

**CIN:** L27101GJ1992PLC018101**DATE OF****COMPANY REGN NUMBER:** 04-018101**INCORPORATION:** 05/08/1992**NOMINAL SHARE CAPITAL:**Rs.6, 00, 00,000/-**HEERA ISPAT LIMITED****20<sup>th</sup> ANNUAL GENERAL MEETING - PROGRAMME.**

DATE : 21<sup>ST</sup> DECEMBER, 2012  
DAY : FRIDAY  
TIME : 11.00am  
VENUE : Teheri Hall,  
Haidry Society,  
Near Session Court,  
Godhra-389001.

**NOTE TO SHAREHOLDERS:**

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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**BOARD OF DIRECTORS**

Rameshchandra Tribhuvandas Mistry	Chairman And Director
Dharmeshkumar Rameshchandra Mistry	Managing Director
Hasumatiben Rameshchandra Mistry	Director
Alpesh Kiritbhai Patel	Director
Radheshyam Rampal Lodha	Director
Ramanugrah Singh	Director
Prakash Nemchand Shah	Additional Director
Dineshkumar Samarataji Rao	Additional Director
Suhag Vijaykumar Shah	Additional Director

**CORPORATE GOVERNANCE TEAM.**

**AUDIT COMMITTEE**

Rameshchandra. T. Mistry	Chairman
Hasumatiben. R. Mistry	Member
Alpesh K. Patel	Member
Suhag V. Shah	Member
Dinesh Rao	Member
Prakash N. Shah	Member

**INVESTORS SERVICES COMMITTEE**

Dharmesh. R. Mistry
Rameshchandra. T. Mistry.
Radheshyam R. Lodh
Prakash N. Shah

**ACTING IN ADVISORY CAPACITY ONLY TO  
VARIOUS COMMITTEES OF CORPORATE GOVERNANCE**

**Secretarial and Corporate Legal Matters**

Shri Kamlesh M. Shah  
(Practicing Company Secretary)

**Finance, Audit and Taxation Matters**

M/s. DJNV & Co.  
Chartered Accountants

**BANKERS OF THE COMPANY**

HDFC BANK LIMITED, Mithkhali Branch, Ahmedabad

**REGISTRAR AND SHARE TRANSFER AGENT**

**Skyline Financial Services Private Limited**

D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110 020.  
Tel.: +91 11 30857575 (10 Lines), Fax: +91 11 30857562, Mobile: 9811383335  
Web:www.skylinerta.com

**Auditors**

M/s. DJNV & Co.  
Chartered Accountants

**Company Law Consultants**

M/s. Kamlesh M. Shah & Co.,  
Practicing Company Secretary

**REGD. OFFICE**

3/A, VIHWAKARMA, GANDHI CHAWK,  
GODHARA, GUJRAT-389001

**INVESTORS GRIEVANCE AND COMPLIANCE OFFICER:**

Dharmesh Rameshchandra Mistry  
3/A, VIHWAKARMA, GANDHI CHAWK,  
GODHARA, GUJRAT-389001

## NOTICE

NOTICE is hereby given to the Members of Heera Ispat Limited that **20<sup>th</sup> Annual General Meeting** of the Members of the Company will be held on Friday the 21<sup>st</sup> December, 2012 at 11.00 am at Teheri Hall, Haidry society, Near Session court, Godhra-389001 to transact the following Business.

### ORDINARY BUSINESS :

1. To Receive, Consider, Approve and Adopt the Audited Statement of Account i.e. The Audited Balance Sheet as at 30/06/2012, the Profit & Loss Account for the Year ended on that date and the report of the Auditors and Directors thereon.
2. To Appoint a Director in place of Mr. Dharmesh Rameshchandra Mistry, who retires by rotation and being eligible offers himself for reappointment.
3. To Appoint a Director in place of Mr. Rameshchandra T. Mistry, who retire by rotation and being eligible offers himself for reappointment.
4. To Appoint M/s. DJNV & Co., Chartered Accountants, as the Statutory Auditors for the next Financial Year to hold the office as such from the conclusion of this Annual General Meeting up to the date of next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

5. To Consider and if thought fit to pass with or without modification following resolution as Ordinary Resolution.

**RESOLVED THAT Mr. Prakash Nemchand Shah**, who was appointed as an Additional Director by the Board of Directors Of the company pursuant to Section 260 of the companies Act,1956 and relevant Article of the Article of Association of the Company and who hold office only up to the date of this Annual General Meeting and in respect of whom the company has received a Notice in Writing, under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose Mr. Prakash Nemchand Shah as candidate for the office of a Director of the company be and is hereby appointed as Director of the Company liable to Retire by Rotation.

6. To Consider and if thought fit to pass with or without modification following resolution as Ordinary Resolution.

“RESOLVED THAT pursuant to provisions of Section 269 read with Schedule XIII of the Companies Act, 1956 and subject to provisions of Sections 198,309,314 and other applicable provisions, if any, of the Companies Act, 1956 and further subject to approval of shareholders, sanction be and is hereby accorded to the re-appointment of Mr. Dinesh Rao as Managing Director of the Company for a period of 1 (one) year with effect from 21<sup>st</sup> Dec,2012 without any remuneration.”

7. To Consider and if thought fit to pass with or without modification following resolution as Ordinary Resolution.

**RESOLVED THAT Mr. Suhag Vijaykumar Shah**, who was appointed as an Additional Director by the Board of Directors Of the company pursuant to Section 260 of the companies Act,1956 and relevant Article of the Article of Association of the Company and who hold office only up to the date of this Annual General Meeting and in respect of whom the company has received a Notice in Writing, under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose Mr. Suhag Vijaykumar Shah as candidate for the office of a Director of the company be and is hereby appointed as Director of the Company liable to Retire by Rotation.

8. **To Consider and if thought fit to pass with or without Modification following Resolution as SPECIAL RESOLUTION.**

#### **Shift the Registered Office of the Company:**

**RESOLVED THAT** pursuant to provisions of section 146 read with section 192A and all other applicable provisions if any of the Companies Act 1956, as also subject to approval by the members of the Company by way of passing

of the Resolution in General meeting and also by means of Postal Ballot as subject to approval of the Registrar of Companies if any, the Registered Office of the Company be and is hereby shifted

**FROM:** 3/A, Vishwakarma Towers, Gandhi Chowk , Godhra-389001, Gujarat.

**TO :** 206, Ashwarath Complex, 2nd Floor, Opp. Fortune Land Mark Hotel, Usmanpura, Ahmedabad-380013, Gujarat

With effect from the date of passing of this Resolution in General Meeting.

**RESOLVED FURTHER THAT** all the statutory Registers, records, books of Accounts and other such papers of the Company be and is hereby transferred to and shifted to the new registered office within the state with immediate effect.

**RESOLVED FURTHER THAT** Mr. **Dinesh Rao**, Director be and is hereby authorized to intimate about this change in prescribed form No. 18 and also form no. 23 to the Registrar of Companies, and file the said form under his digital signature and also to intimate to all concerned authorities in time

**DATE: 20<sup>th</sup> Oct, 2012**

**PLACE: Godhara**

**By Order of the Board of Directors**

**Of Heera Ispat Limited  
Sd/-  
(Dinesh Rao)  
Director**

### **NOTES**

- i) A Member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of him and that a Proxy need not be a member of the Company.
- ii) Proxies in order to be effective should be duly completed in the prescribed form stamped and signed and must be deposited at the Registered office of the company no less than 48 hours before the time fixed for the meeting.
- iii) Members desiring any information as regards account are requested to write to the company at least 7 days before the meeting to enable the management to keep the information ready.
- iv) Members are requested to intimate any change in their registered addresses if any directly at the Registered Office of the Company at their address mentioned elsewhere in this report.

**DATE: 20<sup>th</sup> Oct, 2012**

**PLACE: Godhara**

**By Order of the Board of Directors**

**Of Heera Ispat Limited  
Sd/-  
(Dinesh Rao)  
Director**

**FOLLOWING EXPLANATORY STATEMENT PURSUANT TO PROVISION OF SECTION 173(2) OF THE COMPANIES ACT 1956 DISCLOSES ALL THE MATERIAL FACTS AND INFORMATION RELATING TO THE BUSINESS PROPOSED TO BE TRANSACTED AS SPECIAL BUSINESS IN THE ENSUING ANNUAL GENERAL MEETING ON 21<sup>ST</sup> DECEMBER, 2012.**

- 1) Mr. Prakash Nemchand Shah was appointed by the Board of Directors of the company on 15<sup>th</sup> September, 2012 as an Additional Director and as per the provisions of Section 260 of the Companies Act, 1956, he holds Office as a Director up to the date of this Annual General Meeting. The company has received a Notice from a Member, signifying his intention to propose the appointment of Mr. Prakash Nemchand Shah as Director of the Company. He was mainly appointed in order make part compliance with the Corporate Governance norms prescribed in the Listing Agreement.

Your Directors recommend the passing of the Resolution at item No. 5

Mr. Prakash Nemchand Shah may be deemed to be concerned or interested in the Resolution relating to appointment.

- 2) Mr. Dinesh Rao was appointed by the Board of Directors of the company on 15<sup>th</sup> September, 2012 as an Additional Director and as per the provisions of Section 260 of the Companies Act, 1956, he holds Office as a Director up to the date of this Annual General Meeting. The company as per Sec Section 269 read with Schedule XIII of the Companies Act, 1956 and subject to provisions of Sections 198,309,314 and other applicable provisions, if any, of the Companies Act, 1956 and further subject to approval of shareholders, proposes the appointment of Mr. Dinesh Rao as Managing Director of the Company. He was mainly appointed in order make part compliance with the Corporate Governance norms prescribed in the Listing Agreement.

Your Directors recommend the passing of the Resolution at item No. 6

Mr. Dinesh Rao may be deemed to be concerned or interested in the Resolution relating to appointment.

- 3) Mr. Suhag V.Shah was appointed by the Board of Directors of the company on 18<sup>th</sup> October, 2012 as an Additional Director and as per the provisions of Section 260 of the Companies Act, 1956, he holds Office as a Director up to the date of this Annual General Meeting. The company has received a Notice from a Member, signifying his intention to propose the appointment of Mr. Suhaag V.Shah as Director of the Company. He was mainly appointed in order make part compliance with the Corporate Governance norms prescribed in the Listing Agreement.

Your Directors recommend the passing of the Resolution at item No. 7

Mr. Suhag V.Shah may be deemed to be concerned or interested in the Resolution relating to appointment.

- 4) SHIFTING OF THE REGISTERED OFFICE OF THE COMPANY IN THE CITY OF AHMEDABAD.

In Gujarat State, the City of Ahmedabad has become a main Business Hub. It is a finance capital of the Gujarat State. Further the City is also adjacent and nearby the state political capital Gandhinagar where all Government

offices and secretariat officers are sitting and located. It is most convenient to deal with all government departments in a day to day basis and shifting of the Registered Office will also reduce the administrative expenses for the Company. Further, the City of Ahmedabad is well connected by Road, Rail and Air with the entire India. Many international flights are also coming to Ahmedabad Air Port. There are many star hotels located in the city of Ahmedabad where the company can make necessary arrangements for stay and arrange business meetings with its international cliental.

Considering all the above reasons and long term business view it is decided by the Board to shift the Registered Office of the Company from the current plant location in 3/A, Vishwakarma Towers , Gandhi Chowk , Godhra to the City of Ahmedabad. This shifting of the Registered office from One Village or city or town to another city, village, town requires approval of the shareholders in the form of a Special Resolution. Further as the company's shares are listed on the stock exchanges, as per provisions of section 192A of the Act, the company is further required to offer postal ballot facilities to its shareholders. Your directors have appointed Mr. Kamlesh. M. Shah, a Practicing Company secretary as the scrutinizer to ensure the work of postal ballot is completed in a proper and transparent manner. The shareholders are required to send their postal ballot at the Registered Office of the Company in a self stamped envelope duly signed so as to reach the registered office of the Company before 5.00 P.m. of **19th Dec, 2012**. The result of the Postal ballot will be declared by the Chairman in the meeting at the time of taking up the business for consideration and voting.

None of the Director may be deemed to be concerned or interested in the proposed resolution.

**DATE: 20<sup>th</sup> Oct, 2012**

**PLACE: Godhara**

**By Order of the Board of Directors**

**Of Heera Ispat Limited**

**Sd/-  
(Dinesh Rao)  
Director**

**DIRECTORS' REPORT**

To,  
The Members,  
**HEERA ISPAT LIMITED**

Dear Shareholders,

Your Directors have pleasure in presenting herewith the 20<sup>th</sup> Audited Annual report of your Company for the financial year ended on 30<sup>th</sup> JUNE, 2012.

**FINANCIAL HIGHLIGHTS:**

During the year under review the financial performance of the Company is as under:

(Amount in Rupees)

<b>Particulars.</b>	<b>For the Year Ended on 30/06/2012</b>	<b>For the Year Ended on 30/06/2011</b>
Gross Income	5436	0.00
Total Expenses	878594	356497
Profit /(Loss) Before Depreciation & Tax	(873158)	(356497)
Depreciation & Amortisation	1621414	1201322
Profit /(Loss) Before Tax	(2494572)	(1557819)
Provision for Tax	NIL	NIL
Excess Income Tax Provision P.Y	NIL	NIL
Net Profit / (Loss) for the Year	(2494572)	(1557819)
Deferred Tax	NIL	NIL
Net Loss for the Year.	(2494572)	(1557819)
Previous year Balance B/f.	(10316055)	(8758236)
Total Loss Transferred to Balance Sheet.	(12810627)	(103016055)

**DIVIDEND**

As your company has incurred a net loss during the year under review and due to Accumulated loss of the previous year does not permit your directors to declare any amount as dividend to be paid.

**UNPAID/UNCLAIMED DIVIDEND**

The Company does not have any outstanding unpaid/unclaimed dividend which is required to be transferred to the Investors Education and Protection funds as per the provision of Section 205C of the Companies Act, 1956. The Company does not have any outstanding liability on account of Interest and Principal on Deposits, Debentures or Share Application Money.

**SHARE CAPITAL STRUCTURE**

There was no change in total value of Authorized, Issued, Subscribed and Paid up Share Capital Structure of the Company.

**BUY BACK OF EQUITY SHARES**

The Company had not made any Buy Back of its paid up equity shares during the year in terms of section 77A, 77AA and 77B of the Companies Act 1956. Hence no specific disclosure is required to be made in this report.

**YEAR UNDER REVIEW**

During the year Company has earned income by way of turnover and other income of Rs.5,436/- (Previous year Rs. Nil). After all Administrative Expenditure and Depreciation of Rs. 2,500,008/- (Previous year Rs. 1,557,819/-) the company has suffered a gross operational loss of Rs. 2,494,572/- (Previous year gross loss of Rs. 1,557,819/-). After making

necessary adjustments for Deferred Tax, your Company had suffered a Net loss for the year which is transferred to balance sheet is Rs.12,810,627 /- (Previous year loss of Rs. 10,316,055 /-).

**SETTLEMENT/ LIQUIDATION OF FINANCIAL LIABILITIES**

The company has no any settlement/liquidation of Financial Liabilities. It is not a sick company as per audited balance sheet for the current year.

Board of Director of your Company has planning to grow business in manufacturing and selling activities. As the company has incurred loss your Director are thinking to start about new business. .

**DEMATERIALISATION OF SECURITIES**

Your Company's equity shares are already admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has already signed tripartite Agreement through Registrar and Share Transfer Agent M/ s. Sharepro Services (India) Pvt Ltd. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE 025D01013.

**COMPLIANCE TO CODE OF CORPORATE GOVERNANCE**

The Complete Report on Corporate Governance is given separately after this report.

**MANAGEMENT DISCUSSION AND ANALAYSIS REPORT**

Management's discussion and perceptions on existing business, future out look of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separate Para in Corporate Governance Report in Annexure-A forming part of this report and also report on Corporate Governance.

**DEPOSITS**

During the year under review your company has neither invited nor accepted any public deposit or deposits from the public as defined under Section 58A of the Companies Act-1956. The Deposits were accepted from the Directors are exempt as per the provisions of Section 58A of the Companies Act 1956.

**DIRECTORS**

During the year under review Mr. Dharmesh Rameshchandra Mistry and Mr Rameshchandra T. Mistry, shall retire by rotation at the ensuing Annual General Meeting as provisions of Law. They are eligible for reappointment as director and have offered themselves for directorship of the company. Except this there were no changes in the constitution of Board of Director of the company.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provision contained in Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm:

That in the preparation of the annual accounts, except the Accounting standard if any mentioned by Auditor in his Report as not Complied with, any applicable accounting standards which has been followed and no material departure has been made from the same;

That they have selected such accounting policies 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 affair of the company at the end of the financial year and of the profit or loss of the company for that period;

That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company for preventing and detecting fraud and other irregularities;

That they have prepared the annual accounts on a going concern basis.

**STATUTORY AUDITORS**

M/s. DJNV & Co., present Statutory Auditors of the company have given their letter of consent and confirmation under section 224(1B) the Companies Act 1956 for reappointment as Statutory Auditors of the Company. Necessary Resolution making their appointment as the Statutory Auditors and fixing their remuneration is proposed to be passed at the Annual General Meeting.



**INTERNAL AUDITORS**

In order to make proper compliance with the provisions of Corporate Governance the company has established in house internal Audit Department which is functioning under the close supervision and direction of the Audit Committee and also taking expert guidance/ advise of the statutory Auditors M/s. DJNV & Co., Chartered Accountants from to time to time.

**AUDITORS OBSERVATION**

Auditors have observed that the Company has not complied with AS-22 for Accounting for Deferred Tax Provisions. As the Company's all fixed assets were not in use during the entire financial year and there was no commercial business activities, your directors have thought it fit and proper not to provide for Deferred Tax for the year. Apart from the same, there was no adverse remark by Auditor In the auditor Report of the company.

**FORMATION OF AUDIT COMMITTEE**

The present Board of Directors of the Company is not in compliance with the provisions of Section 292A and the Clause 49 of the Listing Agreement. Even though, however, in order to make part compliance to the Provisions of Section 292A of the Companies Act 1956 and clause 49 of the Listing Agreement on Corporate Governance, your directors have already formed an Audit Committee within the organization consisting of 6 directors, an advisor (Chartered Accountants) to internal audit Department and Practicing Company Secretary as advisors to the company. The area of operations and functional responsibilities assigned to the committee are as per the guidelines provided in Clause 49 of the Listing Agreement for implementation of code of corporate governance. The committee meets at least once in a quarter and gives its report of each meeting to the Board for its approval, record and information purpose.

**EMPLOYEES**

There are no employees of the company who were in receipt of the remuneration of Rs.60,00,000/- in the aggregate if employed for the year and in receipt of the monthly remuneration of Rs. 5,00,000/- in the aggregate if employed for a part of the year under review. Hence the information required under Section 217 (2A) of the Companies Act, 1956 and as amended being not applicable are not given in this report.

**STATUTORY INFORMATION**

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 217 (1)(e) of the Companies Act-1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding the conservation of energy, technology absorption, foreign exchange earnings and outgo, etc. are not being given as the Company was totally non operational during the year. In fact there were no commercial business activities, manufacturing activities, no sale or purchase of material etc. during the year. Hence, are not given herewith.

**MATERIAL CHANGES**

Except the information given in this report there are no material changes have taken place after completion of the financial year up to the date of this report which may have substantial effect on business and finances of the company.

**APPRECIATION**

Your Directors take this opportunity to acknowledge the trust reposed in your company by its Shareholders, Bankers and Clients. Your Directors also keenly appreciate the dedication & commitment of all our employees, without which the continuing progress of the company would not have been possible.

**DATE : 3rd September, 2012**

**On Behalf of the Board of Directors**

**PLACE: Godhara.**

**Of Heera Ispat Limited  
Sd/-**

**(Rameshchandra T. Mistry)  
Director**

**(Dharmesh R. Mistry)  
Director**

## REPORT ON CORPORATE GOVERNANCE

### MANAGEMENT PERCEPTION ON CORPORATE GOVERNANCE

The company believes that good Corporate Governance practices enable the Board to direct and control the affairs of the company in an efficient manner. As such, the company steps to put in place the system of Corporate Governance as per the guidelines provided in Clause 49 of the Listing Agreement. Further with the formation of the various committees within the organizations, the company also complies with various provisions of the Companies Act, 1956 as well as SEBI and Stock Exchange requirements. As per the norms prescribed under Listing Agreement being applicable to the company and in compliance to Section 292A of the Companies Act, 1956, the company had partly complied with the code of corporate governance on 30<sup>th</sup> June 2012.

### BOARD COMPOSITION

Name of the Director	Designation	Type	Executive/ Non Executive
Mr. Rameshchandra Tribhovandas Mistry	Chairman & Director	Promoter & Non – Exec Dir.	Non- Executive
Mr. Dharmesh. R. Mistry	Director	Promoter & Exec Dir.	Executive
Mrs. Hasumatiben. R. Mistry	Director	Promoter & Non- Exec Dir.	Non- Executive
Mr. Alpesh Kiritbhai Patel	Director	Non Promoter & Non–Exec Dir.	Non- Executive
Mr. Radheshyam Rampal Lodha	Director	Non Promoter & Non- Exec Dir.	Non- Executive
Mr. Ramanugrah Singh	Director	Non Promoter & Non- Exec Dir.	Non- Executive

### COMPOSITION OF COMMITTEES

#### A. AUDIT COMMITTEE

	Name	Type
1	Shri Rameshchandra T Mistry	Chairman
2	Smt. Hasumati R. Mistry	Member
3	Shri Alpesh Kiritbhai Patel	Member
4	Shri Nainesh Khandhar*	C.A. & Advisor.
5	Shri Kamlesh M. Shah*	Company Secretary to act as secretary to committee

#### B. INVESTOR GRIEVANCE COMMITTEE

	Name	Type
1	Shri Dharmesh R. Mistry	Chairman
2	Shri Rameshchandra T Mistry	Member
3	Shri Radheshyam Rampal Lodha	Member
4	Shri Kamlesh M. Shah*	Company Secretary to act as Secretary

\*(In the Advisory capacity only)

### NO. OF BOARD AND COMMITTEE MEETINGS HELD DURING THE YEAR:

Name of the Committee	No. of Meetings held
Board	6
Audit Committee of Board	4
Investor Grievance Committee	12

**ATTENDANCE OF THE DIRECTORS IN VARIOUS MEETINGS:**

	Name of the Director	Board Meeting	ACBMeeting	IGCBMeeting
1	Mr. Rameshchandra Tribhovandas Mistry	6	4	12
2	Mr. Dharmesh. R. Mistry	6	-	12
3	Mrs. Hasumatiben. R. Mistry	6	4	-
4	Mr. Alpesh Kiritbhai Patel	6	4	-
5	Mr. Radheshyam Rampal Lodha	6	-	12
6	Mr. Ramanugrah Singh	6	-	-

**DIRECTORS PRESENT AT THE LAST ANNUAL GENERAL MEETING DATED 30TH NOVEMBER 2011**

1	Mr. Rameshchandra T. Mistry	Chairman & Director.
2	Mr. Dharmesh. R. Mistry	Director
3	Mrs. Hasumati. R. Mistry	Director
4	Mr. Alpeshbhai Kiritbhai Patel	Director
5	Mr. Radheshyam Rampal Lodha	Director
6	Mr. Ramanugrah Singh	Director

**DETAILS OF ANNUAL GENERAL MEETINGS HELD DURING THE LAST FINANCIAL YEARS**

- November 30, 2011  
3/A, VIHWAKARMA, GANDHI CHAUK,  
GODHRA, GUJRAT-389001
- September 30, 2010  
3/A, VIHWAKARMA, GANDHI CHAUK,  
GODHRA, GUJRAT-389001
- September 30, 2009  
3/A, VIHWAKARMA, GANDHI CHAUK,  
GODHRA, GUJRAT-389001
- September 30, 2009  
3/A, VIHWAKARMA, GANDHI CHAUK,  
GODHRA, GUJRAT-389001
- December 29, 2008  
3/A, VIHWAKARMA, GANDHI CHAUK,  
GODHRA, GUJRAT-389001
- December 29, 2007  
3/A, VIHWAKARMA, GANDHI CHAUK,  
GODHRA, GUJRAT-389001

**FUNCTIONS OF AUDIT COMMITTEE:**

The Audit Committee is headed by Shri Rameshchandra T Mistry as Chairman and includes other director namely Shri. Hasumati R. Mistry, and Mr. Alpesh K. Patel. The Committee is regularly giving feed back on daily financial and accounting position of the company to the Board. In addition thereto the company has also appointed Mr. Nainesh Khandhar, C.A. as Advisor for Finance, Accounts and Taxation matters and Mr. Kamlesh M. Shah Practicing Company Secretary from time to time. The role of professional advisors has been of an Advisory nature. They do not take part in the proceedings of the committee. However they are giving their expert guidance on making compliance with the Accounting Standards, Financial transactions and accounting and Taxation matters, Company Law and other Corporate Legal Matters etc.

The Committee meets at least once in every quarter and prepare its minutes on the proceedings and business discussed, transacted. All committee Reports and minutes are placed before the Board in all its meetings for information, guidance, directions and taking the same on record.

Other functions, powers, duties etc. of the committee are defined taking in to account the legal provisions of the Listing Agreement and the same are kept flexible to be decided by the Board from time to time.

#### **ESTABLISHMENT OF THE INTERNAL AUDIT SYSTEM**

The company has not established Internal Audit System according to the Annexure to the Auditors Report Clause no 7.

#### **FUNCTIONS OF INVESTORS SERVICES COMMITTEE**

This Committee looks in to all aspects and business related to Shares and retail investors. The Committee also looks after the Dematerialization process of equity shares.

The Committee is also empowered to keep complete records of Shareholders, Statutory Registers relating to Shares and Securities, maintaining of the complete records of Share Demated, Investors Grievances and complaints received from investors and also from various agencies.

The Committee also take advise and seek legal opinions from advocates to look after the legal cases and problems relating to the investors, shares etc.

The Committee meets every month to approve all the cases of shares demate, transfer, issue of duplicate and resolution of investors complaints, submission of information to various statutory authorities like NSDL/CDSL, SEBI, Stock Exchanges, Registrar of Companies periodically and from time to time.

Other functions, roles, duties, powers etc. have been clearly defined in line with the Clause 49 of the Listing Agreement and are kept flexible for modification by the Board from time to time.

#### **PASSING OF THE RESOLUTIONS BY POSTAL BALLOT SYSTEM**

The Company had not passed any resolution by means of Postal Ballot at the last Annual General Meeting. The Company had during the financial year not passed any resolutions by means of Postal Ballot system. However, the company proposes to pass special resolution by means of Postal Ballot system for shifting of Registered Office of the Company from one city to another city but within the state in the ensuing Annual General Meeting.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

##### **(a) PRESENT STRENGTH OF THE COMPANY**

The company has made extensive efforts in developing of various products used in casting and construction and automobile industry. The company has strong fixed assets base in the form of land. Once, the market is identified, the management is hopeful of making optimum use of the fixed assets, land, building, plant and machineries etc. available in the company.

##### **(b) FUTURE OUT LOOK**

There is strong buoyancy in the market for Automobile Sector. Construction and Infrastructure Industry is also showing good demand of steel. The Steel bars and wires proposed to be manufactured by the Company by using new raw materials, and imported coal, Pig Iron etc. will find a new market for these two industries. There is a bright future for the company. Once, the directors find the proposal commercially viable and receives good orders, the company will immediately start its production unit which would start earning good amount of profit for the company.

##### **(c) COMPANY'S ACTION PLAN**

The management of your company is trying to identify and explore all the available possibilities for smooth marketing of the products of steel plats, steel bars, wires for construction industry and cast iron products for automobile industry with best available remunerative prices and also provide after sales service. As the company no of any Bankers, Financial institutions, the company hopes to leverage upon this front by acquiring cheaper raw materials and improve upon the profitability margin for the products proposed to be manufactured by it.

## WHILSTEL BLOWER POLICY

### A. OVER COMING BARRIERS OF CURRENT OPERATIONS

This system is proposed to be established under the chairmanship of Shri Rameshchandra. T. Mistry and he will be further assisted by chief operational officer (COO) and chief financial officer (CFO). The company's operational department ensures whistle blower upon failure / shut down or breaks down of manufacturing, supply systems and service utilities of its resort project division. Upon such intimation the company has established the UPS systems for overcoming power failure problems, has established data back up systems on CDs, and is also in the process of hiring the data warehouse for retrieval of the information.

The CFO blows the whistle upon any possible financial crunch or over/extensive financial liabilities. The short term financial management system ensures overcoming any unforeseen liabilities through overdrafts on deposits or temporary borrowing on Inter Corporate deposits basis. The long term financial planning ensures productive use of long term financial funds. The company as far as possible ensures making separation in usage of short term and long term funds.

### B. POSSIBLE THREATS TO FINANCIAL SYSTEMS

The company operates in a Steel industry wherein the company is required to make heavy financial investment in products, high cost of manpower which are basically in the nature of revenue (Short Term) but the product being generated is of long term usage and can be marketed over the years which generates revenue in years. Further the company also faces threats of possible shortage of short term funds due to non completion of final products or delay in completion of the final products.

### C. MANAGEMENT'S ACTION PLANS

#### (TO OVERCOME POSSIBLE SYSTEM FAILURES)

These are the areas which are difficult for any management to overcome and control. Even though the company's HRD and technical department ensures performance appraisal of manpower which to some extent help in eliminating this risk.

## DISCLOSURES

### A) MATERIALLY RELATED PARTY TRANSACTIONS:

Except all the Directors of the Company being relatives of each other, there are no other related party transactions. There are no other Group/ Associate Concerns, Companies under the same management. During the year as there was no commercial business activities, there was no related party transactions within the company. However, Name of the Related party & description of the relationship are disclosed in the Notes to the Accounts as per AS-18.

### B) DETAILS OF NON-COMPLIANCE

No penalties imposed on the company or any of its directors by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

## MEANS OF COMMUNICATIONS

### A] ESTABLISHMENT OF INTERNAL MANAGEMENT INFORMATION SYSTEMS

The company has established the Management Information System (MIS) whereby each and every functional department submits their performance reports and any type, nature, description of problems to their Functional heads. The functional heads have autonomy for redressal of problems and HRD problems or functional problems at their own level. Any problems requiring policy decisions are being intimated to Audit Committee for redressal or amendments in the policy and procedures. The progress reports are being regularly on monthly basis intimated to the Audit Committee through the Financial Officer of the company who in turn put the same to Audit Committee

meetings. All the Investors' grievances or share department related queries are addressed to the Compliance Officer who in turn put the same before the Investors' Grievances Committee.

**B] INFORMATION SYSTEM BETWEEN COMMITTEES AND THE BOARD**

Both Audit Committee and Investors' Grievances Committees receive periodical regular information from the concerned functional heads, after resolutions of all the problems communicate back the same to functional heads for further communications. The progress report and minutes of all meetings held of both the committees are being placed before the Board for information and taking the same on records.

**C] INFORMATION SYSTEM BETWEEN THE COMPANY AND INVESTORS:**

The company is regularly taking on record the unaudited financial results on quarterly basis as per requirements of the Clause 41 of the Listing Agreement and the same are published in English and Gujarati newspapers in time. Further these original paper cuttings are also being submitted to Stock Exchanges in time. The material information relating to the business of the company are being intimated to the Stock Exchange who in turn publish the same in their daily official bulletin. The Audited Financial Balance Sheet is being dispatched to all shareholders in time at their registered addresses.

**STATUTORY COMPLIANCES MADE AND RETURNS ETC. FILED:**

The company has duly complied with the provisions of the Companies Act 1956, all the provisions of the Listing Agreement. The company has also filed various unaudited Financial Results, Balance Sheets, Income Tax returns and other statutory returns with all the authorities in time. There are no defaults as on date in any such compliances and no legal action of any nature has been taken against the company or its officers / directors.

**OTHER DETAILS**

<b>REGISTERED OFFICE</b>	:	3A, Vishwakarma, Gandhi Chawk, Godhara, Gujarat: 398 001
<b>BOOK CLOSURE DATES</b>	:	15/12/2012 To 21/12/2012 (Inclusive of both days)
<b>REGISTRAR AND SHARE</b>	:	Skyline Financial Services Pvt Ltd
<b>TRANSFER AGENT.</b>		D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110 020. Tel.: +91 11 30857575 (10 Lines) Fax: +91 11 30857562, Mobile: 9811383335 Web: www.skylinerta.com
<b>ISIN NUMBER OF THE COMPANY</b>	:	INE 025D01013.

**FINANCIAL CALENDAR**

Unaudited Results for the Quarter	:	
Ending on 30th September, 2011	:	Last Week of October, 2011
Ending on 31st December, 2011	:	Last week of January, 2012
Ending on 31st March, 2012	:	Last week of April, 2012
Ending on 30th June, 2012	:	Last week of July, 2012

**DETAILED PROGRAMME OF THE 20TH ANNUAL GENERAL MEETING**

DATE	21 <sup>ST</sup> DECEMBER 2012
DAY	FRIDAY
TIME	11am.
VENUE	<b>Teheri Hall, Haidry society, Near Session court, Godhra-389001</b>

**Listing Details**

Equity Shares of the company are listed and traded on  
The Stock Exchange, Mumbai

**Stock Exchange Code**

BSE: 526967

**MARKET QUOTATIONS:**

The Company has not paid listing fees of the Stock exchanges due to dull cash liquidity position. Hence due to that and due to non compliance with the other clauses of the Listing Agreement, the Company's Equity Shares are at present suspended from trading from the Stock Exchange. Hence, no stock quotes are available from any of the Stock Exchanges.

**SHAREHOLDING PATTERN:**

Sr.No.	Category of Shareholders	No. of Shares Held	% of shares held to total Capital of the Company.
(A)	Indian Promoters/ Directors. (All Individuals)	1060900	18.03%
(B)	NON PROMOTERS.		
1	NRIs/FIIs/OCBs	5000	00.08%
2	Private Corporate Bodies.	1843800	31.34%
3.	Public Individual Shareholders	2973100	50.54%
	Total	5882800	100%

THE PROMOTERS/ DIRECTORS HAVE NOT MORTGAGED/ PLEDGED THEIR SHAREHOLDING.

**DATE : 3rd September, 2012**

**PLACE: Godhara.**

**On Behalf of the Board of Directors  
Of Heera Ispat Limited**

**Sd/-**

**(Dharmesh R. Mistry)  
Managing Director**

**(Rameshchandra T. Mistry)  
Chairman & Director**

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL**

To,  
The Members,  
Heera Ispat Limited,  
Godhra.

I, Rameshchandra T. Mistry, Chairman of the Company, hereby certify that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct in accordance with Clause-49.I.D of the Listing Agreement entered into with Stock Exchange.

As required by Clause 49 of the Listing Agreement, Certificate of Compliance with the Corporate Governance Requirements by the Company issued by Auditors is given as an annexure to the Directors' Report.

We further confirm that during the year, none of the Directors or any of the Key managerial persons had done any trading in shares of the Company in the secondary market. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

The above Report was adopted by the Board at their meeting held on

**DATE : 3rd September, 2012**

**PLACE: Godhara.**

**On Behalf of the Board of Directors  
Of Heera Ispat Limited**

**Sd/-**

**(Dharmesh R. Mistry)  
Managing Director**

**(Rameshchandra T. Mistry)  
Chairman & Director**



**CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND  
CHIEF FINANCIAL OFFICER OF THE COMPANY**

We, Mr. Rameshchandra T. Mistry, Chairman of the Board of Directors and Chairman of an Audit Committee of Heera Ispat Limited and Dharmesh R. Mistry, Managing Director and Compliance Officer of the company, do hereby certify that:

- (a) We have reviewed the financial statement and the cash flow Statement for the year and to the best of our knowledge and belief;
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
  - (ii) these statement together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- (b) As per the best of our knowledge and belief, no transactions entered into by Heera Ispat Limited during the year which is fraudulent, illegal of volatile of the company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in Heera Ispat Limited and we have evaluated the effectiveness of the internal control system of the company pertaining to financial reporting. We have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and 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 controls over financial reporting during the year.
  - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
  - (iii) Instance of Significant fraud of which we have become aware and the involvement therein, if any, of the management of an employee having a significant role in the Company internal control system.
  - (e) We affirm that we have not denied any personal access to the Audit Committee of the Company (in respect of matters involving alleged misconduct, if any.)
- (f) We further declare that all Board Members and senior management have affirmed compliance with the code of conduct for the current year.

**DATE : 3rd September, 2012**

**PLACE: Godhara.**

**On Behalf of the Board of Directors  
Of Heera Ispat Limited**

**Sd/-**

**(Dharmesh R. Mistry)  
Managing Director**

**(Rameshchandra T. Mistry)  
Chairman & Director**

## AUDITORS' REPORT

To

**The Members of Heera Ispat Ltd.**

We have audited the attached Balance Sheet of Heera Ispat Ltd. as at 31st March, 2012 and also the Profit and Loss Statement for the year ended on that date annexed thereto. 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.

We have 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 material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures of the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, as amended by the companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph (1) 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 purposes of our audit;
  - (b) In our opinion proper books of accounts as required by law have been kept by the Company as 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 sub-section (3C) of section 211 of the Companies Act, 1956.
  - (e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31<sup>st</sup>, 2012 from being appointed as a Director in terms of clause(g) of sub-section (1) of section 274 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 accounts together with the Significant Accounting Policies and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true & fair view in accordance with the accounting principles generally accepted in India:
    - (i) In the case of Balance Sheet of the state of affairs of the Company as on March 31<sup>st</sup>, 2012, and
    - (ii) In the case of Profit and Loss Statement of the Loss for the year ended on that date;

**Place : Ahmedabad  
Date : 03/09/2012**

**For, DJNV & CO.,  
Chartered Accountants  
Firm No.115145W**

**(Jayesh Parikh)  
Partner  
M. No. : 40650**

**AUDITORS' REPORT ON WITH CORPORATE GOVERNANCE**

To

The Members of  
Heera Ispat Limited

We have examined the relevant records for the year ended June 30, 2012 relating to the Compliance with the requirement of corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges.

On the basis of our review and according to the information and explanations given to us by the company, we state that in our opinion and to the best of our knowledge, the Company has complied with the mandatory requirements as contained in the Listing Agreement with the Stock Exchanges and as per Section 292A of the Companies Act 1956.

**Date: 3<sup>RD</sup> September, 2012.**

**Place: Godhara.**

**For DJNV & Co.  
Chartered Accountants**

**Sd/-**

**(Jayesh Parikh)  
Partner  
Membership No:40650**

**HEERA ISPAT LIMITED**  
**ANNEXURE TO THE AUDITOR'S REPORT**

(Referred to in paragraph 1 of the Auditor's Report to even date on the accounts of HEERA ISPAT LTD. For the year ended 30<sup>th</sup> June, 2012.)

- (1) (a) The company has not shown us records showing full particulars including quantitative details and situation of fixed assets.  
(b) As informed to us, all fixed assets were physically verified by the management during the year. However we are unable to find any discrepancies between the book records and physical inventory in absence of book records and physical verification taken by the management.  
(c) As informed to us, no substantial parts of fixed assets have been disposed of during the year.
- (2) As informed to us, the company has not done any activity during the year under review, & there was no closing stock at the year end, hence verification of stock and other related matter are not applicable.
- (3) (a) The company has not granted any loans, secured or unsecured to parties covered in the register maintained under Section 301 of the companies Act, 1956. Accordingly, clauses III (a) to (d) of the Order are not applicable.  
(b) The company has taken loan from one party covered in the register maintained under section 301 of the Companies Act, 1956. The Maximum amount involved during the year was Rs.15,77,340/- and the year end balance of loan from company is Rs. 36,340/-  
(c) In respect of loan taken from the company, the loan is interest free and repayable on demand.
- (4) As the company has not carried out any business during the year, clause no. 4 of the Order, regarding internal control procedure for purchase & sale of goods is not applicable.
- (5) (a) In our opinion and according to the information and explanation given to us, the transactions for the year that needed to be entered into the register maintained under section 301 of the Companies Act, 1956, have so been entered.  
(b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of the contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of five lakhs rupees in respect of any party during the year have been reasonable having regard to the prevailing market prices at the relevant time.
- (6) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- (7) There is no internal audit system in the Company.
- (8) To the best of knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost record under section 209 (1) (d) of the Companies Act, 1956, for any of the products of the Company.
- (9) (a) As informed to us, Provident fund and employee state insurance act are not applicable to the company for the year under report. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income Tax, Wealth Tax, & other statutory dues which have remained outstanding as at 30<sup>th</sup> June, 2012 for a period of more than six months from the date they became payable.  
(b) As informed to us, there is no disputed amount towards statutory liabilities during the year.

- (10) The company has accumulated loss but it is less than 50% of the net-worth and the company has incurred cash losses in such financial year and in the financial year immediately proceeding such financial year also.
- (11) As the Company has not availed term loan from bank/financial institution, hence, provisions of clause 4(xi) of the Order are not applicable to the Company.
- (12) The company has not granted loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) Provision of any special statute applicable to chit fund are not applicable to the Company.
- (14) The company is not dealing and trading in shares, securities, debentures and other investment.
- (15) As informed to us, the company has not given any guarantee for loan taken by others from bank or financial institution.
- (16) The Company has not taken any term loan during the year under review.
- (17) As inform to us, no short term funds raised have been use for long term investment.
- (18) The Company has not made any preferential allotment of shares to parties and companies toward in the register maintain u/s 301 of the act.
- (19) The Company has not issued any debentures.
- (20) The Company has not raised money by way of public issue during the year under review.
- (21) According to the information and explanations given to us, a fraud on or by the company has not been noticed or reported during the year.

**Place : Ahmedabad**  
**Date : 03/09/2012**

**For, DJNV & CO.,**  
**Chartered Accountants**  
**Firm No.115145W**

**(Jayesh Parikh)**  
**Partner**  
**M. No. : 40650**

TO,

**DJNV & Co,  
Chartered Accountants  
Ahmedabad.**

Dear Sir,

**Sub: Representation from Management for the year ended 31st March 2012.**

This representation letter is provided in connection with your audit of the financial statement of "HEERA ISPAT LIMITED" for the year ended 31st March, 2012 for the purpose of expressing an opinion as to whether the financial position of the Company as of 31st March, 2012 and of the result of operation for the year ended on that date. We acknowledge our responsibility for preparation of financial statement in accordance with the requirements of Companies Act, 1956 or other relevant statute and recognised accounting policies, including the accounting standards issued by the Institute of Chartered Accountants of India unless otherwise stated.

We confirm to the best of our knowledge and belief the following representation: -

Account and Accounting Policies: -

**1 Books of accounts**

The Company has maintained the following books of accounts for the year as required under Section 209 of the Companies Act, 1956:

- a) Cash Book
- b) Bank Book
- c) Sales Register
- d) Purchase Register
- e) Journal Book
- g) General Ledger
- h) Stock Register

- 2. All statutory registers and minute books as required under the Companies Act, 1956 has been maintained and updated.
- 3. Company has reconciled all the accounts with the Bank and there were no mismatched transactions in respect of amount debited / credited by the bank and not accounted by the Company. The company do not have any Bank Account / Loans except for following:

Name of Bank	Closing Balance
HDFC Bank	25449

- 4. The company has complied with all the terms and Conditions on which the amounts have been borrowed and there is no pending litigation with any bank for any loan whatsoever.
- 5. The company has not given any guarantee to any of the banks or financial institutions in respect of loans taken by others.
- 6. Cash in hand :

Cash in hand was physically verified by the management and no discrepancies were noticed. The cash on hand as on 31st March, 2012. Was as under: -

Sr. No.	Particulars	Closing Balance
1	Cash on Hand	351294

- 7. The financial statements are prepared under the historical cost convention and on accrual basis in accordance with the generally accepted accounting principles and the provision of The Companies Act, 1956.

8. The Company has complied with all the mandatory accounting standards / statements issued by the Institute of Chartered Accountants of India.
9. Revenue Recognition
  - (a) Revenue from sale of goods is recognised when significant risks and rewards in respect of ownership of the products are transferred to the customers.
  - (b) Interest is accounted for on accrual basis.
10. In the opinion of the Board of Directors, the current assets, loans and advances have a value on realisation in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the Balance Sheet.
11. Balance of Debtors, Creditors, Loans and Advances etc. are subject to confirmation and reconciliation.
12. Liabilities:
  - a) We have recorded all known liabilities/ provisions in the financial statements for the year ended 31<sup>st</sup> March, 2012.
  - b) The Company has not given any Guarantee to third parties. All other contingent liabilities are already stated in the notes of accounts.
  - c) Company has not accounted / provided any contingent liabilities / assets.
  - d) Amount due to the Directors:

The company does not owe any amount other than those recorded in the books to the Directors by way of remuneration, sitting fees, guarantee fees or in any other manner.
13. Fixed Assets :
  - i) The Company has maintained proper records of Fixed Assets showing full particulars including quantitative details and situation.
  - ii) Fixed Assets of the Company have been physically verified by us during the year and no material discrepancies were noticed on such verification as compared to records.
  - iii) None of the fixed assets of the company has been revalued during the year.
  - iv) Fixed assets are stated at cost of acquisition less accumulated depreciation. All costs including financial costs till commencement of commercial production and net charges arising from exchange rate variation relating to liability incurred for the purpose of acquiring fixed assets are capitalized.
  - v) Depreciation on fixed assets (excluding intangible assets) of the company is provided on Written Down Value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
  - vi) The Net Book Value at which Fixed Assets are stated in the Balance Sheet are arrived at:
    - i) After taking into account all capital expenditure on addition thereto, but no expenditure properly chargeable to revenue.
    - ii) After eliminating the cost and accumulated depreciation related to item sold, discarded, demolished or destroyed.
    - iii) After providing adequate depreciation on Fixed Assets during the period.
  - vii) The Company has a satisfactory title to all assets, and there are no liens or encumbrances on the company's assets except the security clause mentioned with secured loans.

14. Provisions for Claims and Losses:
- i) Provision has been made in the accounts for all known losses and claims of material amounts.
  - ii) There have been no events subsequent to the balance sheet date, which require adjustment of or disclosure in the financial statements or notes thereto.
15. The company has taken interest free unsecured from the one parties covered in the register maintained under section 301 of the Companies Act, 1956.
16. The Company has not granted any loans secured or unsecured to the companies, firms or other parties listed in the register maintained under section 301 of The Companies Act, 1956 and or from the company under the same management as defined under section 370 (1B) of The Companies Act, 1956.
17. Representation has been received by the company from the directors regarding the companies and firms in which they are interested as directors and partners or proprietors which are required to be entered in Register maintained under section 301 of The Companies Act 1956 and based on the representation we hereby state that company has not entered in to any such contract.
18. None of the director of the company is disqualified as on 31<sup>st</sup> March 2012 from being appointed as director of the company under clause (g) of subsection (1) of Section 274 of the Companies Act, 1956.
19. The Company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, cess and other statutory dues applicable to it except in few cases the company has late deposited tax deducted at source.
20. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
21. We certify that the Company has properly deducted provident fund, ESIC etc, in all the cases wherever applicable and has regularly paid the amount so deducted along with company's contribution. We further confirm that as on 31<sup>st</sup> March, 2012 no amount was overdue.
22. No disputed amount payable in respect of income-tax, wealth tax, custom duty and excise duty were outstanding as on 31<sup>st</sup> March, 2012 for a period more than 6 months from the date it became payable.
23. No personal expenses of employees/directors have been charged to revenue accounts except Other than those expenses payable under contractual obligations or in accordance with generally accepted business practices.
24. Segment Reporting :
- Based on the principles for determination of segments given in Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the company's primary business segment is Pharmaceutical products. The company is not doing any other business and hence there is no other segment for which reporting is to be made as per AS 17.
25. Related Parties :
- There are transactions with related parties (as defined in Accounting Standard 18 issued by the Institute of Chartered Accountants of India) other than the following:

- (i) List of Related Parties:

**A) Key Management Personnel:**

Sr. No.	Name	Designation
1	Alpesh Patel	Director

**B) List of Other Related Parties with whom transactions have taken place during the year:**

Sr. No.	Name
1	Sushma Singh



C) Details of Transactions with Key Management Personnel and Related Parties of the Key Management Personnel are as follows:

Sr. No.	Nature of Transaction	Key Management	Other Related Personnel	Total Parties
1	<b>Unsecured Loans</b> Taken during the period Repaid during the period Balance as at Balance Sheet Date	40000	804525 1566000	804525 1606000
2	<b>Advances Recoverable in Cash or Kind</b> Given during the period Settled during the period Balance as at Balance Sheet Date			
3	<b>Expenditure</b> Salary Rent			

26. No frauds are committed by the company and the management has not noticed any fraud against the company during the period under audit reported .
27. The bifurcation of trade receivables of the Company into "Outstanding for a period more than 6 months from the due date " and " Other receivables" is Rs. Nil/- and Rs. Nil/- respectively.
28. The shareholding pattern of the shareholders holding more than 5% shares company for the year ended 31<sup>st</sup> March 2012 and 2011 is as under :

	2012	2011
Devendra Patel -	23.67%	
Humati mistry -	18.03%	13.53%

29. General:
- There have been no irregularities involving management or employees who have a significant role in the system of internal control that could have a material effect on the financial statements.
  - The financial statement is free of material misstatement, including omissions.
  - The company has complied with all aspects of contractual agreements that could have a material effect on the financial statement in the event of noncompliance. There has been no noncompliance with requirements of regularity authorities that could have a material effect on the financial statements in the event of noncompliance.
  - We have no plans or intentions that may materially effect the carrying value or classification of assets and liabilities reflected in the financial statements.

For Heera ispat LTD.  
Director

Place: Ahmedabad  
Date : 17/08/2012

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2012****1. Corporate Information**

Heera Ispat Ltd. is a public limited Company incorporated in India under the provisions of The Companies Act, 1956. The Company is engaged in business of manufacturing and trading of steels and alloys. The Company caters to domestic market and operates all over India.

**2. Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standards) Rules, 2006*, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below:

**2.1 Summary of significant accounting policies****a. Change in accounting policy**

Presentation and disclosure of financial statements.

Till the year ended 30<sup>th</sup> June, 2011 the company was using pre-revised schedule VI of the Companies Act, 1956 for the preparation and presentation of its financial statements. During the year ended 30<sup>th</sup> June, 2012, the revised schedule VI notified under the Companies Act, 1956, has become applicable to the company. The company has reclassified previous years figures to conform to this year's classification.

**b. Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**c. Tangible fixed assets**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repaired maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit & loss when the asset is de recognized.

**d. Depreciation on Tangible Fixed Asset**

Depreciation on fixed asset is calculated on Written down Value method using the rates prescribed under the Schedule XIV to The Companies Act, 1956.

**f. Earnings per share.**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

**g. Provisions and Contingent liabilities**

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where no reliable estimate can be made, a disclosure is made as a contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**h. Cash & Cash equivalents**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

## BALANCE SHEET AS AT 30 JUNE, 2012

Particulars	Note No. Sche. No.	As at 30 June 2012 Rs.	As at 30 June 2011 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds :</b>			
a) Share Capital	3	57,974,000	57,974,000
b) Reserves & Surplus	4	(12,810,627)	(10,316,055)
c) Money received against Share Warrants		-	-
		45,163,373	47,657,945
<b>2. Share Application money pending allotment</b>		-	-
<b>3. Non-Current Liabilities :</b>			
a) Long Term Borrowings		-	-
b) Deferred Tax Liabilities (Net)		-	-
c) Other Long term Liabilities		-	-
d) Long-term Provisions		-	-
<b>4. Current Liabilities</b>			
a) Short-term borrowings	5	36,340	961,150
b) Trade Payables	6	330,000	330,000
c) Other Current liabilities	7	16,236	18,674
d) Short term Provisions		-	-
		382,576	1,309,824
<b>TOTAL</b>		<b>45,545,949</b>	<b>48,967,769</b>
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
a) Fixed Assets :			
(i) Tangible Assets	9	6,823,771	8,587,916
(ii) Intangible Assets		-	-
(iii) Capital Work in Progress		510,300	510,300
(iv) Intangible assets under Development		-	-
		7,334,071	9,098,216
b) Non-Current Investments		-	-
c) Deffered Tax Assets (Net)		-	-
d) Long-Term Loans and Advance	8	37,688,135	39,289,135
e) Trade Receivable		-	-
f) Other Non-Current Assets		-	-
<b>2. Current Assets</b>			
a) Current Investment		-	-
b) Inventories		-	-
c) Trade Receivables		-	-
d) Cash & Cash Equivalents	10	376,743	563,873
e) Short Term Loans and Advances	8	147,000	16,545
f) Other Current Assets		-	-
<b>TOTAL</b>		<b>45,545,949</b>	<b>48,967,769</b>

**Summary of Significant Accounting Policies** 2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith

For, DJNV & CO.  
Chartered Accountants  
Firm Reg. No. 115145W

Jayesh Parikh  
(Partner)  
M. No. 40650

Director

For Heera Ispat Ltd.

Director

Place : Ahmedabad  
Date : 03/09/2012

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30 JUNE, 2012

Particulars	Note No. Sche. No.	As at 30 June 2012 Rs.	As at 30 June 2011 Rs.
Particulars Note No.	30 June 2012	30 June 2011	
<b>INCOME</b>			
Gross Revenue from Operations		-	-
Less : Excise Duty		-	-
Net Revenue from Operations		-	-
Other Income		5,436	-
<b>Total Revenue (i)</b>		<b>5,436</b>	-
<b>EXPENDITURE</b>			
Cost of materials consumed		-	-
Purchase of Stock in Trade		-	-
(Increase)/ Decrease in inventory of Finished Goods, Work-in- Progress and Traded Goods		-	-
Employee Benefits Expense		-	-
Other Expenses	11	878,594	356,497
Exceptional Items		-	-
Share of (Profit)/ Loss from investment in Partnership firm		-	-
<b>Total Expenses (ii)</b>		<b>878,594</b>	<b>356,497</b>
<b>Earnings before Interest, Tax, Depreciation &amp; Amortisation (EBITDA) (i- ii )</b>		<b>(873,158)</b>	<b>(356,497)</b>
Depreciation and Amortisation expense	12	1,621,414	1,201,322
Less : Transfer from Fixed Assets Revaluation Reserve		-	-
Net Depreciation and Amortisation Expense		1,621,414	1,201,322
Finance Costs		-	-
<b>Profit /(Loss) before Tax</b>		<b>(2,494,572)</b>	<b>(1,557,819)</b>
<b>Tax expense:</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit/ (Loss) for the year from continuing operations (A)</b>		<b>(2,494,572)</b>	<b>(1,557,819)</b>
<b>Discontinuing Operations</b>			
Profit/ (Loss) before Tax from Discontinuing Operations		-	-
Tax Expense of discontinuing Operations		-	-
<b>Profit/ (Loss) after tax from Discontinuing Operation (B)</b>		<b>-</b>	<b>-</b>
<b>Profit/ (Loss) for the year (A+B)</b>		<b>(2,494,572)</b>	<b>(1,557,819)</b>
<b>Basic &amp; diluted earnings per share</b>	13	-0.42	-0.26
<b>Summary of Significant Accounting Policies</b>	2.1		

The accompanying notes are an integral part of the financial statements

For, DJNV & CO.  
Chartered Accountants  
Firm Reg. No. 115145W

For Heera Ispat Ltd.

Jayesh Parikh  
(Partner)  
M. No. 40650

Director

Director

Place : Ahmedabad  
Date : 03/09/2012

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2012

PARTICULARS	30 June, 2012 Amt (Rs)	30 June, 2011 Amt (Rs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	(2,494,572)	(1,557,819)
Non-cash adjustment to reconcile profit before tax to net cash flows		
ADD: Depreciation	1,621,414	1,201,322
Loss On sale of computer	1,167	-
LESS: Profit on sale of Vehicle	(5,436)	-
<b>Operating Profit before Working Capital Changes</b>	<b>(877,427)</b>	<b>(356,497)</b>
Movement in Working Capital :		
(Increase) / Decrease in Short term provisions	(2,438)	(28,326)
(Increase) / Decrease in Loans & Advances and Deposits	1,617,545	(16,545)
(Increase)/ Decrease in Trade Receivables	-	(260,658)
(Increase)/ Decrease in Short term borrowings	-	-
Cash generated from / (used in) operations	1,615,107	(305,529)
Income Tax Paid	-	-
<b>Net Cash Flow From / ( Used in ) Operating Activities (A)</b>	<b>737,680</b>	<b>(662,026)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	-	-
(Increase) / Decrease in Other Non Current Assets	-	-
Proceeds from Sale of Fixed Assets	-	-
<b>Net Cash Flow From / ( Used in ) Investing Activities (B)</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Loan Fund	804,525	661,150
Loan Repaid	(1,729,335)	-
<b>Net Cash Flow From / ( Used in ) Financing Activities ( C)</b>	<b>(924,810)</b>	<b>661,150</b>
Net Increase/ (Decrease) in Cash & Cash Equivalent <b>(A+B+C)</b>	(187,130)	(876)
Cash & Cash Equivalents at the beginning of the year	563,873	564,749
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>376,743</b>	<b>563,873</b>

**Notes: Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard-3**

**“Cash Flow Statements” as specified in the Companies (Accounting Standards) Rules, 2006.**

As per our report of even date

**For, DJNV & CO.**  
**Chartered Accountants**  
Firm Reg. No. 115145W

Jayesh Parikh  
(Partner)  
M. No. 40650

**Director**

**For Heera Ispat Ltd.**

**Director**

**Place : Ahmedabad**  
**Date : 03/09/2012**

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

NOTE NO.	PARTICULARS	As at 30 June 2012 Rs.	As at 30 June 2011 Rs.
3	<b>Share Capital</b>		
	<b>a) Authorised Shares:</b>		
	6000000 (P.Y.6000000) Equity Shares of Rs.10/-	60000000	60000000
		60000000	60000000
	<b>b) Issued, Subscribed &amp; Fully Paid-up Shares:</b>		
	5712000 (P.Y.5712000) Equity Shares of Rs. 10/- each fully paid up	57120000	57120000
	170800 (P.Y.170800) Equity Shares of Rs. 10/- each, Rs.5/- paid up	854000	854000
	<b>TOTAL</b>	<b>57974000</b>	<b>57974000</b>

The company has only one class of shares referred to as Equity shares having face value of Rs. 10 /- Each holder of Equity share is entitled to 1 vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of shares held by the shareholders.

The details of shareholders holding more than 5% shares as at 30/06/2012 and 30/06/2011 is set out below.

Name of Shareholder	As at 30 June 2012		As at 30 June 2011	
	No. of shares	% held	No. of shares	% held
Patel Devendra Punambhai	1392288	23.67%		
Haumati R Mistry	795700	18.03%	795700	13.53%

The Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2012 & 31/03/2011 is set out below

Particulars	As at 30 June 2012		As at 30 June 2011	
	No. of shares	% held	No. of shares	% held
Shares at the beginning	5,882,800	-	5,882,800	-
Addition	-	-	-	-
Deletion	-	-	-	-
Shares at the end	5,882,800	-	5,882,800	-

NOTE NO.	PARTICULARS	As at 30 June 2012 Rs.	As at 30 June 2011 Rs.		
<b>4</b>	<b>Reserves &amp; Surplus</b>				
	<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>				
	Balance as per Last Financial Statement	(10,316,055)	(8,758,236)		
	<b>Add : Profit for the year</b>	(2,494,572)	(1,557,819)		
	<b>Less : Appropriation</b>				
	Transfer to General Reserve	-	-		
	Proposed Dividend	-	-		
	Provision for Tax on Proposed Dividend	-	-		
	Net Surplus in the Statement of Profit and Loss	<u>(12,810,627)</u>	<u>(10,316,055)</u>		
	<b>TOTAL</b>	<u>(12,810,627)</u>	<u>(10,316,055)</u>		
<b>5</b>	<b>Long Term Borrowings</b>				
	<b>PARTICULARS</b>	<b>As at 30 June 2012 Rs.</b>	<b>Non Current Portion As at 30 June 2011 Rs.</b>	<b>Current Maturities As at 30 June 2012 Rs.</b>	<b>As at 30 June 2011 Rs.</b>
	Deposits				
	Inter Corporate Deposit (unsecured)	0	0	0	123335
	Loans & advances from related parties (Unsecured)	<u>0</u>	<u>0</u>	<u>36340</u>	<u>837815</u>
	<b>TOTAL</b>	<u>0</u>	<u>0</u>	<u>36340</u>	<u>961150</u>
<b>6</b>	<b>Trade payables</b>	<b>As at 30 June, 2012</b>	<b>As at 30 June, 2011</b>		
		<b>Rs.</b>	<b>Rs.</b>		
	Trade payables: (Refer note 15)	330,000	330,000		
	Acceptances	0	0		
	Other than Acceptances	0	0		
	<b>Total</b>	<u>330,000</u>	<u>330,000</u>		



7	Other Current Liabilities	As at 30 June 2012 Rs.		As at 30 June 2011 Rs.	
	Unpaid Expenses	16236		18674	
	<b>TOTAL</b>	<u>16236</u>		<u>18674</u>	
8	Loans and Advances	Long Term		Short Term	
		As at 30 June 2012 Rs.	As at 30 June 2011 Rs.	As at 30 June 2012 Rs.	As at 30 June 2011 Rs.
<b>A.</b>	<b>Capital Advances</b>				
	Secured, Considered Good	-	-	-	-
	Unsecured, Considered Good	37,488,135	39,089,135	-	-
	(A)	37,488,135	39,089,135	-	-
<b>B.</b>	<b>Other Loans &amp; Advances</b>				
	(i) Other Advances	-	-	147,000	-
	(ii) Prepaid Expense	-	-	-	16,545
	(iii) Advances Recoverable in Cash or Kind	200,000	200,000	-	-
	(B)	200,000	200,000	147,000	16,545
	<b>TOTAL (A+B)</b>	<u>37,688,135</u>	<u>39,289,135</u>	<u>147,000</u>	<u>16,545</u>

## Note No -9 TANGIBLE ASSETS

Cost of Valuation	LAND	FACTORY BUILDING	OFFICE BUILDING	PLANT & MACHINERY	FURNITURE & FIXTURES	VEHICLES	COMPUTER	TOTAL
<b>As at 30 June 2010</b>	512,462	3,521,150	135,000	9,043,979	25,047	413,010	95,550	13,746,198
Addition	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-	-	-
<b>As at 30 June 2011</b>	512,462	3,521,150	135,000	9,043,979	25,047	413,010	95,550	13,746,198
Addition	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	413,010	95,550	508,560
Other Adjustment	-	-	-	-	-	-	-	-
<b>As at 30 June 2012</b>	512,462	3,521,150	135,000	9,043,979	25,047	-	-	13,237,638
<b>Depreciation</b>	<b>LAND</b>	<b>FACTORY BUILDING</b>	<b>OFFICE BUILDING</b>	<b>PLANT &amp; MACHINERY</b>	<b>FURNITURE &amp; FIXTURES</b>	<b>VEHICLES</b>	<b>COMPUTER</b>	<b>TOTAL</b>
<b>As at 30 June 2010</b>	-	800,364	15,951	2,818,474	10,383	238,183	73,605	3,956,960
Charge for the year	-	272,079	5,952	866,596	2,654	45,263	8,778	1,201,322
Disposal	-	-	-	-	-	-	-	-
Other Adjustment	-	-	-	-	-	-	-	-
<b>As at 30 June 2011</b>	-	1,072,443	21,903	3,685,070	13,037	283,446	82,383	5,158,282
Charge for the year	-	352,115	6,750	1,258,016	4,533	-	-	1,621,414
Disposal	-	-	-	-	-	283,446	82,383	365,829
Other Adjustment	-	-	-	-	-	-	-	-
<b>As at 30 June 2012</b>	-	1,424,558	28,653	4,943,086	17,570	-	-	6,413,867
<b>NET BLOCK</b>								
<b>As at 30 June 2011</b>	512,462	2,448,707	113,097	5,358,909	12,010	129,564	13,167	8,587,916
<b>As at 30 June 2012</b>	512,462	2,096,592	106,347	4,100,893	7,477	-	-	6,823,771

10	Cash and Bank Balances	Non Current Portion		Current Maturities	
		As at 30 June 2012 Rs.	As at 30 June 2011 Rs.	As at 30 June 2012 Rs.	As at 30 June 2011 Rs.
<b>A. Cash and Cash Equivalents</b>					
<b>Balances with Bank:</b>					
	On Current Accounts	-	-	25,449	30,624
	Cash on Hand	-	-	351,294	533,249
	<b>TOTAL</b>	<u>-</u>	<u>-</u>	<u>376,743</u>	<u>563,873</u>
11	<b>Other Expenses</b>	<b>31 March 2012</b>		<b>31 March 2011</b>	
		<b>Rs.</b>		<b>Rs.</b>	
	Listing Fees	744,525		55,295	
	Depository Fees	49,635		154,145	
	General Charges	73,198		136,557	
	<b>Payment to Auditors</b>				
	Audit Fees	11,236		10,500	
	Tax Audit Fees	-		-	
	<b>TOTAL</b>	<u>878,594</u>		<u>356,497</u>	
12	<b>Depreciation And Amortisation Expense</b>	<b>31 March 2012</b>		<b>31 March 2011</b>	
		<b>Rs.</b>		<b>Rs.</b>	
	Depreciation of Tangible Assets	1,621,414		1,201,322	
	Amortisation of Intangible Assets	-		-	
	<b>TOTAL</b>	<u>1,621,414</u>		<u>1,201,322</u>	

## Groupings of Profit and Loss Account for the Year ended 31/03/2011

	2011-2012	2010-2011
<b>MISC. INCOME</b>	-	-
<b>TOTAL</b>	-	-
<b>Finished Goods Sale</b>		
	-	-
	-	-
	-	-
<b>TOTAL</b>	-	-
<b>Traded Goods Sales</b>		
	-	-
	-	-
	-	-
<b>TOTAL</b>	-	-
<b>Raw Material Purchase</b>		
IMPORTED	-	-
INDIGENIOUS	-	-
INWARD FREIGHT & CARTAGE	-	-
OCTROI CHARGES ON RAW MATERIAL	-	-
CUSTOM DUTY	-	-
<b>TOTAL</b>	-	-
<b>Trading Purchase</b>		
<b>TOTAL</b>	-	-
<b>Salary, Wages &amp; Bonus</b>		
<b>TOTAL</b>	-	-
<b>Contribution to Provident Fund &amp; Other Funds</b>		
<b>TOTAL</b>	-	-
<b>Welfare Expenses</b>		
<b>TOTAL</b>	-	-
<b>INTEREST TO BANK</b>		
INTEREST CHARGES - RUPEE TERM LOANS		
INTEREST CHARGES - BANK OVERDRAFT	-	-
<b>TOTAL</b>	-	-
<b>PENALTY / INTEREST</b>		
Penalty under incometax Act		
Interest on shortfall in payment of advance income tax		
other panalty which is compensatory in nature	-	-
<b>TOTAL</b>	-	-

**OTHER BORROWING COST**

Commitment charges  
 Guarentee charges  
 Discount/premium on borrowing  
 Loan processing charges  
 Loan facilitation charges  
 Other cost

**TOTAL**

- -

**STORES AND SPARE CONSUMED****Opening Stores & Spares****Purchase**

Store & spare item purchase  
 Transportation charges related to store & spares

**Closing Store & Spares****TOTAL**

- -

**PACKING MATERIAL CONSUMED****Opening Packing Material****Purchase**

Packing material  
 Transportation charges related to Packing material

**Closing Packing Material****TOTAL**

- -

**ELECTRICITY AND FUEL CHARGES**

POWER AND LIGHT  
 PURCHASE OF LDO  
 FUEL SUPPLIES FOR GENERATORS  
 PURCHASE OF LPG  
 PURCHASE OF PNG  
 STOCK VARIANCE - FUEL A/C  
 FREIGHT CHARGES - FUEL

**TOTAL**

- -

**REPAIRS****BUILDING**

R & M BUILDINGS - SUPPLY  
 R & M BUILDINGS - SERVICES

**TOTAL**

- -

**MACHINERY**

R & M MACHY & SPARES SUPPLY - INDIG  
 R & M MACHY & SPARES SUPPLY -IMPORTED  
 R & M MACHY SPARES - SERVICES

**TOTAL**

- -

**OTHERS**

**HEERA ISPAT LIMITED**

---

R & M OTHER MISC.	-	-
EDP SOFTWARE PURCHASE	-	-
EDP SERVICE CHARGES	-	-
EDP CONSUMABLES	-	-
<b>TOTAL</b>	-	-
<b>GRAND TOTAL</b>	-	-
<b>INSURANCE</b>		
FACTORY		
INSURANCE - VEHICLE	-	-
PRODUCT LIABILITY INSURANCE (EXPORT)		
INSURANCE GENERAL	-	-
<b>TOTAL</b>	-	-
<b>RENT</b>		
Rent on premises		
<b>TOTAL</b>	-	-
<b>RATES AND TAXES</b>		
PROPERTY TAXES		
WEALTH TAX		
<b>TOTAL</b>	-	-
<b>STATIONERY AND PRINTING</b>		
STATIONERY	-	-
<b>TOTAL</b>	-	-
<b>ADVERTISEMENT EXPENSE</b>		
ADVT&PUB-CALENDERS/PROMOTIONS	-	-
ADVT&PUB - OTHERS	-	-
<b>TOTAL</b>	-	-
<b>COMMUNICATION</b>		
TELEPHONES	-	-
FAX EXPENXES	-	-
COURIER	-	-
<b>TOTAL</b>	-	-
<b>TRAVELLING AND CONVEYANCE</b>		
LOCAL TRAVEL CONVEYANCE & LUNCH	-	-
CAR HIRE CHARGES	-	-
CONVEYANCE EXPENSES REIMBURSEMENTS	-	-
TRAVEL INLAND H O / FACTORY		
TRAVEL OVERSEAS	-	-
LOCAL TRAVEL CONVEYANCE & LUNCH		
<b>TOTAL</b>	-	-

**PROFESSIONAL FEES**

PROFESSIONAL FEES FOR SERVICES	-	-
<b>TOTAL</b>	-	-

**FREIGHT AND DELIVERY CHARGES**

FREIGHT & CARTAGE	-	-
SERVICE TAX ON FREIGHT CHARGES	-	-
PROVISION	-	-
<b>TOTAL</b>	-	-

**GENERAL CHARGES**

Accounting Charges	5,000.00	3,500.00
Bank Charges	-	168.00
Kasar	1.00	67,970.00
Professional charges	25,000.00	43,244.00
Legal fees	31,030.00	4,675.00
ROC Exps.	11,000.00	17,000.00
Loss on sale of computer	1,167.00	
<b>TOTAL</b>	<b>73,198.00</b>	<b>136,557.00</b>

**SALES TAX EXPENSES**

LOCAL SALES TAX ASSESSMENT	-	-
CST PAID	-	-
<b>TOTAL</b>	-	-

**SALES PROMOTION EXPENSES**

EXPORT EXPENSES	-	-
ADVT&PUB - TECH.LIT./HOUSE/MAGAZINE	-	-
ADVT&PUB - GIFT ARTICLES	-	-
ADVT&PUB - CONFERENCE/EXHIBITION	-	-
<b>TOTAL</b>	-	-

**Grouping of Balance Sheet for the year 31/03/2011**

PARTICULARS	2011-2012		2010-2011	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	Rs.	Rs.	Rs.	Rs.
<b>Deposits ( Secured / Unsecured )</b>	<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>	<b>Current</b>
	<b>Portion</b>	<b>Maturity</b>	<b>Portion</b>	<b>Maturity</b>
Heavy Metal & Tubes Ltd.	0.00	0	0.00	123335
	0.00	0.00	0.00	123335.00
<b>loans &amp; advances from related parties ( Secured / Unsecured )</b>	<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>	<b>Current</b>
	<b>Portion</b>	<b>Maturity</b>	<b>Portion</b>	<b>Maturity</b>
Alpesh Patel			0.00	40000
Khyati Finance	0.00	36340	0.00	797815
	0.00	36340.00	0.00	837815.00
<b>Unpaid Exp</b>	<b>Long Term</b>	<b>Short Term</b>	<b>Long Term</b>	<b>Short Term</b>
Accounting Charges		5000		3500
DJNV & Co.		11236		10500
Unpaid legal fees		0		4674
	0.00	<b>16236.00</b>	0.00	<b>18674.00</b>
<b>Sundry Creditors</b>		<b>Currant</b>		<b>Currant</b>
Ahmedabad Stock Exchange		120000.00		120000.00
Vadodara Stock Exchange		210000.00		210000.00
		<b>330000.00</b>		<b>330000.00</b>
<b>Capital Advances</b>		<b>2011-12</b>		<b>2010-11</b>
Bharat C Mistri			0	295000.00
Chandulal T Listri			0	285000.00
Dhananjay Enterprise			6120041	6120041.00
Dhananjay Fincap			4858613	4858613.00
G Bhavasar			9000000	9000000.00
Gitaben N Mistri			0	285000.00
Hasumatiben R Mistri			129000	295000.00
Hitesh Techno Services			5639675	5639675.00
Kamlaben C Mistri			0	275000.00
Kanak Security			2316416	2316416.00
Laxmi Finance			4754990	4754990.00
Moti Construction			1252609	1252609.00
Ramesh T Mistri			295000	295000.00
Shriji Investment			3121791	3121791.00
Upendra C Mistri			0	295000.00
<b>Total</b>			<b>37488135</b>	<b>39089135</b>



## Note:13 Related Party Disclosure

### \* Related Parties with whom transactions have taken place during the year

#### Key Managerial Personnel

- |                          |                             |
|--------------------------|-----------------------------|
| 1) Ramesh T Mistry       | 5) Radheshyam R Lodha       |
| 2) Hasumatiben R Mistry  | 6) Ramanugrah Rambahalsingh |
| 3) Dharmeshbhai R Mistry |                             |
| 4) Alpesh K Patel        |                             |

#### Loans & Advances from Related Parties

Name	Relationship	Nature of transaction	Transaction during the year		Outstanding Amount	
			2012	2011	2012	2011
Alpesh Patel	Director	Loan taken	0	40000	0	40000
		Loan repaid	40000	0		
Kyati	Finance Sister Concern	Loan taken	804525	497815	36340	797815
		Loan repaid	1566000	0		
<b>Total</b>					<b>36340</b>	<b>837815</b>

### \* Related Party Transactions

Name	Relationship	Nature of transaction	Transaction during the year	the year
			2011-12	2010-11
Dharmesh R Mistry	Director	Sale of Asset	147000	

### Note 14 Earnings Per Share

The following represents the profit and share data used in the calculation of EPS

Particulars	2012	2011
Net loss after tax	(2,494,572)	(1,557,819)
No of shares	0	0
EPS	#DIV/0!	#DIV/0!

### NOTE-15 Dues to Micro and and small enterprises as defined under the MSMED Act , 2006

There are no dues to Micro & Small Enterprises as defined under the MSMED Act, 2006

### Note-16 Application of Revised Schedule VI

Till the year ended 31st June, 2011 the company was using pre-revised schedule VI of the Companies Act, 1956 for the preparation and presentation of its financial statements. During the year ended 31st June, 2012, the revised schedule VI notified under the Companies Act, 1956, has become applicable to the company. The company has reclassified previous years figures to conform to this year's classification.

For, DJNV & CO.

Chartered Accountants

Firm Reg. No. 115145W

Jayesh Parikh

(Partner)

M. No. 40650

Director

For Heera Ispat Ltd.

Director

Place : Ahmedabad

Date : 03/09/2012

## ATTENDANCE SLIP

I Shri/Smt. \_\_\_\_\_ of \_\_\_\_\_

being a member/ proxy of HEERA ISPAT LIMITED do hereby record my presence at the 20th Annual General Meeting of the members of the Company to be held on Friday the 21<sup>ST</sup> December, 2012, at 11am. at Teheri Hall, Haidry society, Near Session court, Godhra-389001.

Name of Shareholder

Ledger Folio No.

D.P. NAME:

D.P. I.D.:

CLIENT I.D.:

Number of Shares Held

Date:

Place:

\_\_\_\_\_  
(Signature of the Member/  
Proxy attending the meeting)

---

## PROXY FORM

Name of Shareholder

Ledger Folio No

D.P. NAME:

D.P. I.D.:

CLIENT I.D.:

Number of Shares Held

I Shri/Smt. \_\_\_\_\_ being a member of HEERA ISPAT LIMITED, holding \_\_\_\_\_ Shares in the company do hereby appoint Shri \_\_\_\_\_ of \_\_\_\_\_ or failing him Shri \_\_\_\_\_ of \_\_\_\_\_ or failing him Shri \_\_\_\_\_ of \_\_\_\_\_ to remain present at the 20th Annual General Meeting of the members of the Company to be held on Friday the 21<sup>ST</sup> December, 2012, at 11am. at Teheri Hall, Haidry society, Near Session court, Godhra-389001 or at any adjournment thereof and to vote for and on my behalf if poll is granted.

Affix  
Rs 1/-  
revenue  
stamp

Date:

Place:

\_\_\_\_\_  
(Signature of the Member/  
Proxy attending the meeting)

BOOK-POST

*If undelivered, please return to :*  
**HEERA ISPAT LIMITED**  
Regd.Office: 3/A, VISHWAKARMA TOWER  
GANDHI CHOWK, GODHARA GUJARAT-389001  
E mail : [info@heerispst.com](mailto:info@heerispst.com)

# **HEERA ISPAT LIMITED**

## **20TH AUDITED ANNUAL REPORT FOR THE YEAR 2011-12**

**COMPANY REGISTRATION NO.: 04-018101**

**CIN NO: L27101GJ1992PLC018101**

**Registered with Registrar of Companies, Gujarat State**

### **HEERA ISPAT LIMITED**

Regd. Office: 3/A, VISHWAKARMA TOWER  
GANDHI CHOWK  
GODHARA  
GUJARAT-389001

E mail : [info@heersipat.com](mailto:info@heersipat.com)