

## ANNEXURE 'B'

### REPORT ON CORPORATE GOVERNANCE

#### 1) COMPANY 'S PHILOSOPHY ON CODE OF GOVERNANCE

Your company has always believed in the concept of good Corporate Governance Involving a high level of transparency, accountability and responsibility in all areas of its operations to ensure investors protection. Your Company has made necessary Changes in the system and procedures required for effective control, for the steady Growth of the Company and to increase the value for all stakeholders Mandatory Provisions of corporate Governance as stipulated under listing agreements of Stock Exchanges are being complied with.

#### 2) BOARD OF DIRECTORS

##### a) Composition and category of Directors

The composition of Board is in Compliance with the equirements of Clause 49(1)(A).

Name of Directors	Designation	Category	No of other Directorship Held	No of Board Committee Memberships held	No of Board Meetings Attended out of 6	Attendance at the last Annual General Meeting
Mr. Kiran Kansara	Chairman	Promoter Non-Executive	-	2	6	Yes
Mr. Jatin Kansara	Director	Promoter Non Executive	-	2	6	Yes
Mrs. Maulika Kansara	Director	Promoter Non Executive	-	2	6	Yes

Note :-

1. The Board is trying to appoint some independent directors on the Board of the Company so that a proper Board can be constituted.
2. Directorship in Pvt. Ltd. Company is not included.

b) Board Procedure;

The Board of Directors meets atleast once a quarter to review the performance and Financial Results. A detailed agenda file is sent to all Directors well in time of the Board Meetings. The Chairman/Director briefs the Directors at every Board Meeting about the overall performance of the Company. All major decisions/Approvals are taken at the Meeting of the Board of Directors such as policy formation, Business plans, budgets, investment opportunities, Statutory Compliance etc. The meeting of the Board of Directors during the financial year 2008-09 were held on 30/04/08, 31/07/08, 29/08/08, 31/10/08, 31/01/09 and 25/03/09.

### 3) AUDIT COMMITTEE

The said committee comprises of three non-executive directors. The composition of the Audit Committee is as under.

<b>Name of the Director</b>	<b>Category</b>	<b>Remarks</b>
Mr. Kiran Kansara	Promoter Non-Executive	Chairman
Mrs. Maulika Kansara	Promoter Non-Executive	Member

Note :- The Board is trying to appoint some independent directors on the Board of the Company, on such appointment the Board will re-constitute Audit Committee to accommodate proper number of Independent Directors in Audit Committee.

The terms of reference are as under:

- To investigate into any matter in relation to the items specified under Clause 49 of the listing Agreement.
- Reviewing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment of external Auditor and fixation of their Audit fee.
- Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
- Reviewing periodically the adequacy of the internal control system.

During the Year, four meetings of the Committee were held on 25<sup>th</sup> April, 2008, 24<sup>th</sup> August, 2008, 30<sup>th</sup> October, 2008 and 30<sup>th</sup> January, 2009 which were attended by majority of the members of the committee.

### 4) SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee ensures the effective redressal of the Complaints of the investors. The Committee also recommends steps to be taken for further Implementation in the quality and services to the investors. Composition of the Investors' Grievance Committee

<b>Name of Directors</b>	<b>Category</b>	<b>Remarks</b>
Mrs. Maulika Kansara	Promoter Non-Executive	Chairman
Mr. Jatin Kansara	Promoter Non-Executive	Member
Mr. Kiran Kansara	Promoter Non-Executive	Member

The Company received NIL complaints during the year. There was no valid request for transfer of share pending as on 31st March, 2009.

Mr. Kiran Kansara, Director is the Compliance Officer for the above purpose.

#### **5) REMUNERATION COMMITTEE**

<b>Name of Director</b>	<b>Category</b>	<b>Remarks</b>
Mr. Jatin Kansara	Promoter Non-Executive	Chairman
Mrs. Maulika Kansara	Promoter Non-Executive	Member

Details of Remuneration/sitting fees paid

During the year the Company has not paid any type of remuneration and/or sitting fee to any of the Directors.

#### **6) GENERAL BODY MEETING**

The location and time of the last three Annual General Meetings are as under.

<b>AGM</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>	<b>No. of special resolutions approved</b>
15 <sup>th</sup>	30/09/2006	11.00a.m	525/526,Odhav Road, Shed No 2, Near Grid Station, Ahmedabad-382415	Nil
16 <sup>th</sup>	29/09/2007	11.00a.m	525/526,Odhav Road, Shed No 2, Near Grid Station, Ahmedabad-382415	Nil
17 <sup>th</sup>	30/09/2008	11.00a.m	525/526,Odhav Road, Shed No 2, Near Grid Station, Ahmedabad-382415	Nil

## 7) DISCLOSURES

- a) There was no transaction of material nature with Management or with the Directors of the Company during the year.
- b) There was no instance of Non-compliance of any matter related to the capital markets during the last three years.
- c) The Company ensures compliance of various statutory requirements by all its divisions and obtains quarterly reports in the form of certificate from the head of the divisions. These certificates are placed before the board on quarterly basis.
- d) All the statutory registers that are required to be maintained, particularly Register of Contracts in which Directors have interests, Register of Director's Shareholdings, Register of Investments etc. are maintained and continuously updated.

## 8) FINANCIAL CALANDER FOR FINANCIAL YEAR 2009-10

Financial year	1 <sup>st</sup> April, 2009 to 31 <sup>st</sup> March, 2010
Results for the first quarter ending 30 <sup>th</sup> June,2009	Last Week of July,2009
Results for the second quarter ending 30 <sup>th</sup> September,2009	Last Week of October,2009
Results for the third quarter ending 31 <sup>st</sup> December 2009	Last Week of January,2010
Result for the year ending 31 <sup>st</sup> March, 2010	Last Week of April 2010
Annual General Meeting 2009-10	August/September,2010
Annual General Meeting for the year 2008-09	30 <sup>th</sup> September 2009
Date of Book-Closure	24 <sup>th</sup> September 2009 to 30 <sup>th</sup> September 2009 (Both days inclusive)
Dividend Payment date	Not Applicable

Listing on Stock Exchange: Ahmedabad and Mumbai and Jaipur.  
(Trading in Equity securities of the Company is suspended).

## 9) MARKET PRICE DATA

Trading in Equity share of the Company is suspended on Bombay Stock Exchange, therefore no market price data is available for the year.

## 10) DISTRIBUTION OF SHAREHOLDINGS AS ON 31-03-09.

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of shares Held	% of shareholdings
Up to 500	11522	93.40	17687500	37.24
501-1000	524	4.25	4385500	9.23
1001-2000	177	1.43	2806000	5.91
2001-3000	47	0.38	1221000	2.57
3001-4000	9	0.07	325000	0.68
4001-5000	10	0.08	466000	0.98
5001-10,000	27	0.22	2040000	4.29
Above 10,000	20	0.16	18569000	39.09
<b>TOTAL</b>	<b>12336</b>	<b>100.00</b>	<b>47500000</b>	<b>100.00</b>

## 11) CATEGORIES OF SHAREHOLDERS AS ON 31<sup>ST</sup> MARCH 2009.

Category	No. of Share held	% of Shareholding
Promoters & PAC	823000	17.33
Financial Institutions/ Banks	31700	0.67
Mutual Fund	Nil	Nil
Bodies Corporate	540900	11.39
NRIs	420100	8.84
Public	2934300	61.78
Grand Total	4750000	100.00

## 12) SHARE TRANSFER SYSTEM

The Company has not appointed any Share Transfer Agent and has also not entered into agreement with NSDL and CDSL. The Company itself maintaining Share Transfer System at its Register Office Address:

525/526, Odhav Road,  
Shed No 2, Near Grid Station,  
Ahmedabad-382415

## 13) DEMATERIALISATION OF SHARES

The company has not entered into Agreement with NSDL/CDSL for Dematerialization of Shares, therefore all 47,50,000 equity shares of Rs.10/- each of the Company are in physical form.

## 14) REGISTERED OFFICE LOCATION:

The Registered Office of the Company is located at;

525/526, Odhav Road,  
Shed No 2, Near Grid Station,  
Ahmedabad-382415

## 15) ADDRESS FOR CORRESPONDENSE

525/526, Odhav Road,  
Shed No 2, Near Grid Station,  
Ahmedabad-382415

For and on behalf of the Board

Place : Ahmedabad  
Date : 28<sup>th</sup> August, 2009

Sd/-  
**KIRAN KANSARA**  
Director

## CORPORATE GOVERNANCE CERTIFICATE

To,  
The Members  
**PARTH ALUMINIUM LTD.**  
Ahmedabad

We have examined the compliance of conditions of corporate governance by **PARTH ALUMINIUM LTD.** for the year ended on 31<sup>st</sup> March, 2009, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of condition of corporate governance is the responsibility of the management. Our examination was Limited to a review of the procedures and implementation thereof, adopted by the Company for ensuing the compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us the representations made by the Directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India. We have to state the Company has maintained records to show investor's grievance against the company and have certified that as on 31<sup>st</sup> March, 2009, there were no investor grievance remaining unattended/ pending for a period exceeding one month.

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

PLACE: AHMEDABAD  
DATE : 28<sup>th</sup> August 2009



FOR ALKESH C. SHAH & CO.  
Chartered Accountants

*Alkesh C. Shah*  
Alkesh C. Shah  
proprietor