00,000 Equity Shares of ` 10/- each		
	<b>350,000,000</b>	350,000,000
<b>Issued, Subscribed &amp; Paid - up</b>		
2,91,37,202 (2,91,37,202) Equity Shares of ` 10/- each, fully paid up	<b>291,372,020</b>	291,372,020
<b>TOTAL</b>	<b>291,372,020</b>	291,372,020
<b><u>SCHEDULE – 2</u></b>		
<b>RESERVES &amp; SURPLUS</b>		
Share Premium Account	<b>1,435,000,000</b>	1,435,000,000
General Reserve	<b>1,068,588,019</b>	1,068,588,019
<b>TOTAL</b>	<b>2,503,588,019</b>	2,503,588,019
<b><u>SCHEDULE – 3</u></b>		
<b>SECURED LOANS</b>		
Working Capital Finance from Bank (Refer Note 2 to Schedule 18)	<b>154,988,152</b>	—
<b>TOTAL</b>	<b>154,988,152</b>	—
<b><u>SCHEDULE – 4</u></b>		
<b>UNSECURED LOANS</b>		
Inter-corporate Deposit (Repayable on demand)	<b>249,900,000</b>	176,366,000
Deferred Sales Tax Liability under PSI-1993	<b>19,797,676</b>	—
<b>TOTAL</b>	<b>269,697,676</b>	176,366,000



SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2011

**SCHEDULE – 5**  
**FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Cost As At 01.04.2010	Addition During the Year	Sale/Adjust During the Year	Gross Block As At 31.03.2011	As At 01.04.2010	Provided During the Year	Sale/Adjust During the Year	Up to 31.3.2011	As At 31.03.2011
Freehold Land and development expenses	32,983,404	—	964,130	32,019,274	16,759,015	1,076,668	505,514	17,330,169	14,689,105
Buildings	293,876,938	—	2,429,285	291,447,653	131,639,893	11,338,329	1,389,665	141,588,558	149,859,095
Plant & Machinery	3,060,268,697	3,286,001	—	3,063,554,698	872,112,423	145,451,336	—	1,017,563,758	2,045,990,940
Airport Complex	52,692,120	—	—	52,692,120	29,777,902	2,291,422	—	32,069,324	20,622,796
Office Equipment	5,305,808	310,274	10,750	5,605,332	3,558,512	274,416	—	3,832,928	1,772,404
Furniture & Fixtures	55,037,377	21,000	—	55,058,377	44,407,282	1,924,047	—	46,331,330	8,727,047
Computer System	13,528,172	4,076,644	—	17,604,816	13,193,325	1,118,168	—	14,274,521	3,330,295
Vehicles	409,607	—	—	409,607	380,556	7,521	—	388,077	21,530
<b>CURRENT YEAR</b>	<b>3,514,102,123</b>	<b>7,693,919</b>	<b>3,404,165</b>	<b>3,518,391,877</b>	<b>1,111,828,909</b>	<b>163,481,907</b>	<b>1,895,178</b>	<b>1,273,378,665</b>	<b>2,245,013,212</b>
<b>PREVIOUS YEAR</b>	<b>3,513,128,433</b>	<b>973,690</b>	<b>—</b>	<b>3,514,102,123</b>	<b>947,521,163</b>	<b>164,307,746</b>	<b>—</b>	<b>1,111,828,909</b>	<b>2,565,607,270</b>

**Note :-** Depreciation is calculated on the basis of Straight Line Method in case of Plant & Machinery and in other assets it is calculated as per Written Down Value Method.

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2011

		<i>Amount in `</i>
PARTICULARS	31.03.2011	31.03.2010
<b><u>SCHEDULE – 6</u></b>		
<b>INVESTMENTS</b>		
<b>Unquoted – Long Term :</b>		
8500 (8500) Equity Shares of The Shirpur People Co. Op. Bank Ltd.	212,500	212,500
Gold Coins	112,308	—
<b>TOTAL</b>	<b>324,808</b>	<b>212,500</b>
<b><u>SCHEDULE – 7</u></b>		
<b>INVENTORIES</b>		
Raw Material	835,368	—
Work-In-Progress	1,852,747	786,296
Finished Goods	424,699,323	99,504
Consumables stores, Spares & Tools	4,332,353	3,862,004
Goods in Transit	21,155,401	—
<b>TOTAL</b>	<b>452,875,191</b>	<b>4,747,804</b>
<b><u>SCHEDULE – 8</u></b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash in Hand	202,141	22,860
<b>Balance with Schedule Banks in :</b>		
— Current Accounts	22,677,850	1,305,004
— Fixed Deposits	69,412,946	—
<b>TOTAL</b>	<b>92,292,937</b>	<b>1,327,864</b>
<b><u>SCHEDULE – 9</u></b>		
<b>LOANS &amp; ADVANCES (Unsecured – Considered good)</b>		
Advances Recoverable in cash or in kind or for value to be received	27,331,810	15,209,687
Advance Tax/TDS Receivables	1,576,329	582,139
VAT Input Credit Receivable	18,688,464	60,688
Deposits Given	36,461,911	3,149,118
<b>TOTAL</b>	<b>84,058,513</b>	<b>19,001,631</b>
<b><u>SCHEDULE – 10</u></b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. Current Liabilities</b>		
Sundry Creditors : For Goods	634,139,327	—
For Expenses & Other Liabilities	16,515,675	29,564,816
Other Advance/Deposit Received	27,625,801	29,860,178
<b>TOTAL (A)</b>	<b>678,280,804</b>	<b>59,424,994</b>
<b>B. Provisions</b>		
Provision for Taxation	618,834	321,839
Provision for Employees Benefit	1,396,637	355,150
Other Provisions	861,167	—
<b>TOTAL (B)</b>	<b>2,876,638</b>	<b>676,989</b>
<b>TOTAL A+B</b>	<b>681,157,442</b>	<b>60,101,983</b>
<b><u>SCHEDULE – 11</u></b>		
<b>PRELIMINARY EXPENSES</b>		
Amalgamation Expenses	6,330,076	—
<b>(Less) : Transferred to P &amp; L A/c.</b>	<b>(1,266,015)</b>	<b>—</b>
<b>TOTAL</b>	<b>5,064,061</b>	<b>—</b>



**SCHEDULE FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR  
ENDED 31<sup>ST</sup> MARCH, 2011**

	<b>Amount in `</b>	
PARTICULARS	<b>31.03.2011</b>	31.03.2010
<b><u>SCHEDULE – 12</u></b>		
<b>OTHER INCOME</b>		
Interest Received(Gross) [T.D.S ` 1,75,595/-]	1,755,927	292
Dividend Income	31,890	31,890
Other Non-Operating Income	9,022,168	303,419
Sundry Balance Written back	11,894,846	
(Less):-Sundry Balance Written Off	<u>(5,343,830)</u>	<u>22,651,973</u>
<b>TOTAL</b>	<b><u>17,361,001</u></b>	<b><u>22,987,574</u></b>
<b><u>SCHEDULE – 13</u></b>		
<b>COST OF GOODS SOLD</b>		
Opening Stock	885,800	885,800
Add : Purchases	2,432,713,724	—
Less : Closing Stock	<u>(448,542,838)</u>	<u>(885,800)</u>
<b>TOTAL</b>	<b><u>1,985,056,686</u></b>	<b><u>—</u></b>
<b><u>SCHEDULE – 14</u></b>		
<b>OPERATONAL COST</b>		
Labor Charges	2,466,033	131,526
Electricity Expenses	2,695,779	1,273,560
Stores & Spares Consumed	3,759,806	833,308
Freight Inward	64,856	—
<b>TOTAL</b>	<b><u>8,986,474</u></b>	<b><u>2,238,394</u></b>
<b><u>SCHEDULE – 15</u></b>		
<b>PERSONNEL COST</b>		
Salaries and Allowances	12,531,664	3,581,325
Contribution to Provident and other funds	795,986	393,749
Staff Welfare Expenses	131,241	1,211
<b>TOTAL</b>	<b><u>13,458,891</u></b>	<b><u>3,976,285</u></b>
<b><u>SCHEDULE – 16</u></b>		
<b>ADMINISTRATIVE EXPENSES</b>		
Communication Expenses	883,164	218,171
Repairs & Maintenance	1,053,685	175,499
Professional Charges	12,646,395	4,687,495
Miscellaneous Expenses	11,200,630	1,168,969
Insurance Charges	2,008,647	32,085
Rent, Rates & Taxes	3,939,142	339,817
Travelling Expenses	3,390,836	844,160
<b>Auditor's Remuneration for</b>		
– Statutory Audit	250,000	200,000
– Tax Audit	75,000	50,000
– Other Matters	353,372	49,562
<b>TOTAL</b>	<b><u>35,800,872</u></b>	<b><u>7,765,758</u></b>
<b><u>SCHEDULE – 17</u></b>		
<b>FINANCIAL EXPENSES</b>		
Interest & Bank Charges	5,153,212	20,116
Other Borrowing Cost	18,756,259	—
<b>TOTAL</b>	<b><u>23,909,471</u></b>	<b><u>20,116</u></b>

**SCHEDULE : 18****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS****BACKGROUND :**

SHIRPUR GOLD REFINERY LIMITED ('the Company') is incorporated on November 9, 1984 under Registration Number L51900MH1984PLC034501 and Certificate of Commencement issued on December 6, 1984 under the name and styled as "SKIPPER MERCANTILE LIMITED" by the Registrar of Companies, Mumbai, Maharashtra. Subsequently the name was changed to AUTORIDERS MEMRCANTILE & FINANCE LTD., on July 1, 1991, then to AGEE GOLD REFINERS LIMITED on May 19, 2000 and now SHIRPUR GOLD REFINERY LIMITED w.e.f. March 18, 2002. The Company is in the business of manufactures, refiners, smelters, processor, fabricators, processors, stockists, agents, distributors, assayers, importers, exporters of and generally dealers and traders in precious and semiprecious metals, stones, earth, ores, alloys and minerals of all kinds, classes, nature and description, and further in all their branches, and jewellery thereof or otherwise and also to carry on business of mining and refining and other activities as detailed in the object clause of the Memorandum of Association of the Company. The Company is a part of Essel Group of Industries, since December 2008.

**A. SIGNIFICANT ACCOUNTING POLICIES****(a) Accounting Convention :**

- i) The financial statements have been prepared under the historical cost convention and on accrual basis in accordance with the accounting standards referred to in Section 211(3C) of The Companies Act, 1956 read with Companies (Accounting Standards) Rules, 2006.
- ii) The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- iii) The financial statements are prepared on the Going Concern concept of accounting.

**(b) Use of Estimates :**

The preparation of financial statements, in accordance with the Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from estimates. Any revision to estimates is recognized prospectively in current and future period.

**(c) Revenue Recognition :**

Revenue is recognized on accrual basis, when no significant uncertainty as to collectability exists. Interest on accrual basis and dividend is accounted when the right to receive the same is unconditional.

**(d) Fixed Assets :**

Fixed Assets are stated at Cost of their acquisition less depreciation. Cost comprises of acquisition cost and attributable cost of bringing the assets to its working condition for its intended use. Pre-operative expenses are capitalized in the year of completion of project.

**(e) Inventories :**

Inventories of consumables, raw materials, work-in-progress and finished goods are valued at lower of cost or realizable value.

**(g) Financial Derivative for Commodity Hedging Transactions**

In respect of derivative contracts, gain / losses on settlement are recognized in the profit and loss account. On the reporting date, profit or loss of all unsettled/outstanding contracts is determined by comparing the value of the position at the mark to market and recognized in profit and loss account.

**(h) Borrowing Cost :**

Borrowing costs attributable to the acquisition or construction of assets are capitalized as part of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged to revenue when incurred.



**i) Depreciation/Amortization :**

- i) Depreciation on Fixed Assets is provided on written down value method at the rates prescribed under Schedule XIV of the Companies Act, 1956 as amended except in case of Plant and Machinery for which the depreciation is provided on Straight Line Method.
- ii) Individual assets costing less than ₹ 5,000 are depreciated in full in the year of acquisition.
- iii) Depreciation on intangible assets is amortized over the economic useful life of the assets as estimated by the management

**(j) Impairment of Assets :**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired and if any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying value, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**(k) Investments :**

Investments intended to be held for more than a year from the date of the acquisition are classified as Long Term Investments and are carried at Cost. Provision for fall in the market/book value of long term investments is made only if they are other than temporary in nature. Current Investments are carried at lower of cost or market or realizable value.

**(l) Transactions in foreign exchange :**

Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

Foreign currency monetary assets and liabilities at the Balance Sheet date are translated at the closing rate.

Gains or losses resulting there from on settlement are recognized in the Profit and Loss account.

**(m) Retirement Benefits :**

- i) The Company is covered under the provisions of Provident Fund and Miscellaneous Funds Act, 1958. Contribution payable by the Company to the concerned Government Authorities in respect of Provident Fund, Family Pension Fund and Employees State Insurance are charged to Profit and Loss account.
- ii) Liability for Leave Encashment is accounted on accrual basis and expensed.
- iii) The Company's Liability towards Gratuity is determined on the basis of year end Actuarial Valuation in accordance with Accounting Standard 15 (Revised 2005) prescribed under the Companies (Accounting Standards) Rules, 2006.

**(n) Accounting for taxes on Income :**

- i) Current tax is determined as the amount of tax payable in respect of taxable income for the year, as per the provisions of the Income Tax Act, 1961.
- ii) Deferred tax is recognized on timing difference, subject to consideration of prudence in respect of deferred tax assets on timing difference, being the difference between the taxable incomes and accounting income that originate in one year and are capable of reversal in one or more subsequent years and measured using relevant enacted tax rates and applicable laws enacted.

**(o) Earnings per share :**

Basic EPS is computed and disclosed using the weighted average number of equity shares outstanding

during the year. Diluted EPS is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti dilutive.

**(p) Provisions :**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

**(q) Contingent Liabilities :**

Contingent Liabilities are not recognized but are disclosed by way of Notes to the Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

**(r) Contingencies and Events occurring after the Balance Sheet date :**

All the major contingencies i.e., a condition or situation the ultimate outcome of which is known or determined only on their occurrences or non-occurrences of uncertain future events, till the signing of the financial statements, have been recognized.

Material events occurring after the balance sheet date till the date of approval thereof, affecting the going concern assumption or having material impact on the financial statements, are recognized

**(s) Miscellaneous Expenditure :**

Miscellaneous expenditure (preliminary expenses) are amortized over a period of 5 years.

**B. NOTES ON ACCOUNTS :**

**1. Contingent Liabilities:**

- a) Estimated amount of FOB value of export commitment against the Import of Plant and Machinery under EPCG Scheme which was not fulfilled as on March 31, 2011 is ` 607,50,87,231/- (` 385,49,40,000/-). However, the Company has applied for extension of time to the competent authority for fulfillment of the obligation, which is pending consideration and decision.
- b) Bank guarantee of ` 68,50,00,000/- has been issued to MMTC for supply of raw material.
- c) Claims against the Company not acknowledged as debt: – Nil (Previous Year NIL).
- d) Estimated amount of contracts on capital account remaining to be executed ` 4,00,729/- (Previous Year NIL).

**2. Secured Loan :**

From a Bank for Working capital– Secured by way of first pari-passu charge on all current assets both present and future comprising of raw materials, semi-finished and finished goods, stores and spares, book debts etc., and collaterally secured by way of second charge on all of the present and future movable fixed assets and registered mortgage by way of second Charge on factory land and buildings thereon.

**3. Unsecured Loans :**

Unsecured - Inter-corporate deposit from a body corporate with no carrying cost is repayable on demand.

**4. Impairment of Fixed Assets :**

The Company has assessed at Balance Sheet date the assets pertaining to manufacturing facilities at Shirpur, Dhule in Maharashtra, as to their impairment. On the basis of such assessment, it is opined that the recoverable amount or fair value of such assets are more than their carrying values, hence there is no impairment of assets to be provided for.

**5. Investments :**

The investment held by the Company in a co-operative bank is unquoted and long-term in nature. Investment in Gold coins is classified as long term investment.

**6. Current Assets, Loans and Advances :**

Inventories have been valued at lower of cost or realizable value and are taken, verified, certified by the management. In the opinion of the Management, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and provision for all known liabilities have been made in the accounts as at March 31, 2011. However they are subject to reconciliation and confirmation from parties concerned.

**7. Current Liabilities and Provisions :**

The Current liabilities are stated at carrying cost, irrespective of their period of outstanding and are subject to reconciliation and confirmation.

Provision for retirement benefits is made as per Company's policy for such benefits and on the basis of available details.

8. A compensation of ₹ 1,06,81,679/- (TDS – ₹ 10,68,168/-) has been received from National Highway Authority of India (NHAI) for compulsory acquisition of part of the Company's land and building at Factory, Shirpur for widening of National Highway Road.

9. Additional information required to be disclosed as per Clauses 3, 4C and 4D of Part II of Schedule VI of the Companies Act, 1956.

**I) Licensed & Installed Capacity :**

	Licensed Capacity		Installed Capacity	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Refining & Fabrication of Gold (Tons)	217.7	217.7	217.7	217.7
Refining & Fabrication of Silver (Tons)	217.7	217.7	217.7	217.7
(as certified by the management, being a technical matter)				

**II) Details of Raw Materials Consumed :**

Raw Material	Quantity (Kgs.)		Amount (₹)	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Gold	1183.54	NIL	2,41,07,96,691	NIL
Silver	2.53	NIL	135,832	NIL

**III) Details of Imported and Indigenous Raw Materials, Spares and Stores Consumed :**

	Quantity (Kgs.)		Amount (₹)		% of Total Consumption	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Raw Materials						
Imported	NIL	(NIL)	NIL	(NIL)	NIL	(NIL)
Indigenous :-						
Gold	1183.54	(NIL)	2,41,07,96,691	(NIL)	100%	(NIL)
Silver	2.53	(NIL)	1,35,832	(NIL)	13%	(NIL)
Spares & Stores Consumed	-	-	3,759,806/-	8,33,000/-		



**IV) Details of Opening Stock, Production/Purchase, Sales and Closing Stock :**

Class of Goods	Opening Stock (Kg.)	Production (Kg.)	Closing Stock (Kg.)	Sales Qty. (Kg.)	Sales
GOLD	0.65 (0.65)	1,183.54 (NIL)	204.15 (0.65)	980.04 (NIL)	1,98,00,03,777 (NIL)

**V) Value of Imports on CIF basis (in `)**

Particulars	31.03.2011	31.03.2010
Capital Goods	Nil	Nil
Spares	Nil	Nil

**VI) Expenditure in Foreign Currency (in `)**

Particulars	31.03.2011	31.03.2010
Travelling Expenses	13,39,905	Nil
Project Consultancy Fees	5,63,292	Nil

**10. Managerial Remuneration**

a) None of the Directors are in receipt of any Remuneration from the Company.

(b) Manager's Remuneration\*

Particulars	2010-11	2009-10
Salary and Allowances	9,61,750	NIL
Contribution to Provident Fund	60,000	NIL
**Perquisites	37,500	NIL

\* Appointment of Mr. Milind Pradhan as a Manager under the Companies Act, 1956 was made w.e.f. 14.10.2010.

\*\* Perquisites are valued as per Income Tax Act, 1961.

**11. Remuneration to Auditors (in `)**

Particulars	31.03.2011	31.03.2010
Audit Fees	2,50,000	2,00,000
Tax Audit Fees	75,000	50,000
For Other Services	3,53,372	50,000
<b>TOTAL</b>	<b>6,78,372</b>	<b>3,00,000</b>

**12. Defined Employee's benefit (in `)**

Particulars	31.03.2011	31.03.2010
Gratuity	174,751	246,350
Leave Encashment	215,838	89,730
Provident Fund	790,551	164,928
<b>TOTAL</b>	<b>1,181,140</b>	<b>501,008</b>

**13. Earnings Per Share (in `)**

Particulars	31.03.2011	31.03.2010
(Loss) for the year before tax	(234,595,537)	(155,774,354)
Earnings /(Loss) per share	(8.05)	(5.35)
(Face Value of ` 10/- each) (Basic)		

**14. Taxation**

(a) Provision of income tax for the current year has not been made due to current year loss as well as brought forward losses of earlier years.



(b) The Components of Deferred Tax Balances as at 31<sup>st</sup> March, 2011:

Amount in `

Particulars		31.03.2011	31.03.2010
<b>Opening Bal. of Deferred Tax Assets (DTA)</b>	<b>A</b>	<b>502,433,375</b>	448,090,653
<i>Timing Difference</i>	—		
Difference between tax Depreciation & book Depreciation		<b>40,725,609</b>	164,307,746
Disallowed expenses of Preceding year as per Income Tax Act		<b>444,750</b>	—
		<b>41,170,359</b>	164,307,746
<b>Deferred Tax Assets (DTA)</b>	<b>B</b>	<b>13,675,764</b>	54,578,926
<i>Disallowances &amp; Timing Difference</i>	—		
Interest on Statutory Dues		<b>27,114</b>	—
MTM Loss		<b>945,100</b>	—
Provision for Gratuity		<b>161,751</b>	246,350
Disallowance u/s.40(ia)		—	375,000
Provision for Bonus		<b>478,028</b>	—
Provision for Leave Encashment		<b>377,629</b>	89,730
		<b>1,989,622</b>	711,080
<b>Deferred Tax Liability(DTL)</b>	<b>C</b>	<b>660,903</b>	236,203
<b>Net Deferred Tax Assets for the year</b>	<b>D=B-C</b>	<b>13,014,861</b>	54,342,723
<b>Deferred Tax Assets (DTA) carried to balance sheet</b>	<b>A+D</b>	<b>515,448,237</b>	502,433,375

**15. Financial and Derivative Instruments :**

Outstanding Derivative Contracts entered into by the Company for hedging commodity as on :

Particulars	31.03.2011	31.03.2010
Gold Future contract outstanding as on	<b>92 Kg</b>	Nil

In accordance with principles of prudence and other applicable guidelines as per Accounting Standards 30 under the Companies (Accounting Standards) Rules, 2006, the Company has charged ` 9,45,100/- (Previous Year - Nil) to the Profit and Loss Account in respect of unsettled derivative contracts which are effective hedges.

**16. Segment Reporting :**

The Company operates only in one Segment i.e. Gold Refining, hence segment reporting as per AS-17 is not applicable.

**17.** The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" is Nil as no supplier has intimated the Company about its status as a Micro, Small or Medium Enterprise or its registration under "The Micro, Small and Medium Enterprises Development Act, 2006".

**18.** Disclosures as per clause 32 of Listing Agreement is not applicable as the Company has not given any loan/ advances/investments to subsidiaries, Associates etc.

**19. Related Party Disclosures**

**(a) List of Related Parties**

Key management personnel of the Company :

<i>Directors</i>	:	1. Shri Anish Goel
		2. Shri Sriprakash Goenka
		3. Shri V. K. Agarawal
		4. Shri Amit Goenka ( w.e.f. 26.04.2011)
		5. Shri Himanshu Mody (upto 26.04.2011)
		6. Shri Sanjay Gupta (upto 15.05.2010)

Holding Company : Jayneer Capital Pvt. Ltd. (JCPL)

Other related parties : Essel Corporate Resources Pvt. Ltd., Churu Trading Co. P. Ltd., Jay Properties Pvt. Ltd. Mrs. Shreyanshi Goenka, Agarani Telecommunication Ltd., Pan India Network Infravest Pvt. Ltd.,

**(b) Related party Transactions during the year as per AS 18 :**

**Amount in `**

Particulars	31.03.2011	31.03.2010
<b>1. Loans and Advances (Dr)</b>		
Other related parties	—	—
Balance as on April 01	Nil	263,000
Balance as on March 31	Nil	326,000
Essel Corporate Resources P Ltd., April 2010	3,581,925	1,303,000
Essel Corporate Resources P Ltd., March 2011	189,081	3,581,925
<b>2. Unsecured Loans</b>		
Other related parties	—	—
Balance as on April 1	Nil	159,821,000
Balance as on March 31	Nil	176,396,000
Churu Trading Co. P. Ltd., April 2010	176,366,000	159,821,000
Churu Trading Co. P. Ltd., March 2011	Nil	176,366,000
Jay Properties Pvt. Ltd., April 2010	Nil	Nil
Jay Properties Pvt. Ltd., March 2011	249,900,000	Nil
<b>3. Sundry Creditors</b>		
Other Related parties	—	—
Balance as on April 01	3,408,300	1,030,000
Balance as on 31.03.10	4,603,634	2,181,000
<b>4. Receipts - Advances/ICDs</b>		
Other related parties	83,300	1,010,000
Holding Company (JCPL)	16,03,634	1,200,000
Churu Trading Co. P. Ltd.	359,500,000	16,575,000
Jay Properties Pvt. Ltd.	264,900,000	Nil
<b>5. Payments Advances/ICDs</b>		
Other related parties	491,600	145,000
Essel Corporate Resources P. Ltd.	3,392,844	3,132,000
Churu Trading Co. P. Ltd.	535,866,000	500,000
Jay Properties Pvt. Ltd.	1,500,000	Nil
Holding Company (JCPL)	1,200,000	Nil

No amount in respect of related parties have been written off/ written back during the period, nor has any provision been made for doubtful debts/receivables.

20. Figures in the brackets are for previous years unless otherwise stated.

21. Previous year's figures are regrouped, rearranged, or recast wherever necessary to confirm to the current years' figures. However, they are not comparable with previous years as the Company has re-started its manufacturing operations since 15<sup>th</sup> July, 2010.

As per our report of even date

Read with Schedule 18

For **B. S. Sharma & Co.**

Chartered Accountants

FR. No. 128249W

**CA B. S. SHARMA**

Proprietor

Membership No. 031578

Mumbai

Dated : 06.07.2011

For and on behalf of the Board of Directors

**Amit Goenka** — Director

**V. K. Agarawal** — Director

**Ashish Pandey** — Head (Finance) & Company Secretary

**Milind Pradhan** — Manager



## INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

## I. Registration Details

Registration No.	L51900MH1984PLC034501	State Code	11
Balance Sheet Date	31/03/2011		

## II. Capital raised during the year (Amount in ` '000)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placements	NIL

## III. Position of Mobilization and Deployment of Funds (Amount in ` '000)

Total Liabilities	3219646	Total Assets	3219646
<b>Sources of Funds :</b>		<b>Application of Funds :</b>	
Paid-up Capital	291372	Net Fixed Assets	2252182
Reserves & Surplus	2503588	Investments	325
Secured Loans	154988	Deferred Tax Assets	515448
Unsecured Loans	269698	Net Current Assets	122318
		Misc. Expenditure	6361
		Accumulated Losses	323012

## IV. Performance of the Company (Amount in ` '000)

Turnover	1997365	Total Expenditure	2231960
Profit / (Loss) before Tax	(234596)	Profit / (Loss) after Tax	(221581)
Earnings per Share ( ` )	(8.05)	Dividend Rate (%)	NIL

## V. Generic names of Three Principal Products / Services of Company

Item Code No.	710813	Gold & Gold Products
Product Description	710692	Silver & Silver Products

As per our report of even date  
Read with Schedule 18

For **B. S. Sharma & Co.**  
Chartered Accountants  
FR. No. 128249W

**CA B. S. SHARMA**  
Proprietor  
Membership No. 031578

Mumbai  
Dated : 06.07.2011

For and on behalf of the Board of Directors

**Amit Goenka** — Director

**V. K. Agarawal** — Director

**Ashish Pandey** — Head (Finance) & Company Secretary

**Milind Pradhan** — Manager



## SHIRPUR GOLD REFINERY LIMITED

**Registered Office :**Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405

### PROXY FORM

I / We ..... of .....  
being a member / members of Shirpur Gold Refinery Limited, hereby appoint .....  
..... of .....  
or failing him / her ..... of ..... as my / our proxy to attend and  
vote for me / us on my / our behalf at the **Twenty-Sixth Annual General Meeting** of the Company to be held on  
Monday, 29 August 2011 at 4:30 p.m. and at any adjournment thereof.

Signed the ..... day of ..... 2011. **Signature of Shareholder** .....

Reg. Folio No. ....

DP ID No. ....

Client ID / Demat A/c. No. ....

No. of Shares .....

Affix  
1/-  
Revenue  
Stamp

**NOTE :** The Proxy completed in all respects must be deposited at the Company's Registered Office at least 48 hours before the scheduled time of meeting. The proxy need not be a member of the Company.

## SHIRPUR GOLD REFINERY LIMITED



**Registered Office :**Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405.

### ATTENDANCE SLIP (To be presented at the entrance)

I / We hereby record my / our presence at the **Twenty-Sixth Annual General Meeting** of the Company held at the Registered Office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405 on Monday, 29 August 2011 at 4:30 p.m.

\_\_\_\_\_  
**Name of the Shareholder / Proxy (in Block Letters)**

\_\_\_\_\_  
**Signature of the Shareholder / Proxy**

Reg. Folio No. ....

DP ID No. ....

Client ID / Demat A/c. No. ....

No. of Shares .....

**NOTE :** You are requested to sign and handover this slip at the entrance of the Meeting Venue.

**BOOK - POST**

*If undelivered, please return to:*

**Shirpur Gold Refinery Limited**

135, Continental Building, Dr. A. B. Road, Worli, Mumbai 400 018.