

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION :

Corporate Governance is important to build confidence and trust which leads to strong and stable partnership with the Investors and all other Stakeholders. The detailed Report on implementation of Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchange/s is set out below.

1. COMPANY'S PHILOPHY ON CODE OF GOVERNANCE :

Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. The Company recognizes the strong Corporate Governance is indispensable for safeguarding the interest of shareholders and other stakeholders.

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and ability. The Company has implemented the mandatory requirements of the Code of Governance as mentioned in Clause 49 of the Listing Agreement. The Compliance Report of the Company vis-à-vis the Stock Exchange Listing Agreement is presented below.

2. BOARD OF DIRECTORS :

● Compositions of the Board and category of Directors are as follows :

Name of the Directors	Designation	Status
Mr. Kiran Kansara	Director	Chairman-Promoter, Non- Executive Director
Mrs. Maulika K. Kansara	Director	Promoter, Non- Executive Director
Mr. Jatin Kansara (upto 02/07/2010)	Director	Promoter, Non- Executive Director
Mr. Nandubhai S. Patel (w.e.f. 10/06/2010)	Additional Director	Independent, Non-Executive Director
Mr. Amolkasingh R. Ahuja (w.e.f. 10/06/2010)	Additional Director	Independent, Non-Executive Director

● Details of composition of Board, category of Directors as well as their directorship/ membership in other companies/ committees are given below :

Name	Category	No. of Directorship held in other Ltd. Companies	No. of Committee membership held in other Companies
Mr. Kiran Kansara	Chairman-Promoter, Non-Executive Director	Nil	Nil
Mrs. Maulika K. Kansara	Promoter, Non- Executive Director	Nil	Nil
Mr. Nandubhai S. Patel*	Independent, Non-Executive Director	Nil	Nil
Mr. Amolkasingh R. Ahuja*	Independent, Non-Executive Director	Nil	Nil

*w.e.f. 10/06/2010

● Board Meetings :

The Board of Directors meets at least 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. During the year six board meetings were held on 30.04.2009, 31.07.2009, 28.08.2009, 31.10.2009, 30.01.2010 and 25.03.2010.

Name	No. of Board meeting attended	Attendance at the last AGM
Mr. Kiran Kansara	06	Yes
Mrs. Maulika K. Kansara	06	Yes
Mr. Jatin Kansara (upto 02/07/2010)	05	No
Mr. Nandubhai S. Patel*	NA	N.A.
Mr. Amolkasingh R. Ahuja*	NA	N.A.

*w.e.f. 10/06/2010

Brief resume of the Director seeking re-election at the 19th Annual General Meeting

Name	Mr. Kiran Kansara
Age (Date of Birth)	15-08-1963
Date of Appointment	29-02-2008
Qualification and experience in specific functional area	Commerce graduate and having more than 20 years of experience of management and administration.
Directorship held in other Ltd. companies	None

Brief resume of the Director seeking election at the 19th Annual General Meeting

Name	Mr. Nandubhai S. Patel
Age (Date of Birth)	05-10-1964
Date of Appointment	10-06-2010
Qualification and experience in specific functional area	Under graduate, having more than 20 years of experience of office administration, finance & accounts.
Directorship held in other Ltd. companies	None
Membership/Chairmanships of Committee in other Public Companies	None

Brief resume of the Director seeking election at the 19th Annual General Meeting

Name	Mr. Amolaksingh R. Ahuja
Age (Date of Birth)	20-09-1990
Date of Appointment	10-06-2010
Qualification and experience in specific functional area	Pursuing B.Com, having 1 year of experience of general administration.
Directorship held in other Ltd. companies	None

3. AUDIT COMMITTEE :

Name of the Directors	Expertise	Functions of the Committee	Attendance
01. Nandubahi S Patel* (Chairman) 02. Kiran Kansara 03. Amolaksingh R Ahuja* 04. Maulika Kansara**	Two members are independent Director in the Audit Committee The Chairman has expertise of Accounts & Finance	The functions of the Audit Committee are as per company Law and Listing Agreement with Stock Exchange(s) which include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies.	All the members constitution Audit constituting Audit Committee at respective times were present at the meeting held on 29-04-2009 28-08-2009 31-10-2009 & 30-01-2010

*w.e.f. 10/06/2010 ** Ceased w.e.f. 10/06/2010

4. REMUNERATION COMMITTEE :

The Board Committee is vested with the responsibilities to function as per SEBI Guidelines and Companies Act, 1956 and recommends to the Board compensation package. It also reviews from time to time the overall Compensation structure and related policies with a view of attract, motivate and retain employees.

The remuneration committee of the company comprises of Mr. Kiran Kansara and Mrs.Maulika Kansara. No meeting of the remuneration committee held during the year as none of director is paid any remuneration for the financial year ended 31-03-2010.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :

The Board has constituted Shareholders/Investors' Grievances Committee for the purpose of effective Redressal of the complaints of the shareholders such as Dematerialisation, share Transfer, Non-receipt of Balance Sheet etc.

Mr. Kiran Kansara and Mr. Amolak Singh R. Ahuja is Chairman and member of the Committee respectively. No complaints were pending to be resolved at the end of year.

Shri Suresh Tahiliani is the Compliance Officer of the Company for the above purpose.

6. GENERAL BODY MEETING :

The last three annual General Meeting of the Company were held within the Statutory Time period and the details of the same are as under:

AGM	Financial Year	Venue	Date	Time
18th	2008-2009	525/526, Odhav Road, Shed No.2,Near Grid Station, Ahmedabad-382415	30.09.2009	11:00 AM
17 th	2007-2008	525/526, Odhav Road, Shed No.2,Near Grid Station, Ahmedabad-382415	30.09.2008	11:00 AM
16 th	2006-2007	525/526, Odhav Road, Shed No.2,Near Grid Station, Ahmedabad-382415	29.09.2007	11:00 AM

There was no special resolution passed by the Company at the previous AGM. Pursuant to the provisions of Sections 192 A of the Companies Act, 1956, there was no matter during the year 2009-10, required to be dealt by the Company to be passed through postal ballot.

7. DISCLOSURES :

During the financial year ended 31st March, 2010 there were no materially significant related party transactions that may have potential conflict with the interest of Company at large with its promoters, directors, Subsidiaries or relatives. The Company is under process to comply with requirements of listing agreement/ regulations/ guidelines/ rules of the Stock Exchanges. The trading in equity shares of the Company has been suspended w.e.f. 26/12/2001, since the Company failed to comply with the listing agreement with BSE, now the Company has already complied with major of previous pending compliances.

8. MEANS OF COMMUNICATION :

- In compliance with the requirements of the Listing Agreement, the Company now regularly intimates Unaudited/Audited Financial Results to the Stock Exchange/s immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in Economic Times (English and Gujarati).
- During the year ended on 31st March, 2010, no presentation was made to institutional investors or analyst or any other enterprise.
- Management Discussion and Analysis form part of the Annual Report.

9. GENERAL SHAREHOLDERS' INFORMATION :

- (a) **Registered Office** : 11, Madhav Plaza, Opp. Kena Bunglows,
Motera Stadium Road, Motera, Sabarmati, Ahmedabad-380005.
- (b) **Annual General Meeting** :
Day : Friday
Date : 24th September, 2010
Time : 2:00 PM
Venue : Ground Floor Madhav Plaza, Opp. Kena Bunglows,
Motera Stadium Road, Motera, Sabarmati, Ahmedabad-380005,
- (c) **Financial Calendar (tentative):**
1st Quarter Results : End July, 2010
Half-Yearly Results : End October, 2010
3rd Quarter Results : End January 2011
Yearly Results (Un-audited) : End May, 2011
- (d) **Book Closure Dates** : From : Monday, 20th September 2010
To : Friday, 24th September, 2010
- (f) **Listing of shares on Stock** : 1. Ahmedabad Stock Exchange Ltd.,
2. Bombay Stock Exchange Limited,
3. Jaipur Stock Exchange
- (g) **Stock Code** : ASE 36004
BSE 513430
JSE -
- (h) **Registrar and Share Transfer Agents :**
The Company has appointed the below mentioned agency as Registrars and share Transfer Agents (RTA) for both physical and Demate Segment of Equity Shares of the Company:
SHAREPRO SERVICES (INDIA) PVT. LTD.
416-420, 4th.Floor, Devnandan Mall,
Opp. Sanyash Ashram, Ellisbridge, AHMEDABD - 380 006.
Tel No. 079-26582381/82/83/84
Fax No. 079-26582385
Email: sharepro@shareproservices.com
- (i) Share Transfer System: Securities lodged for transfer at Registrar's address are normally processed within 15 days from the date of lodgment, if documents are clear in all respects.
- (j) **Stock Price Data:**
The trading in equity shares of the Company is suspended at BSE and therefore no stock price data for the period from 1st April, 2009 to 31st March, 2010 is available.
- (k) **Categories of Shareholding as on March 31st, 2010 :-**

Category	No. of Shares	% to Share Capital
Indian Promoters	8,23,000	17.33
Mutual Funds	-	-
Bank , Financial Institute	-	-
Private Corporate Bodies	5,40,900	11.39
NRIs/OBCs	1,20,100	2.52
FII's	31,700	0.67
Indian Public	32,34,300	68.09
C.M -	-	-
Total	47,50,000	100.00

(l) Distribution of Shareholding as on March 31st, 2010 :-

No. of Equity Shares Held	No. of Shareholders	% of Share Holders	No. of Shares Held	% of Shareholding
Up to 500	11522	93.40	1768750	37.24
501-1000	524	4.25	438550	9.23
1001-2000	177	1.44	280600	5.91
2001-3000	47	0.38	122100	2.57
3001-4000	9	0.07	32500	0.68
4001-5000	10	0.08	46600	0.98
5001-10,000	27	0.22	204000	4.30
Above 10,000	20	0.16	1856900	39.09
Total	12336	100	4750000	100

The Company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments.

(m) Dematerialisation of Shares and Liquidity :

The Company has appointed Sharepro Services (India) Pvt. Ltd. as RTA. To facilitate holding of securities in dematerialized / electronic form, the Company has approached with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has yet to enter necessary tripartite agreement with NSDL and CDSL.

10. REGISTERED OFFICE :

11, Madhav Plaza,
Opp. Kena Bunglows, Motera Stadium Road,
Motera, Sabarmati, Ahmedabad-380005.

11. ADDRESS FOR CORRESPONDENCE :

SHAREPRO SERVICES (INDIA) PVT. LTD.

416-420, 4th.Floor, Devnandan Mall,
Opp. Sanyash Ashram, Ellisbridge,
AHMEDABD – 380006
Tel No. 079-26582381/82/83/84
Fax No. 079-26582385
Email: sharepro@shareproservices.com

For any assistance regarding correspondence dematerialisation of shares, share transfers, transactions, change of address, non-receipt of dividend or any other query, relation to shares:

Registered Office : 11, Madhav Plaza, Opp. Kena Bunglows,
Motera Stadium Road, Motera, Sabarmati, Ahmedabad-380005.
Telephone Nos. : 079-30524243, 30524286
E-mail : parth.alluminium@gmail.com
Compliance Officer : Mr. Suresh Tahiliani

For and on behalf of the Board

Place : Ahmedabad
Date : 13/08/2010

Kiran Kansara
Chairman

ANNEXURE TO CORPORATE GOVERNANCE REPORT

Declaration regarding affirmation of Code of Conduct :

In terms of the requirements of the amended Clause 49 of the Listing Agreement, this is to confirm that all the members and the senior management's personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2010.

For and on behalf of the Board

Place : Ahmedabad
Date : 13/08/2010

Kiran Kansara
Chairman

AUDITORS' CERTIFICATE

To,
The Members of,
Parth Alluminium Ltd.,
Ahmedabad

We have examined the compliance of conditions of corporate governance by Parth Alluminium Ltd. , Ahmedabad for the year ended on 31st March, 2010 as stipulated in Clause 49 of the listing agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of conditions of 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, we certify that the Company has complied in all materials respects with the conditions of corporate governance as stipulated in the above-mentioned listing agreement.

As per representation received from the Company, we state that as per records maintained by the Shareholders' / investors' Grievance Committee, no investor grievance remaining unattended / pending for more than 30 days.

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

For, **Alkesh C. Shah & Co.**
Chartered Accountants

Place : Ahmedabad
Date : 13/08/2010

Alkesh C. Shah
(Proprietor)
M. No. :-31465