



SHIRPUR GOLD REFINERY LIMITED

**24TH ANNUAL REPORT
2008 - 2009**

SHIRPUR GOLD REFINERY LIMITED

BOARD OF DIRECTORS

Shri Sanjay Gupta	<i>Director</i>
Shri Sanjay Jain	<i>Director</i>
Shri Anish Goel	<i>Director</i>
Shri Sriprakash Goenka	<i>Director</i>

AUDITORS

M/s. Utpal Bhayani & Co.
Chartered Accountants

BANKERS

IDBI BANK LTD.

REGISTRARS & TRANSFER AGENTS

Sharepro Services (India) Pvt. Ltd.

Samhita Warehousing Complex, 13 AB, Gala No.52, 2nd Floor,
Near Sakinaka Telephone Exchange, Off Kurla-Andheri Road,
Sakinaka, Mumbai - 400 072.

REGISTERED OFFICE

Refinery Site at Shirpur, Shirpur,
Dist. Dhulia, Maharashtra - 425 405.

CORPORATE OFFICE

4A, Vikas Centre, 104, S. V. Road,
Santacruz (W), Mumbai - 400 054.

NOTICE

NOTICE is hereby given that the Twentyfourth Annual General Meeting of the members of SHIRPUR GOLD REFINERY LIMITED will be held on Wednesday, 30th September, 2009 at 2.15 pm. at its Registered Office at Refinery Site, Shirpur, Dist. Dhulia, Maharashtra - 425 405 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date and the Report of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Shri Sanjay Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Board of Directors of the Company.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“**RESOLVED THAT** Mr. Sanjay Jain, who was appointed as an Additional Director of the Company on 24th December, 2008 pursuant to the provisions of Section 260 of the Companies Act, 1956 read with the Articles of Association of the Company and who would vacate his office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 along with necessary deposit from a shareholder proposing the candidature of Mr. Sanjay Jain, as a Director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“**RESOLVED THAT** Mr. Anish Goel, who was appointed as an Additional Director of the Company on 24th December, 2008 pursuant to the provisions of Section 260 of the Companies Act, 1956 read with the Articles of Association of the Company and who would vacate his office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 along with necessary deposit from a shareholder proposing the candidature of Mr Anish Goel, as a Director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“**RESOLVED THAT** Mr. Sriprakash Goenka, who was appointed as an Additional Director of the Company on 24th December, 2008 pursuant to the provisions of Section 260 of the Companies Act, 1956 read with the Articles of Association of the Company and who would

SHIRPUR GOLD REFINERY LIMITED

vacate his office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 along with necessary deposit from a shareholder proposing the candidature of Mr. Sriprakash Goenka, as a Director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”

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

“**RESOLVED THAT** that the tenure of the existing Registrar and Transfer Agent, M/s. Sharepro Services (India) Pvt. Ltd. be continued till next Annual General Meeting of the Company.”

By Order of the Board
For **SHIRPUR GOLD REFINERY LIMITED**

Place: Mumbai.
Date : 25th August, 2009.

SANJAY GUPTA
Director

REGISTERED OFFICE :

Refinery Site at Shirpur, Shirpur,
Dist. Dhulia, Maharashtra - 425 405.

NOTES :

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item No. 4 to 6 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 21.9.2009 to 30.9.2009 (both days inclusive).
4. Members are requested to notify change of address to our Registrar and Transfer Agent M/s. Sharepro Services (India) Pvt. Ltd. at Samhita Warehousing Complex, 13 AB, Gala No. 52, 2nd Floor, Near Sakinaka Telephone Exchange, Off Kurla-Andheri Road, Sakinaka, Mumbai - 400 072.
5. Members desiring any information about accounts at the Meeting are requested to write to the Company at least 7 days in advance of the Annual General Meeting.
6. Members who hold shares in Dematerialized Form are requested to bring their Client ID and DP ID Numbers for easy identification of attendance at the meeting.

EXPLANATORY STATEMENT

As required under section 173(2) of the Companies Act, 1956 (the Act)

ITEM NO. 4

Mr. Sanjay Jain, was appointed by the Board as an Additional Director of the Company at its meeting held on 24th Dec, as per Articles of Association of the Company. pursuant to the provisions of Section 260 of the Companies Act, 1956. Mr. Sanjay Jain will hold office as an Additional Director upto the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice proposing the candidature of Mr. Sanjay Jain for the office of Company under the provisions of Section 257 of the Companies Act, 1956.

Brief Profile : Sanjay Jain, 37, is a finance professional with over 14 years of working experience in the field of Corporate Finance and Business Strategy. He has worked in various senior positions with corporate houses like Gautam Thapar Group (including Pauwels International NV, Belgium, Crompton Greaves Ltd, Ballarpur Industries Ltd), Eicher Group and other companies viz Delphi Automotive Systems Ltd and IFCI. Mr. Jain completed his B.Sc. from Kurukshetra University securing 1st position and M.F.C. (Masters of Finance and Control) from University of Delhi.

ITEM NO. 5

Mr. Anish Goel, was appointed by the Board as an Additional Director of the Company at its meeting held on 24th Dec, as per Articles of Association of the Company. pursuant to the provisions of Section 260 of the Companies Act, 1956. Mr. Anish Goel will hold office as an Additional Director upto the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice proposing the candidature of Mr. Anish Goel for the office of Company under the provisions of Section 257 of the Companies Act, 1956.

Brief Profile : Anish Goel, 43, qualified with Diploma in Mechanical Engineering - Switzerland and has been associated with Victorinox since 1995. He introduced Original Swiss Army Knife in India as representative of Victorinox and ran the business for 12 years. In 2007 Victorinox formed a subsidiary in India with Mr.Goel as the head of operations. During the association Mr.Goel was instrumental in the creation of the 'Kirpan' by Victorinox which was a great success not only in India but globally.

ITEM NO. 6

Mr. Sriprakash Goenka, was appointed by the Board as an Additional Director of the Company at its meeting held on 24th Dec, as per Articles of Association of the Company. pursuant to the provisions of Section 260 of the Companies Act, 1956. Mr. Sriprakash Goenka will hold office as an Additional Director upto the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice proposing the candidature of Mr. Sriprakash Goenka for the office of Company under the provisions of Section 257 of the Companies Act, 1956.

Brief Profile : Sriprakash Goenka, 56, a Bachelor of Engineering is an entrepreneur having varied business interests in Import and Export of pulses, Computer Accessories and entertainment equipment etc.

By Order of the Board
For **SHIRPUR GOLD REFINERY LIMITED**

Place: Mumbai.
Date : 25th August, 2009.

SANJAY GUPTA
Director

REGISTERED OFFICE :
Refinery Site at Shirpur, Shirpur,
Dist. Dhulia, Maharashtra - 425 405.

SHIRPUR GOLD REFINERY LIMITED

DIRECTORS' REPORT

To,
The Members of
SHIRPUR GOLD REFINERY LIMITED

Your Directors are presenting the Twentyfourth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS	31.03.2009	31.03.2008
Gross Profit/(Loss) before Interest & Depreciation	(98,77,945)	1,21,05,105
Less : Interest	–	18,22,67,188
Depreciation	16,62,61,998	17,08,45,395
Profit/(Loss) Before Tax	(17,61,39,944)	(34,10,07,478)
Less : Provision for Taxation	75,000	75,400
Profit/(Loss) after Tax	(17,62,14,944)	(34,10,82,878)
Balance of Previous Year	(1,32,88,94,720)	(98,78,11,842)
Balance carried forward in Balance Sheet	(1,50,51,09,664)	(1,32,88,94,720)

OPERATIONS & FUTURE PROSPECTS

As reported in the Twenty third Annual Report of the Company, the financial assets of the Company have taken over by Messrs. Jayneer Capital Pvt. Ltd. (JCPL) and subsequently transferred to its wholly owned subsidiary M/s. Kala Kosh Auctions (P) Ltd. (KKAPL) from Assesst Reconstruction Company of India Ltd. (ARCIL) under the Securitisation Act (SARFESAI). JCPL has also acquired 48.91 % of paid up equity shareholding of the Company representing 7565503 nos. equity shares under SEBI's SAST (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Consequent to the above takeover, the secured loans in the Company amounting to Rs.227.23 crores (as on 31st March, 2008) stands transferred from respective Banks (Oriental Bank of Commerce, HDFC Bank Ltd and Jammu & Kashmir Bank Ltd) to JCPL. and consequently to its wholly owned subsidiary (KKAPL). The Company has also received confirmation from JCPL & KKAPL that they have not charged any interest on these secured loan amount for the financial year 2008-09. Consequently the secured loan outstanding amount for the financial year 2008-09 stands at Rs.227.23 crores.

DIVIDEND

Your directors do not recommend dividend for the year under consideration.

DIRECTORS

Appointment of Additional Directors: Shri Sanjay Jain, Shri Anish Goel, and Shri Sriprakash Goenka were appointed as Additional Directors of the Company on 24th December, 2008.

Resignation of Directors:

Shri Chintan A. Patel, Shri Tapan M. Patel and Shri Subhash M. Jain resigned from the Board of Directors with effect from 30.6.2009.

The Board wishes to put on record the excellent contributions made by the outgoing directors during their tenure as directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors further report :

- That in the preparation of Annual Accounts, for the Financial Year ended 31st March, 2009 the applicable accounting standards has been followed and that there were no material departures.

- ii. That selected accounting policies were applied consistently and the Directors made judgment and estimates, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the loss of the Company for the period ended 31st March, 2009.
- iii. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the annual accounts have been prepared on a going concern basis.

FIXED DEPOSITS

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of Listing Agreement with the Stock Exchanges, a compliance report on Corporate Governance has been included (Page No. 13) as part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of Listing Agreement with the Stock Exchanges, a MANAGEMENT DISCUSSION AND ANALYSIS report has been annexed as part of the Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is yet to commence production on a commercial scale as stated earlier, the particulars of conservation of energy, technology absorption details are not given.

The particulars of the foreign exchange earnings and outgo during the year under review are as under :

Earnings (FOB Value of Export)	Rs. NIL
Outgo	Rs. NIL

DEMATERIALIZATION OF SECURITIES

Your Company has achieved high level of dematerialization with **99.16%** of the total number of Equity Shares being held in the electronic mode with both the depositories and the transactions are being duly monitored by the company by way of reports from the company appointed Registrar and Share Transfer Agents.

PARTICULARS OF EMPLOYEES

There were no employees pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, duly amended.

AUDITORS

M/s. Utpal Bhayani & Co. the Statutory Auditors of the Company who retire at the conclusion of the ensuing Annual General Meeting has expressed their unwillingness for the re-appointment. The Company has approached M/s. B. S. Sharma & Co., Chartered Accountants for the appointment of Statutory Auditors of the Company subject to the approval of members at the ensuing Annual General Meeting and in response the Company has received consent letter from them to the effect that their appointment, if made, will be in accordance with the limits specified under Section 224(1B) of the Companies Act, 1956.

ACKNOWLEDGEMENTS

Your Directors' place on record their appreciation of the assistance and support extended by the Government Authorities, Banks and Shareholders of the Company and look forward to their continued support in future.

Your Directors also express their appreciation for the dedicated and sincere services rendered by employees of the Company.

For and on behalf of the Board

Place : Mumbai.
Dated : 25th August, 2009.

Sanjay Jain **Sanjay Gupta**
Director Director

SHIRPUR GOLD REFINERY LIMITED

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is set out below :

Company's Philosophy on Code of Governance :

The essential elements of Corporate Governance is accountability in functioning of the Company. The Company believes that Corporate Governance should result in enhancing Corporate performance and increase in Shareholders Value.

1. Board of Directors

(A) Composition :

The Board comprises of Executive and Non-Executive Directors. The Non-Executive Directors bring independent judgment in the Board deliberations and decisions. Only the Managing Director is a Whole-time Director.

COMPOSITION OF BOARD OF DIRECTORS :

As on 31st March, 2009

Sr. No.	Name of Directors	Other Directorship/ Board Committees (Numbers)	
		Directors	Committees
1	Shri. Chintan A. Patel Managing Director	10	–
2	Shri. Tapan M. Patel Jt. Managing Director	5	–
3	Shri. Sanjay Gupta	–	2
4	Shri. Subhash M. Jain	3	2
5.	Shri Sanjay Jain	1	2
6.	Shri Anish Goel	2	–
7.	Shri Sriprakash Goenka	2	–

Code of Conduct

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

Declaration

I Confirm that the Company has obtained from all Directors and Senior Management of the Company their affirmation of compliance with the 'Code of Conduct from Members of the Board of Directors and Senior Management' of the Company for the financial year ended March 31, 2009.

Place : Mumbai.

Dated : 25th August, 2009.

Sanjay Gupta
Director

NUMBER OF BOARD MEETINGS AND THE ATTENDANCE OF DIRECTORS DURING 1ST APRIL, 2008 TO 31ST MARCH, 2009

Name of Directors	Number of Board Meetings attended (out of 4 Meetings)	Attendance at last AGM Held on 29.9.2008
1. Shri Chintan A. Patel	4	–
2. Shri Tapan M. Patel	4	Yes
3. Shri Sanjay Gupta	4	–
4. Shri Subhash M. Jain	1	Yes
5. Shri Sanjay Jain	1	–
6. Shri Anish Goel	1	–
7. Shri Sriprakash Goenka	1	–

(B) None of the non-executive Directors of the Company have any pecuniary relationship or transactions with the Company other than fees paid, if any, for professional services rendered by them.

2. AUDIT COMMITTEE :**TERMS OF REFERENCE AND COMPOSITION OF THE COMMITTEE**

The present Audit Committee consisting of the following Directors:

Name	Category
• Shri. Sanjay Gupta	Non-Executive
• Shri. Subhash M. Jain (Resigned w.e.f. 30.6.2009)	Non-Executive Independent
• Shri. Anish Goel (Appointed w.e.f. 24.12.2008)	Non-Executive Independent

During the financial year under review four Meeting of the Committee were held on the following dates: 2008-09 on 30th June, 2008, 31st July, 2008, 31st October, 2008, 24th December, 2008 and 31st January, 2009.

The terms of reference of this Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreements as well as in Section 292 A of the Companies Act, 1956.

3. REMUNERATION OF DIRECTORS :**A. WORKING DIRECTORS :**

No remuneration is being paid to Shri Chitan A. Patel, Managing Director & Shri Tapan M. Patel, Jt. Managing Director.

B. NON EXECUTIVE DIRECTORS :

Though eligible, the directors are not drawing sitting fees.

REMUNERATION COMMITTEE :

Matters of remuneration of the Managing Director and the Joint Managing Director are considered by the Board where the interested Managing Director and Joint Managing Director do not participate or vote. The terms are approved by the shareholders at the General Meeting. During the year, the Company has only Managing Director and no remuneration is paid to him. Therefore no separate remuneration Committee has been constituted.

SHIRPUR GOLD REFINERY LIMITED

4. BOARD PROCEDURE :

- A. The Company holds minimum of Four Board Meetings every year. During the financial year under review four Board Meeting were held five times on the following dates on 30th June, 2008, 31st July, 2008, 31st October, 2008, 24th December, 2008 and 31st January, 2009.
- B. None of the Directors of our Company is a Member in more than 10 committees or acts as Chairman of more than five committees across all Companies in which he is a Director.

5. MANAGEMENT :

Periodical disclosures of this requirement are made by the management from time to time. Management Discussion and Analysis report is attached.

6. SHAREHOLDERS :

Shareholders / Investors Grievance Committee

The Committee consists of following Directos :

Name	Category
• Shri. Sanjay Gupta	Non-Executive
• Shri. Subhash M. Jain (Resigned w.e.f. 30.6.2009)	Non-Executive Independent
• Shri. Anish Goel (Appointed w.e.f. 24.12.2008)	Non-Executive Independent

During the year, the Company's Registrars and Transfer Agents received no complaint and there is no investor complaint pending as on 31.03.2009. Number of Share Transfer pending as on 31.03.2009 was NIL.

CORPORATE GOVERNANCE :

Details of Annual General / Extra Ordinary General Meetings :

Financial Year	General Meeting	Location	Date	Time
2007-2008	Annual General Meeting	Registered Office Refinery Site, Shirpur, Dist. Dhulia, Maharashtra.	29.09.2008	02.15 P.M.
2006-2007	Annual General Meeting	Registered Office Refinery Site, Shirpur, Dist. Dhulia, Maharashtra.	21.12.2007	02.15 P.M.
2005-2006	Annual General Meeting	Registered Office Refinery Site, Shirpur, Dist. Dhulia, Maharashtra.	29.09.2006	02.15 P.M.

Disclosure :

The Company has generally complied with the requirements of the listing agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. Shares of the company are not traded at NSE. No penalties and strictures have been imposed by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years.

Postal Ballot

No special resolution was put through for Postal Ballot at the last AGM nor is any proposed for this year.

Means of Communication :

Half yearly report sent to each household of shareholders	No
Quarterly Results	
Which newspapers normally published in	Free Press Journal Navshakti
Any Website, where displayed	No
Whether it also displays, official news released and Presentations Made to Institutional Investors / Analysts	No
Whether MD & A is a part of Annual Report	Yes
Whether Shareholder Information Section forms part of the Annual Report	Yes

General Shareholder Information :**1. Annual General Meeting :**

Date and Time	: Wednesday, 30th September, 2009 at 2.15 P.M.
Venue	: Refinery Site, Shipur Gold Refinery Ltd. Shirupur, Dist. Dhulia, Maharashtra - 425 405.

2. Financial Calendar :

Unaudited Financial Results :

For the quarter ending 30th June, 2008	: 31st July, 2008
For the quarter ending 30th September, 2008,	: 31st October, 2008
For the quarter ending 31st December, 2009	: 31st January, 2009
For the quarter ending 31st March, 2009	: 25th August, 2009 (Quarter ended 31.3.2009 and Audited Balance Sheet)

3. Date of Book Closure :

The Company has not declared dividend for the year under review.

The Register of Members and Share Transfer Register will remain closed from 21.9.2009 to 30.9.2009 (both days inclusive) on account of A.G.M.

4. Registered Office :

Refinery Site, Shirpur, Dist. Dhulia, Maharashtra - 425 405.

5. Listing of Equity Shares on Stock Exchanges :

1. The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023.
2. National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.

Annual Listing Fees have been paid to both the Exchanges for the year 2009-2010.

**6. Stock Code : BSE : 512289 (Demat)
12289 (Physical)**

Stock Code : NSE : Symbol "AGEEGOLD"

ISIN No : INE 196 B01016

SHIRPUR GOLD REFINERY LIMITED

7. **Monthly High and Low Stock quotations during the year under review along with the performance in comparison to broad based indices are given below :**

Period	The Stock Exchange Mumbai		
	Share Prices		No. of Shares
	High	Low	
April 2008	75.50	44.25	803331
May 2008	74.65	50.60	255326
June 2008	90.05	51.70	760060
July 2008	96.45	59.25	1208819
August 2008	65.65	53.00	331059
September 2008	60.85	50.50	189403
October 2008	57.00	45.55	527092
November 2008	69.80	43.55	68540
December 2008	58.00	36.05	58507
January 2009	68.90	48.55	78402
February 2009	55.00	48.25	25523
March 2009	56.00	46.05	70516

8. **Registrar and Share Transfer Agents :**

Sharepro Services (India) Pvt. Ltd., Samhita Warehousing Complex, 13 AB, Gala No. 52, 2nd Floor, Near Sakinaka Telephone Exchange, Off Kurla-Andheri Road, Sakinaka, Mumbai - 400 072.

9. **Share Transfer System :**

1. The Company has appointed M/s. Sharepro Services (India) Pvt. Ltd., Mumbai - 400 072 as Registrar and Share Transfer Agents. They process the Transfer Deeds, consider request for transmission, issue of duplicate Share Certificates etc.
2. Trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f. 8th May, 2000 as per circular issued by Securities and Exchange Board of India (SEBI) on 15th February, 2000.
3. Share Transfer in physical form are registered and returned within 30 days from the date of the receipt if documents are in order in all respects.

10. Distribution of Shareholdings as on 31.03.2009 :

Holding Range(s)	No. of Shareholders	% of Shareholders	No. of Shares	% Shares
1	2190	80.31	389049	2.50
501	266	9.75	217664	1.40
1001	126	4.62	197356	1.27
2001	40	1.47	103583	0.66
3001	19	0.70	67871	0.44
4001	14	0.51	67303	0.43
5001	36	1.32	279220	1.79
10001	36	1.32	14240454	91.51
Total	2727	100.00	15562500	100.00

Categories of Share holding as on 31.03.2009 :

Category	No. of Shares held	% Shareholding
Promoter/Promoter Group	7611003	48.91
Foreign Institutional investors	4739900	30.46
Bodies Corporate	208343	1.34
Individual shareholders	3001673	19.29
NRI	1581	0.00
Total :	15562500	100.00

Top 10 Public Shareholders of the Company as on 31.3.2009

Name	No. of Shares held	% holding
Kala Harkisan Mehta	61729	0.40
Mohamed Yusuf Khan-Dilip Kumar	39450	0.25
Pratapchand L. Shah	25000	0.16
Zarina Khan	25000	0.16
Pankaj Gupta	25000	0.16
Tushar Harkisan Mehta	22020	0.14
Tushar H. Mehta	18788	0.12
Sandeep Bagla	16000	0.10
Neeta Tushar Mehta	15000	0.09

Promoter Shareholding as on 31.3.2009

Name	No. of Shares held	% holding
Jayneer Capital Pvt. Ltd.	7611003	48.91

11. Dematerialization of Share & Liquidity :

99.16% of the Equity Shares of the Company have been dematerialization upto 31.03.2009.

12. Outstanding GDR/ADRs/Warrants or any convertible instruments, conversed date and likely impact on Equity :

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

SHIRPUR GOLD REFINERY LIMITED

13. Plant Location :

Refinery Site at Shirpur, Shirpur - 425 405 [Dist. Dhulia, Maharashtra State].

14. Address for Correspondence :

Shareholding correspondence should be addressed to our Registrar and Transfer Agents :

M/s. Sharepro Services (India) Pvt. Ltd.,

Samhita Warehousing Complex, 13 AB, Gala No. 52, 2nd Floor,

Near Sakinaka Telephone Exchange, Off Kurla-Andheri Road,

Sakinaka, Mumbai - 400 072.

ANNEXURE TO DIRECTORS' REPORT

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of SHIRPUR GOLD REFINERY LIMITED

We have examined the compliance of the conditions of Corporate Governance by Shirpur Gold Refinery Limited for the year ended 31st March, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

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

We state that in respect of investor grievances received during the year ended 31st March, 2009 no investor grievances are pending against the Company as on 31st March, 2009, as per the records maintained by the Company and presented to the Investors' / Shareholders' Grievance Committee.

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

For **UTPAL BHAYANI & CO.**

Chartered Accountants

MUMBAI,

Dated : 25th August, 2009.

(UTPAL BHAYANI)

Proprietor

Membership No. 33512

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS:**SUPPLY & DEMAND****Global Scenario:**

The year under review witnessed a lot of volatility in gold values. Price peaked at USD 946 per Troz. In April '08 with Q1 - 08 price averaging at USD 896. Investor demand fell significantly due to relative draught of "bad News" relevant to global credit crisis. The price moved towards USD 1000 mark in July '08. However due to collapse of global financial institutions the price fell markedly to USD 740 in September '08. This came as a boon to investment activities as there was rush into gold representing security from the worsening credit crunch. Demand for physical gold has also performed strongly and ETF reserves easily crossed 1000 MT mark. The oft coined phrase "Gold is King" has not hold so true for some time.

Q1 - 2009 witnessed wild fluctuation in price - beginning at USD 989, with quarter averaging at USD 908.

Indian Scenario:

Volatility in gold price had a marked effect on physical gold consumption in India. The demand fell sharply with dealers and consumers awaiting fresh developments. Scrap inflows saw huge increase with serpentine queues in front of jewelers and dealers. Investments buying increased.

There was no perceptible change in government policies. VAT regime was followed by major markets. Gold ETF witnessed increased investments. Fair amount of consumer activities were seen in commodity exchanges like MCX and NCDEX.

2. OPPORTUNITIES & THREATS:**a. Opportunities:**

As reported earlier, the financial assets of the Company have been taken over by Jayneer Capital Pvt. Ltd. and further assigned to its wholly owned subsidiary, Kala Kosh Auctions (P) Ltd. Serious efforts are underway to revive the operations of the Company in the present scenario.

b. Union Budget 2009 announced in July of the year, once again failed to correct the anomaly of inverted import duty rates between finished gold and ores and concentrate (raw material for refinery). However the good news was reduction in gap between of duty on import of raw material and import of finished goods. The import duty rates on finished gold was doubled (from Rs.100 per 10 gm to Rs.200 per 10 gms).

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

Your Company operates in one segment only.

4. OUTLOOK:

The year saw tumult economic upheavals heralded by the failings of financial institutions and large corporations in USA followed by financial disturbances in other developed countries. The precious metal business in India managed to absorb the shocks to certain extent and weathered it by posting decent business during the year. The pace of growth of the country has slowed for a while and it is hoped that our country would sustain the growth based on the strong home consumption, especially with relevance to the gold trade.

5. RISKS & CONCERNS:**Risk Management:**

The Company's operations would be exposed to frequent market fluctuations on spot on going basis on metal prices and foreign exchange. However with adequate hedging mechanisms these risks can be effectively countered.

SHIRPUR GOLD REFINERY LIMITED

Metal Price Risks:

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

Foreign Exchange Risk:

Since India mines an insignificant quantity of its bullion requirement, the total demand is met by imports. This exposes the importers to foreign exchange risks.

By establishing an effective risk management policy your company has addressed this issue. A 'dealing room' for bullion is operating in Mumbai Office with the policies and procedures designed by an eminent, international consulting firm. The approach is caution rather than "speculative". Also with the local exchanges having initiated futures trading, risk management can also become a local activity.

6. INTERNAL CONTROL SYSTEMS:

Management Information Systems (MIS) is the backbone of your Company's control mechanism. Clearly defined roles and responsibilities down the line for all managerial position have been institutionalized. All operating parameters are monitored and controlled. Regular internal audits and checks ensure that the responsibilities are executed effectively and that the MIS is flawless among a well conceived annual planning and budgeting system.

7. FINANCIAL PERFORMANCE:

Discussion on Financial Performance with respect to Operational Performance:

Your company could not commence market sales due to lack of working capital. Therefore, the figures given under are not indicative of the prospects of the company once the normal activities commence.

(Rs. Crores)

	Year 2009	Year 2008
Secured Loan	227.23	227.23
Unsecured Loan	15.58	14.96
Gross Block and Depreciation		
Gross Block	351.31	351.40
Depreciation	94.75	78.22
Capital Work-in-Progress	–	–
Investments	0.02	0.02
Inventory	0.08	0.08
Sundry Debtors	–	–
Cash and Bank Balances	0.08	0.05
Loan and Advances	1.12	0.82

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED :

The Company is yet to commence sales on a commercial basis mainly due to lack of working capital. The company had laid out well structured Human Resources policies, however because of low employee numbers these are yet to be followed.

CAUTIONARY STATEMENT:

Statements in this management discussions and analysis describing the company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from these expressed or implied. Important factors that could effect the Company's operations include global and Indian supply and demand conditions, tax laws, cyclical demand and pricing in Indian Markets, changes in Government regulations and external factors like draught, famine, etc.

AUDITORS' REPORT

1. We have audited the attached Balance Sheet of SHIRPUR GOLD REFINERY LIMITED, as at 31st March, 2009, the related Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Act and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we give in the Annexure a statement of the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
4. Attention is invited to :
 - a) Note No. 1 of the Schedule 10(B) regarding acquisition of 48.91% equity shares of the company by Jayneer Capital Pvt. Ltd. through Share Purchase Agreement dated 27th March, 2008 & public offer in compliance with and pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 1997 which was closed on 31st October, 2008.
 - b) Note No. 2 of the Schedule 10(B) regarding transfer of book balances of secured loans as on 31st March, 2008 to Jayneer Capital Pvt. Ltd. and subsequently to its wholly owned subsidiary Kala Kosh Auctions (P) Ltd. (KKAPL). amounting to Rs. 227.23 crores and not charging the interest for the year under review as per the letter received from Jayneer Capital Pvt. Ltd.
 - c) Note No. 3 of the Schedule 10(B) regarding the case filed in the Court of Sessions of Greater Bombay by the State vide Special Cae No.58 of 2008 regarding loans taken from the banks in earlier years.
 - d) Note No. 4 of the Schedule 10(B) regarding the non provision for loss on impairment of Assets (AS_28)
 - e) Note No. 5 of the Schedule 10(B) for non provision for deferred Tax Liability in view of non commencement of main revenue activity.
 - f) Note No. 6 of the Schedule 10(B) regarding non fulfillment of export commitment under EPCG scheme to the extend of Rs. 15164.44 lakhs upto 31st March 2009.
5. Subject to above & further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the act;
 - e) On the basis of the written representations received from the directors, as on 31st March,

SHIRPUR GOLD REFINERY LIMITED

2009 and taken on record by the board of Directors, we report that none of the director of the company is disqualified as on 31st March, 2009 from being appointed as a director in terms of Section 274 (1) (g) of the act.

- f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon give the information required by the Act, and also give, subject to paragraph 4 above, a true and fair view in conformity with the accounting principles generally accepted in India;
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **UTPAL BHAYANI & CO.**

Chartered Accountants

(UTPAL BHAYANI)

Proprietor

Membership No.33512

MUMBAI

Dated : 25th August, 2009.

ANNEXURE TO THE AUDITORS' REPORT

Statement referred to in paragraph 3 of our report of even date on the accounts of SHIRPUR GOLD REFINERY LIMITED for the year ended on 31st March, 2009.

- 1) (a) Except for furniture and fittings, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the assets have been physically verified by the management in accordance with the phased programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Fixed assets disposed off during the year were not substantial.
- 2) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories and the discrepancies noticed on physical verification of the inventories as compared to book records were not material.
- 3) (a) An amount of Rs.227.23 crores of secured loan has been transferred to Jayneer Capital Pvt. Ltd. (JCPL) and subsequently its wholly owned subsidiary KKAPL. JCPL has acquired 48.91% of equity shares of the Company. As per agreements and letters received from Jayneer Capital Pvt. Ltd. and KKAPL, which have also advised not to provide for interest for the amount for the year 2008-09. Other terms for repayment are not specified.
- (b) The company has also received interest free inter corporate deposit for which no terms are specified.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to the purchases of inventories, fixed assets and for sale of goods.
- 5) (a) According to the information and explanations given to us, transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under

Section 301 of the Companies Act, 1956 and exceeding the value of Rs.500,000/- in respect of each party during the year, have been made at prices which are reasonable having regard to prevailing market prices, except for items of specialized nature, where a question of comparison does not arise.

- 6) The Company has not accepted any deposits from the public.
- 7) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8) On the basis of the records produced, we are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- 9) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth tax, Custom duty, Excise duty, cess and material statutory dues applicable to it.
(b) According to the information and explanation given to us, at the last day of the financial year, there was no undisputed amount outstanding in respect of such statutory dues which were due for more than six months from the date they become payable.
(c) According to the information and explanations given to us, there are no dues in respect of sales tax, income tax, customs duty, wealth tax, excise duty, and cess that have not been deposited with the appropriate authorities on account of any dispute.
- 10) The Company has accumulated losses at the end of the financial year and has incurred cash losses in the financial year under report and the immediately preceding financial year.
- 11) As per the information and explanation given to us, except for the loans taken from banks in earlier years to the extent of Rs.227.23 crores, the company is not in any default for the year under review. The company has not issued any debentures.
- 12) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the provisions of any special Statute applicable to Chit Fund, Nidhi or Mutual Benefits Fund/Societies are not applicable to the Company.
- 14) The Company is not dealing or trading in shares, securities, debentures or other investments and hence requirements of Para 4(xiv) are not applicable to the Company.
- 15) According to information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16) The Company has not raised any term loans during the year.
- 17) The Company has not raised any funds during the year on short-term or long-term basis and hence question of use of such funds for long-term or short-term investment does not arise.
- 18) During the year the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained U/s. 301 of the Companies Act, 1956.
- 19) During the year the Company has not issued any debentures and hence, question of creating securities in respect thereof does not arise.
- 20) The Company has not raised any money by public issues during the year.
- 21) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **UTPAL BHAYANI & CO.**
Chartered Accountants

(UTPAL BHAYANI)

Proprietor

Membership No.33512

MUMBAI

Dated : 25th August, 2009.

SHIRPUR GOLD REFINERY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	Current Year		Previous Year	
		Rupees	Rupees	Rupees	Rupees
SOURCES OF FUNDS :					
SHAREHOLDERS' FUNDS					
Share Capital	1	155625000		155625000	
Reserves & Surplus	2	<u>1435000000</u>	<u>1590625000</u>	<u>1435000000</u>	<u>1590625000</u>
LOAN FUNDS					
Secured Loan	3		<u>2272322469</u>		<u>2272322469</u>
Unsecured Loan	4		<u>159821000</u>		<u>149641000</u>
TOTAL			<u><u>4022768469</u></u>		<u><u>4012588469</u></u>
APPLICATION OF FUNDS :					
FIXED ASSETS					
Gross Block	5		<u>3513128433</u>		<u>3514040995</u>
Less : Depreciation			<u>947521163</u>		<u>782284190</u>
Net Block			<u>2565607270</u>		<u>2731756805</u>
			2565607270		2731756805
INVESTMENTS	6		212500		212500
CURRENT ASSETS, LOANS & ADVANCES					
	7	19431964		17453916	
Less : CURRENT LIABILITIES & PROVISIONS	8	<u>67592929</u>		<u>65729472</u>	
Net Current Assets			(48160965)		(48275556)
PROFIT AND LOSS ACCOUNT (Balance as per annexed accounts)			1505109664		1328894720
TOTAL			<u><u>4022768469</u></u>		<u><u>4012588469</u></u>
Notes forming parts of the Accounts	10				

As per report of even date

For and on behalf of
UTPAL BHAYANI & CO.
Chartered Accountants

(UTPAL BHAYANI)
Proprietor
Membership No.33512

Mumbai
Dated : 25th August, 2009.

For and on behalf of the Board of Directors

SANJAY GUPTA - Director

SANJAY JAIN - Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009
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	Schedule	Current Year Rupees	Previous Year Rupees
INCOME :			
Sales		-	-
Other Income		487599	16584812
		<u>487599</u>	<u>16584812</u>
EXPENSES :			
Manufacturing & Other Expenses	9	10365544	4479707
Interest		-	182267188
Depreciation		166261998	170845395
		<u>176627543</u>	<u>357592290</u>
Profit / (Loss) before Tax		(176139944)	(341007478)
Fringe Benefit Tax (FBT)		75000	75400
Less: Provision for Taxation		-	-
Profit / (Loss) After Tax		<u>(176214944)</u>	<u>(341082878)</u>
Balance Brought Forward		<u>(1328894720)</u>	<u>(987811842)</u>
Balance Carried Over To Balance Sheet		<u><u>(1505109664)</u></u>	<u><u>(1328894720)</u></u>

Notes forming parts of the Accounts 10

As per report of even date
For and on behalf of
UTPAL BHAYANI & CO.
Chartered Accountants

(UTPAL BHAYANI)
Proprietor
Membership No.33512
Mumbai
Dated : 25th August, 2009.

For and on behalf of the Board of Directors

SANJAY GUPTA - Director

SANJAY JAIN - Director

SHIRPUR GOLD REFINERY LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

	Current Year Rupees	Previous Year Rupees
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED		
2,50,00,000 Equity Shares of Rs.10/- each	250000000	250000000
ISSUED, SUBSCRIBED & PAID - UP		
1,55,62,500 Equity Shares of Rs.10/- each fully paid-up for cash at par	155625000	155625000
SCHEDULE - 2		
RESERVES & SURPLUS		
Share Premium Account :		
Balance as per last Balance Sheet	1435000000	1435000000
Profit & Loss Account (Balance as per annexed accounts)	(1505109664)	(1328894720)
	(70109664)	106105280
SCHEDULE - 3		
SECURED LOANS		
Loan from Jayner Capital Pvt. Ltd. & Subsequently its wholly owned subsidiary Kala Kosh Auctions (P) Ltd.		
	2272322469	-
(Transferred from		
Oriental Bank of Commerce (Assigned to ARCIL)	1245299778	1245299778
Centurian Bank of Punjab (Assigned to ARCIL)	634701431	634701431
Jammu And Kashmir Bank Ltd.)	392321260	392321260
	2272322469	
(Secured against first charge on all the Fixed Assets including Plant and Machinery and second charge on the entire Current Assets)		
	2272322469	2272322469
SCHEDULE - 4		
UNSECURED LOANS		
Intercorporate Deposit - Churu Trading Pvt. Ltd.	159821000	149641000
	159821000	149641000

SCHEDULE FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

**SCHEDULE 5
FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost As At 01.04.2008	Addition During The Year	Sale/Adjust During The Year	Gross Block As At 31.3.2009	As At 01.04.2008	Provided During The Year	Sale/Adjust During The Year	Upto 31.3.2009	As At 31.3.2009	As At 31.03.2008
FreeHold Land	32983404	-	-	32983404	14270171	1309918	-	15580089	17403315	18713233
Buildings	307946172	-	-	307946172	115162100	14299769	-	129461868	178484304	192784072
Plant & Machinery	3060040409	-	-	3060040409	581408584	145351919	-	726760503	2333279906	2478631825
Airport Complex	52692120	-	-	52692120	24402962	2828916	-	27231878	25460242	28289158
Office Equipment	4793806	-	-	4793806	3030982	245209	-	3276191	1517615	1762824
Furniture & Fixtures	40968143	-	-	40968143	29859459	2010672	-	31870131	9098012	11108684
Computer System	13164954	129818	-	13294772	12802663	167431	-	12970094	324678	362291
Vehicles	1451987	-	1042380	409607	1347269	48165	1025026	370408	39199	104718
Current Year	3514040995	129818	1042380	3513128433	782284190	166261998	1025026	947521163	2565607270	2731756805
Previous Year	3563780261	-	49739266	3514040995	627042505	170845395	15603710	782284190	2731756805	

SHIRPUR GOLD REFINERY LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

	Current Year		Previous Year	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE - 6				
INVESTMENTS (AT COST)				
Unquoted				
8500 Shares of The Shirpur People Co-op. Bank Ltd.		212500		212500
		<u>212500</u>		<u>212500</u>
SCHEDULE - 7				
CURRENT ASSETS, LOANS & ADVANCES				
INVENTORIES				
(At cost or market value whichever is lower - as taken, valued and certified by the Management)				
Raw Material		-		-
Work-In-Progress	786296		786296	
Finished Goods	<u>99504</u>	885800	<u>99504</u>	885800
CASH & BANK BALANCES				
Cash & Cheques in Hand		118260		73603
Balance with Schedule Banks				
In Current Accounts	699212		564491	
In Fixed Deposits Accounts	<u>-</u>	699212	<u>-</u>	564491
Balance with Other Banks				
In Current Accounts		-		-
(Maximum Balance During the Period Rs.1957561 (Rs.173018/-))				
OTHER CURRENT ASSETS				
Consumables Stores, Spares & Tools		3883794		6062248
LOANS & ADVANCES				
(Unsecured - Considered good)				
Advances Recoverable in cash or in kind or for value to be received		11188228		8221279
Tax Deducted at Source		202916		192741
Deposits		2453754		1453754
		<u>19431964</u>		<u>17453916</u>

SCHEDULE FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

	Current Year Rupees	Previous Year Rupees
SCHEDULE - 8		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Advances Received From Customers	2365528	2365528
Sundry Creditors for Purchase, Expenses, etc.	64906710	63227737
Sundry Creditors for Others	125187	15704
	<u>67397425</u>	<u>65608968</u>
PROVISIONS		
Provision for Taxation	195504	120504
	<u>67592929</u>	<u>65729472</u>
SCHEDULE - 9		
MANUFACTURING & OTHER EXPENSES		
Consumables Stores	1104609	90163
Power and Fuel	1299512	1212613
Factory Expenses	40335	79069
Personnel Cost	1986060	874010
Business & Promotion	103077	-
Security Charges	201024	226049
Staff Welfare	129088	53781
Professional Charges	446726	107166
Postage, Telephone & Mobile Charges	200401	128463
Printing & Stationary	109880	58956
Conveyance	8292	22113
Electricity	-	10378
Bank Charges / Commission	27003	5242
Repair & Maintenance	1575180	3535
Motor Car Expenses	146454	52198
Travelling	1845437	616704
Rent, Rates & Taxes	824723	618549
Donation	5000	-
Advertisement & Publicity	20450	19656
Auditors Remuneration	16545	16854
Miscellaneous Expenses	275749	284208
	<u>10365544</u>	<u>4479707</u>

SHIRPUR GOLD REFINERY LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2008

SCHEDULE - 10

A. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

1. System of Accounting

The Company adopts the accrual system of accounting.

2. Overall Valuation Policy

The accounts have been prepared under historical cost convention.

3. Revenue Recognition

- (i) Sales is recognized on despatch of goods to customers.
- (ii) Recoveries from guest house are apportioned to various establishment expenses.

4. Fixed Assets & Depreciation

- i) Fixed Assets including land development charges are stated at cost of acquisition less accumulated depreciation.
- ii) Depreciation on Fixed Assets is provided on written down value method at the rates prescribed under Schedule XIV of the Companies Act, 1956 as amended except in case of Plant & Machinery for which the depreciation is provided on Straight Line Method.

5. Sundry Debtors, Loans & Advances

Sundry Debtors, Loans and Advances if identified as irrecoverable or doubtful, are written off or provided for.

6. Employee Retirement Benefits

Provident Fund, Gratuity and leave encashment benefits are being provided as and when applicable to the Company.

7. Contingent Liabilities

Contingent Liabilities, if any, are disclosed by way of notes.

8. Foreign Currency Transaction

i) Sales and Purchases :

Transactions are recorded at the exchange rate prevailing on the date of transaction and exchange differences are dealt with in Profit & Loss Account on realisation.

ii) Fixed Assets :

Transaction related to Fixed Assets are adjusted / added to the cost of Fixed Assets.

9. Deferred Revenue Expenditure

Deferred Revenue Expenses considered as Incidental Expenditure in earlier years capitalised in previous year.

10. Valuation of Inventories

Weighted average method.

B. NOTES ON ACCOUNTS :

1. As reported in the Director's Report Jayneer Capital Pvt. Ltd. (JCPL) (subsequently transferred to its wholly owned subsidiary - Kala Kosh Auctions (P) Ltd) have acquired the financial assets of the Company from ARCIL. and Jammu & Kashmir Bank. In addition JCPL has also acquired 48.91% of paid up equity capital representing 7611003 equity shares of the Company. The shares have been acquired under a SPA dated 27th March, 08 and through a public offer in compliance with the SAST (Substantial Acquisition of Shares and Takeover) Regulations 1997 of SEBI. The open offer closed on 31st October, 2008. Consequently JCPL is now the majority shareholder of the Company.
2. The Company had a secured loan amount of Rs.227.23 crs. as on 31st March, 2008. The said amount (book balance of secured loans) stands transferred to Jayneer Capital Pvt. Ltd. and subsequently to its wholly owned subsidiary KKAPL as per their agreements & correspondence with the company. The company has not provided any interest on the said secured loans as per advise received from JCPL and KKAPL.
3. A case has been filed in the Court of Sessions of Greater Bombay by the State vide Special Case No.58 of 2008 regarding loans taken from the banks in earlier years.
4. **Provision for loss on Impairment of Fixed Assets**
In view of the non implementation of the Financial Revival Package and consequently non commencement of main revenue activity of the company, potential generation of expected benefits are yet to be considered to for see adequate economic return over their useful life, hence no provision has been made for the loss on account of impairment of Fixed Assets. The company has obtained valuation report for the immovable properties.
5. **Provision for Deferred Tax Liability**
In view of the non operation of Financial Revival Package and consequently non commencement of main revenue activity of the company no provision for deferred tax liability has made for the year.
6. **Contingent Liabilities**
Estimated amount of FOB value of export commitment against the Import of Plant and Machinery under EPCG Scheme which was not fulfilled as on 31.3.2009. **Rs. 15164.44** Rs. (332.34) lacs
7. **Details of Auditors Remuneration (including Service Tax, as applicable)**

Audit Fees	Rs. 16545	Rs. (16836)
------------	------------------	-------------

8. Loans, advances & creditors are subject to confirmation & settlement. No provision has been made for doubtful recovery or remission of liabilities in case of inoperative accounts lying for more than three years.
9. **Additional information required to be disclosed as per Clauses 3, 4C and 4D of Part II of Schedule VI of the Companies Act, 1956.**

I) **Licensed & Installed Capacity :**

	Licensed Capacity (Tons)		Installed Capacity (Tons)	
Refining & Fabrication of Gold	217.7	(217.7)	217.7	(217.7)
Refining & Fabrication of Silver	217.7	(217.7)	217.7	(217.7)

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

	Quantity (Kgs)		Amount (Rupees)	
Gold	NIL	(NIL)	NIL	(NIL)
Silver	NIL	(NIL)	NIL	(NIL)
Others	NIL	(NIL)	NIL	(NIL)
	NIL	(NIL)	NIL	(NIL)

SHIRPUR GOLD REFINERY LIMITED

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

	Quantity (Kgs)		Amount (Rupees)		% of Total Consumption	
Raw Materials :						
Imported	NIL	(NIL)	NIL	(NIL)	NIL	(NIL)
Indigenous	NIL	(NIL)	NIL	(NIL)	NIL	(NIL)
	<u>NIL</u>	<u>(NIL)</u>	<u>NIL</u>	<u>(NIL)</u>	<u>NIL</u>	<u>(NIL)</u>
Spares & Stores :						
Imported			NIL	(NIL)	NIL	(NIL)
Indigenous			11,04,609	(90163)	100%	100%
				<u>(90163)</u>	<u>100%</u>	<u>100%</u>

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

Class of Goods	Opening Stock	Production/ Purchases	Closing Stock	Sales Qty. in Kgs.	Rupees
Manufacturing :					
Precious Metals	0.64764 (0.64764)	NIL (NIL)	0.64764 (0.64764)	NIL (NIL)	NIL (NIL)

V) Value of Imports on CIF basis :

Capital Goods	NIL	(NIL)
Spares	NIL	(NIL)

VI) Expenditure in Foreign Currency :

Travelling Expenses	Rs.210632 (186975)	(NIL)
Books and Periodicals	NIL	(NIL)

VII) Other details under these paras are not applicable during the year.

8. Sundry Creditors include Rs.556179 (Rs.556179/-) due to Small Scale Industrial Undertakings to the extent such parties have been identified from available information. The namewise details of outstanding amount as on 31st March, 2009 exceeding 30 days and over Rs. 1 lakh as under :

Padmavati Construction	Rs. 556179/-
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9. Information pursuant to Part IV of Schedule VI of the Companies Act, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :**I. Registration Details**

Registration No.	34501
Balance Sheet Date	31/03/2009
State Code	11

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

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

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. '000)

Total Liabilities	4022768	Total Assets	4022768
Sources of Funds :		Application of Funds :	
Paid-up Capital	155625	Net Fixed Assets	2565607
Reserves & Surplus	1435000	Investments	212
Secured Loans	2272322	Net Current Assets	(48160)
Unsecured Loans	159821	Misc. Assets	1505109

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

Turnover	488
Total Expenditure	176627
Profit / (Loss) before Tax	(176140)
Profit / (Loss) after Tax	(176215)
Earnings per Share (Rs.)	-
Dividend Rate (%)	NIL

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

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

Signatures to Schedules 1 to 10

As per report of even date

For and on behalf of
UTPAL BHAYANI & CO.
*Chartered Accountants***(UTPAL BHAYANI)***Proprietor*

Membership No.33512

Mumbai

Dated : 25th August, 2009.

For and on behalf of the Board of Directors

SANJAY GUPTA - *Director***SANJAY JAIN** - *Director*

SHIRPUR GOLD REFINERY LIMITED

ANNEXURE 'A' TO THE DIRECTORS' REPORT CASH FLOW STATEMENT

(Rs. in Lacs)

	2008-2009	2007-2008
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	(1761.40)	(3410.07)
Adjustment for:		
Depreciation	1662.62	1708.45
Profit on sale of Assets	(1.09)	(160.43)
Loss on sale of Assets	-	-
Dividend	-	-
Interest	-	1822.67
Miscellaneous Expenditure (Net)	-	-
Operating Profit before Working Cap. changes	(99.87)	(39.38)
Adjustments for :		
Trade and other receivables	(17.99)	1264.40
Inventories	-	-
Trade payables	17.55	(460.72)
Deposit	1.09	(261.60)
Cash generated from Operations	(99.22)	502.70
Interest paid	-	(1822.67)
Direct Taxes paid	(0.75)	(0.75)
Cash Flows before Extraordinary Items	(99.97)	(1320.72)
Extraordinary Items	-	-
Net Cash used in Operating Activities	(A) (99.97)	(1320.72)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital Work in progress	-	-
Purchase of Fixed Assets	(1.30)	0.00
Sale of Fixed Assets	1.26	501.78
Purchase of Investments	-	-
Sale of investments	-	-
Dividend received/Interest received	-	-
Net Cash used in Investing Activities	(B) (0.04)	501.78
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	-	-
Proceeds from long term Borrowings (Net)	0.00	1478.56
Proceeds from short term Borrowings (Net)	101.80	(659.89)
Dividend paid	-	-
Net Cash from Financing Activities	(C) 101.80	818.67
Net increase in Cash and Cash Equivalents	(A+B+C) 1.79	(0.27)
Cash and cash equivalents as at March 31, 2008	6.38	6.65
Cash and cash equivalents as at March 31, 2009	8.17	6.38

For and on behalf of the Board

Place : Mumbai.
Dated : 25th August, 2009.

Sanjay Jain **Sanjay Gupta**
Director Director

AUDITORS' CERTIFICATE

To
The Board of Directors
Shirpur Gold Refinery Limited
Refinery Site at Shirpur, Shirpur, Dist. Dhulia, Maharashtra - 425 405.

We have examined the above Clash Flow Statement of SHIRPUR GOLD REFINERY LIMITED for the year ended 31st March, 2009. The statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with the Bombay Stock Exchange and is based on and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report dated August 25th, 2009 to the Members of the Company.

For **UTPAL BHAYANI & CO.**
Chartered Accountants

Mumbai
Dated : 25th August, 2009.

UTPAL BHAYANI
Proprietor
Membership No.33512

SHIRPUR GOLD REFINERY LIMITED

Registered Office :

Refinery Site, Shirpur Gold Refinery Ltd., Shirpur, Dist. Dhulia (Maharashtra).

DPID No.		L. F. No.	
Client ID No.		No. of Shares held	

ATTENDANCE SLIP

I/We hereby record my/our presence at Twentyfourth Annual General Meeting of the Company held at the Registered Office of the Company at Refinery Site, Shirpur Gold Refinery Ltd., Shirpur (Maharashtra) on Wednesday, 30th September, 2009 at 2.15 p.m.

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

Note :

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

□ □ □

SHIRPUR GOLD REFINERY LIMITED

Registered Office :

Refinery Site, Shirpur Gold Refinery Ltd., Shirpur, Dist. Dhulia (Maharashtra).

DPID No.		L. F. No.	
Client ID No.		No. of Shares held	

PROXY FORM

I/We of in the district of being a member/members of SHIRPUR GOLD REFINERY LIMITED, hereby appoint of in the district of or failing him of in the district of as my/our proxy to vote for me/us on my/our behalf at the Twentyfourth Annual General Meeting of the Company to be held on Wednesday, 30th September, 2009 at 2.15 p.m. and at any adjournment thereof.

Signed this day of 2009.

Affix
Re. 1.00
Revenue
Stamp

Notes :

1. The Proxies Form signed across revenue stamp should reach the Company's Registered Office at least 48 hours before the scheduled time of meeting. The proxy need not be a member of the company.
2. A Proxy cannot speak at the meeting or vote on a show of hands.

Tear Here

Book - Post

To,

If undelivered, please return to :

Shirpur Gold Refinery Limited

4A, Vikas Centre, 104, S. V. Road,
Santacruz (W), Mumbai - 400 054.