

**BOARD OF DIRECTORS**

Mitesh Jagdish Jani : Chairman & Managing Director  
Bhavik Satish Badani : Director  
Mansukh D. Sanghvi : Director  
Bipin Bhikhabhai Patel : Director

**REGISTERED OFFICE:**

206 Helix Complex,  
Opp. Hotel Surya  
Sayajigunj,  
Vadodara – 390005.

**ANNUAL GENERAL MEETING**

Venue : Regd. Office Address  
Date : Friday, Sept. 28, 2012  
Time : 11.00 a.m.

**AUDITORS:**

Shirish Dalal & Associates  
Ahmedabad

**BANKERS**

AXIS BANK LTD.

**BOOK CLOSURE**

24.09.2012 to 28.09.2012

**REGISTRAR & TRANSFER AGENTS**

M/S. MAHESHWARI DATAMATICS PVT. LTD  
6. MANGEOLANE, 2<sup>ND</sup> FLOOR,  
KOLKATTA-700001

**NOTICE**

NOTICE is hereby given that the 20th Annual General Meeting of the members of Gujarat Narmada Flyash Company Ltd. will be held at its Registered Office, on Friday 28<sup>th</sup> September 2012 at 11.00 a.m. to transact the following business:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2012 and the P&L a/c. for the year ended that date together with the Reports of Auditor's and Director's thereon.
2. To appoint a Director in place of Mitesh J. Jani, who retires by rotation and being eligible, offers for re-appointment.
3. To appoint the Auditors to hold the office from the conclusion of AGM until the conclusion of next AGM of the Company and to fix their remuneration.

**SPECIAL BUSINESS**

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

“Resolved that Mr. Bhavik Satish Badani who was appointed as an Additional Director of the Company on 1/12/2011 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds such office up to the date of ensuing Annual General Meeting of the Company and in respect of whom the company has received a notice in writing from a member under section 257 of the companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

5. To consider and if thought fit, to pass the following resolution with or without modification(s), as an ordinary resolution.

“Resolved that Mr. Mansuk D Sanghvi, who was appointed as an Additional Director of the Company on 01/12/2011 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds such office up to the date of ensuing Annual General Meeting of the Company and in respect of whom the company has received a notice in writing from a member under section 257 of the companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

6. To consider and if thought fit, to pass the following resolution with or without modification(s), as an ordinary resolution.

“Resolved that Mr. Bipin Bikhhabhai patel, who was appointed as an Additional Director of the Company on 01/12/2011 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds such office up to the date of ensuing Annual General Meeting of the Company and in respect of whom the company has received a notice in writing from a member under section 257 of the companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

**NOTES**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. The Proxy form should be deposited at the registered office of the Company not less than forty eight hours before the meeting.
3. Share Holders are requested to intimate change in their address, if any, immediately.
4. The Registered of Members and Share Transfer Book of the Company will remain closed from 24-09-2012 to 28-09-2012 (both days inclusive).
5. The equity shares of the company are listed at the Vadodara Stock Exchange Ltd., the Stock Exchange Ahmedabad, and the Stock Exchange Mumbai.

**EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956****Item no. 4**

Mr. Bhavik Satish Badani, was appointed by the Board of Director of the Company as an Additional Director w.e.f from 01/12/2011 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about his are given in para 2 of the Corporate Governance Report. A notice in writing has been received under Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose her appointment as an Additional Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except Mr. Bhavik Satish Badani himself

**Item no. 5**

Mr. Mansuk D Sanghvi, was appointed by the Board of Director of the Company as an Additional Director w.e.f from 01/12/2011 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about his are given in para 2 of the Corporate Governance Report. A notice in writing has been received under Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose her appointment as an Additional Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except Mr. Mansuk D Sanghvi himself

**Item no. 6**

Mr. Bipin Bikhabhai Patel, was appointed by the Board of Director of the Company as an Additional Director w.e.f from 01/12/2011 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and

### Directors Report

To,

The Members,  
Gujarat Narmada Flyash Co Ltd  
Gujarat, Vadodara.

Your Directors have pleasure in presenting before you the 20<sup>th</sup> ANNUAL REPORT of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March,2012

FINANCIAL RESULTS	Amounts in Rs.	
	31 <sup>st</sup> March 2012	31 <sup>st</sup> March 2011
Turn Over	1,357,000	644,739
Profit (Loss) Before Tax	(243,783)	169,197
Provision for Taxation	NIL	NIL
Profit (Loss) After Tax	(243,783)	169,197

### OPERATIONAL HIGHLIGHTS

During the year under report company had 100% growth on year on year basis on its turnover. However due to the increased operating expenses the company had incurred a loss of Rs.2.43 Lacs in the year. The Board of Directors are confident of posting the higher growth in the operation in the coming years, thereby recovering the losses incurred in the previous years.

### DIVIDEND

In view of loss, your directors do not recommend payment of any dividend to the shareholder.

### DIRECTORS

Mitesh Jagdish Jani, Director of the company retire s by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

Mr.Bhavik Badani, Mr.Mansukhbahi Sanghvi, and Mr. Bipin patel are appointed by board of directors of the company as Additional Directors of the company liable to retire by rotation.

During the year Mr. Aswinikumar Singh, Mr. Rameshchandra Parwal and Mr. Bimleshkumar Mishra Resigned from the Board of Directors of the Company . Directors Express there Gratitude for Co operation and support by them time to time in the Company operation

### AUDITORS

M/s. S hirish Dalal & Associates , Chartered Accountant s, Ahmedabad, the Auditors of the Company retire at the conclusion of this Annual General Meeting. They are eligible for reappointment and indicated their willingness to act as an Auditor , if appoint ed and the appointment shall be in the limits prescribed under the provision of the Companies Act, 1956.

**PARTICULARS OF EMPLOYEES**

There was no employee in the Company whose particulars are required to be furnished as per section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO.**

The information under section 217(1) (e) of the Companies Act, 1956 on Conservation of Energy, Technology Absorption as required to be disclosed is not applicable to the company during the year under review the Company has no foreign exchange earnings and outgo.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors hereby report that:

- (a) in the preparation of annual accounts, the applicable accounting standards have been followed;
- (b) Appropriate accounting policies have been selected and applied consistently and judgements and estimates made that are responsible and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March 2012;
- (c) Proper and sufficient care has been taken 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;
- (d) Annual accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE AND COMPLIANCE**

A report on corporate governance along with Management Discussion and Analysis is annexed to this report. A certificate from Statutory Auditors with regards to the compliance of the corporate governance, as stipulated in Clause 49 of the Listing Agreement, by the company is annexed to this report.

The company has fully complied with all mandatory requirements prescribed under Clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

**ACKNOWLEDGEMENT**

The Board of Directors take the opportunity to thank the Bankers and Government for the Co-operations and support by them from time to time in the operation of the company during the year. The Board also place on record its deep appreciation for the contribution made by the employees at all levels.

Place : Vadodara  
Date : 31-08-2012

By order of the Board  
For Gujarat Narmada Flyash Co Ltd  
SD/-

**ANNEXURE –A to the Director’s Report for the year ended 31<sup>st</sup> March, 2012.****REPORT ON CORPORATE GOVERNANCE****1. COMPANY’S PHILOSOPHY**

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organisation’s functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company’s policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients’ interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

**2. BOARD OF DIRECTORS**

The Board of Directors of the Company Consist of Four Directors , All of them are non - Executive Director except C chairman . The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

**Board procedure**

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

**Composition, Category of Directors and their other directorship and Membership / Chairmanship of Committees.**

Sr. No	Name Of Director	Category	Name of Others		
			Directorship	Committee M.ship	Committee Chairmanship
1.	Mitesh Jani	Director	4	3	1
2.	Bhavik Satish Badani	Director	3	3	1
3.	Mansukh D. Sanghvi	Director	4	3	2
4.	Bipin B. Patel	Director	1	1	-

During the year 7 Board Meetings were held on 29-04-2012, 13-08-2012, 01-09-2012, 15-11-2012, 01-12-2012, 13-02-2012, and 05-03-2012. The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

Sr.No	Name Of Director	No. Of Board Meeting Attended	Attendance at the AGM Held on 30-09-2011
1	Mitesh Jani	5	YES
2	Bhavik Satish Badani	1	NO
3	Mansukh D. Sanghvi	1	NO
4	Bipin B. Patel	1	NO

**3. AUDIT COMMITTEE**

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee. The Details of Audit Committee meetings held during the year April 2011 to March 2012 and the attendance of the Audit Committee Members are as under:

Sr.No	Name Of Director	Category	No Of Meeting Held	Meeting Attended
1	Mitesh Jani	Chairman. & M.D	5	4
2	Bhavik Satish Badani	Ind.Director	5	1
3	Mansukh D. Sanghvi	Ind.Director	5	1

**Terms of Reference:-**

The terms of reference for the audit committee as laid down by the Board include the following:-

- (i) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (ii) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- (iii) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit ; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements' concerning financial statements; any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- (iv) Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.
- (v) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post -audit discussion to ascertain any areas of concern.
- (vi) Reviewing the Company's financial and risk management policies.
- (vii) To review the functioning of the Whistle Blower Policy adopted by the Company.
- (viii) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

**4. REMUNERATION COMMITTEE**

This is a non -mandatory requirement. The company has constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company.

The Remuneration Committee consists of Mitesh Jani, Managing Director & Chairman of the committee, Mr. Bhavik Satish Badani, Director, Mr. Mansukh D. Sanghvi, Director. Two meeting of the committee held during the year under review.

**5. SHARE HOLDER'S GRIEVANCE AND SHARE TRANSFER COMMITTEE****Composition:-**

The said committee comprises of Bhavik Satish Badani, Director & Chairman of the said committee, Mitesh Jani , Director and Mansukh D. Sanghvi , Director. There are 5 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.



**Terms of reference:-**

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares non receipt of annual report, non receipt of declared dividend etc.

**Compliance Officer:-**

The company has designated Mr Mitesh Jani as Compliance Officer.

**Summary of Investors' Complaints:-**

During the year no complaints were received from the share holders.

**Annual General Meeting :-**

The Annual General Meeting (AGMs) of the company have been held at the following places in the last three years.

YEAR	DATE	TIME	VENUE
2008 - 09	30-09-2009	11.00 A.M	<b>REGD. OFFICE</b> – G - 4, Vyavasaya Building, Near Verei Mata Temple, Urmi Dinesh Mill Road, Vadodara – 390007.
2009 - 10	30-09-2010	11.00 A.M	<b>REGD. OFFICE</b> – G – 4, Vyavsaya Building, Near Verei Mata Temple, Urmi Dinesh Mill Road, Vadodara – 390007
2010 - 11	30-09-2011	11.00 A.M	<b>REGD. OFFICE</b> – G – 4, Vyavsaya Building, Near Verei Mata Temple, Urmi Dinesh Mill Road, Vadodara – 390007

No special resolution passed through postal ballot during the year.

No special resolution on matters requiring postal ballot are placed for share holders approval at this meeting.

**6. DISCLOSURES REGARDING RELATED PARTY TRANSACTIONS:-**

There were no transaction by the company of material significance with related parties i.e. its Promoters, Directors of Companies or the Management or their relatives during the year which may have potential conflict with interest of the Company at large.

**7. MEANS OF COMMUNICATION:**

- (i) The periodical unaudited / audited financial results are published in Free Press Journal (English) and (Hindi) as required under the Listing Agreement. All financial and other vital information is promptly communicated to the stock exchanges on which company's shares are listed.
- (ii) The Management Discussion and Analysis report prepared by the management and forming part of the Annual Report is separately attached.

**8. GENERAL INFORMATION FOR SHAREHOLDERS:**

- (a) **Regd. Office:-** The Address has been given above

**(b) Date, Time, Venue of Annual General Meeting:-**

28<sup>th</sup> September, 2012 at 11.00 AM at the Regd. Office.

**(c) Financial Reporting for the quarter ending:-**

JUNE 30	: END JULY
SEPT 30	: END OCTOBER
DEC 31	: END JANUARY
MARCH 31	: END APRIL

**(d) Date of Book Closure :**

24.09.2012 to 28.09.2012

**(e) Listing Details :**

Ahmedabad Stock Exchange Limited, Gujarat.	: No Stock Code
Bombay Stock Exchange Limited, Mumbai	: Scrip Code 526598
Vadodara Stock Exchange Limited, Gujarat	: No Stock Code

**(f) Market price data:**

The equity shares of the have not been traded till September 2011 due to suspension of trading of the company's shares and on revocation of suspension by BSE Ltd, the trading on the shares started from the month of October 2011.

The monthly High & Low Share prices of the company traded at the Stock Exchange, Mumbai from 1st Oct 2011 to 31st March, 2012 are given below:

Months	Months High Price Rs.	Months Low Price Rs.
October 2011	35.00	19.10
November 2011	18.15	13.45
December 2011	-	-
January 2012	17.09	14.12
February 2012	23.65	17.95
March 2012	49.95	24.75

**(g) Registrar And Transfer Agent:**

The company appointed M/s. Maheshwari Datamatics Pvt.Ltd as Registrar & Transfer agents for carrying out the share transfer and carry out the dematerialization of equity shares of the Company. The details of R & T lis given below.

M/S. MAHESHWARI DATAMATICS PVT. LTD  
6. MANGEOLANE, 2<sup>ND</sup> FLOOR,  
KOLKATTA-700001

**(h) Share Transfer System:**

The Company has a Share holders/ Investors grievance Committee who looks after share transfer job by meeting at regular intervals depending upon the receipt of the shares for transfer.

**(i) Investor Services:**

The Company has not received any complaints from the shareholders/investors during the year.

**(g) DEMATERIALISATION OF SHARES AND LIQUIDITY :**

The registrar & share transfer agent, M/s Maheswari Datamatics Pvt. Ltd, having electronic connectivity with both the Depository Participants is appointed as the R & T for the Company for this purpose.

**DISPOSAL OF INVESTOR GRIEVANCES**

The average time required by the Company for the redressal of routine investor grievances is estimated to be seven working days from the date of receipt of the complaint. In case of non-receipt routine complaints and where external agencies are involved. The Company will strive to redress these complaints as expeditiously as possible.

**CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT**

The Managing director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of Clause 49 as required under Clause 49 of the listing agreement.

**WHISTLE BLOWER POLICY**

Recently, the Security & Exchange Board of India has also prescribed the adoption by all listed companies, of a Whistle Blower Policy as a non-mandatory requirement. The company has adopted a Whistle Blower Policy, which affords protection and confidentiality to Whistle blowers. The Audit Committee Chairman is authorized to receive Protected Disclosures under this Policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

**CODE OF CONDUCT**

The Company's Board of Directors has adopted the code of conduct which govern the conduct of all directors /employees. All Directors and senior management personnel have affirmed compliance with respective codes for the year ended on 31<sup>st</sup> March 2012.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Company is in the business of financial activity. The key issues of the Management Discussion and Analysis are given below.

**(a) Industry Structure and Developments**

The company is engaged in manufacture and trading of flyash but presently the said business is not giving any substantial earning to the Company hence Company is in the process of diversifying to other business areas.

**(b) Strength**

The strength of the company is known from its reputation which the company has earned due to its quality business and cordial relation with its clients and presently the company's financial position is sound..

**( c ) Comment on Current year's performance**

Receipts	: company maintained the average business turnover of last years during the year.
Operating Expenses	: The operating Expenses are well under control.
Operating Profits	: The Operating Profits are up to industry mark.
Indirect Expenses	: The Indirect Expenses are under control.
Depreciation	: Reasonable amount of Depreciation is provided.
Profit before tax	:The loss is reduced during the year
Taxation	: Taxation is Provided as per Income Tax Act.
Debtor/Sales	: Debtors are reasonable and realization period has decreased due to the policy of the Company.
Creditors/Purchase	: The Company has an established credit.

**d) Opportunities and Threats**

The impact of boom in capital market and real estate market due to government support has provided a boost to the economy and it is set to grow at 20% to 25% supported by a smart growth in manufacturing and services sectors. The Company is planning to take up the growth opportunity by diversifying into other suitable areas of business. Outlook for the year 2012 is positive. While the overall demand outlook for the year 2012 remains good, the Company expects the pressure on quality customers to continue due to competition.

**(e) Segment wise performance**

The business of the Company falls under a single segment i.e. Share broking, Investment and trading in shares and derivatives for the purpose of Accounting Standard AS-17.

**(f) Outlook**

The Company is making all efforts to accelerate growth of its business. It expects to improve its position in the market by focusing on technologically advanced and more profitable products/market segments and working aggressively in the areas of productivity, efficiency and cost reductions.

**(g) Risk and concerns**

Stiff competition from other manufactures of the products of the Company and price competition creates risk of losing the market share of the Company. However company is very optimistic to continue its dominance in market by way of aggressive marketing maintaining quality of the product.

**(h) Internal control system**

Internal audit and other controls have been found to be adequate. These are reviewed periodically by the Audit Committee and found the performance satisfactory.

**CEO / CFO Certification**

To  
The Board of Director  
Gujarat Narmada Flyash Co Ltd  
Gujarat, Vadodara.

We certify that ;

1. We have reviewed the financial statement and cash flow statement of Gujarat Narmada Flyash Co Ltd, for the year ended 31<sup>st</sup> March 2012 and to the best of our knowledge and belief ;
  - i these statement 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 standard, applicable law and regulation.
2. To the best of our knowledge and belief, these are, no transaction entered into by the company during the year, which are fraudulent, illegal or violating the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls over financial reporting and we have evaluated the effectiveness of internal control systems of the company over financial reporting and we have disclosed to the auditors and audit committee, deficiencies in the design or operation of internal control over financial reporting, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, these are adequate internal controls over financial reporting.
4. We have indicated to the auditors and the audit committee that there are
  - i significant improvement in internal controls over financial reporting during the year
  - ii changes in accounting policies made during the year as have been disclosed in the notes to the financial statement.
  - iii no instance of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company internal control system on financial reporting.

Date : 31-08-2012  
Place : Vadodara

For Gujarat Narmada Flyash Co.Ltd.  
Sd/-  
Mitesh Jagdish Jani  
Managing Director/CEO

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members

Gujarat Narmada Flyash Company Limited

We have examined the compliance of condition of corporate governance by Gujarat Narmada Flyash Company Limited for the year ended on 31<sup>st</sup> March 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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

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

As required by the Guidance Note issued by the institute of Chartered Accountants of India, we have to state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors' Grievance Committee.

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

PLACE : Ahmedabad  
DATE : 31-08-2012

For Shirish Dalal & Associates  
CHARTERED ACCOUNTANTS

Sd/-  
Shirish Dalal  
PROPRIETOR

**AUDITOR'S REPORT**

To,  
SHAREHOLDERS,  
M/S. GUJARAT NARMADA FLYASH COMPANY LIMITED

1. We have audited the attached balance sheet of GUJARAT NARMADA FLYASH COMPANY LIMITED as at 31<sup>st</sup> March, 2012 and the profit and loss account for the period 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.
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 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 in significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. In our opinion and according to the information and explanations given to us, the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, is not applicable to the Company.
4. Further to our comments in the Annexure referred to above, we report that:
  - a. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purposes 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 and with the audited returns from the branches;
  - 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 31<sup>st</sup> March, 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 give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - i. In the case of the balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2012 and
    - ii. In the case of profit and loss account, of the loss for the year ended on that date.

For Shirish Dalal & Associates  
**Chartered Accountants**  
Sd/-

**(Shirish Dalal)**  
Proprietor

**Place:** Ahmedabad  
**Date:** 31-08-2012

**ANNEXURE TO THE AUDITORS REPORT****TO THE MEMBERS OF M/S . GUJARAT NARMADA FLYASH COMPANY LIMITED**

(REFERRED TO IN PARAGRAPH 3 there of )

- (1)
  - (a) The company has maintained generally proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As explained to us, the Management has physically verified the Company's fixed assets during the year and no material discrepancies were noticed on such verification.
  - (c) During the year, the company has not disposed off a major part of the fixed assets.
- (2)
  - (a) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of company and the nature of its business.
  - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (3)
  - (a) According to the information and explanations given to us, the company has not granted and taken loans and advances from companies, firms or other parties listed in the registers maintained under section 301 and the companies under the same management.
  - (b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from / granted to companies, firms or other parties listed in the registers maintained under Section 301 are not, prima facie prejudicial to the company, if any.
  - (c) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest wherever applicable. The parties have repaid principal amounts as stipulated and have been regular in payment of interest wherever applicable, if any.
  - (d) There is no overdue amount of loans taken from or granted by the companies, firms or other parties listed in the register maintained under Section of 301 of the Companies Act, 1956.
- (4) In our opinion and according to the information and explanation 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 purchase of inventories, fixed assets and with regard to the sale of goods, if any.
- (5)
  - (a) According to the information and explanations given to us, We are of the opinion that the 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 explanation 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 rupees five lakhs in respect of any party during the year have been



- (6) The company has not accepted deposit from public coming under the purview of section 58 A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule, 1975.
- (7) In Our Opinion the company has an internal Audit System Commensurate with the size of the company and its nature of business.
- (8) The Central Government has not prescribed maintenance of the cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of the products manufactured by the company.
- (9) In our opinion, the accumulated losses at the end of the year more than fifty percent of its net worth and has incurred cash losses during the financial year covered by our audit.
- (10) The company has made defaulted in repayment of dues to financial institutions, Financial institute for the recovery of dues with honorable Debt recovery Tribunal has filed recovery suit.
- (11) According to the information and explanations given to us, the company has not granted any loan or advance on the basis of security by way of pledge of shares or debentures or any other securities.
- (12) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (13) In our opinion, the company is not dealing in or trading shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (14) In our opinion, the company has not given any guarantee for loans taken by others from banks or financial institutions and hence the provisions relating to clause 4 (xv) are not applicable to the Company.
- (15) Clause is not applicable as no term loans been raised during the year.
- (16) According to the information and explanation given to us and on overall examination of balance sheet of the company, We report that no short term funds have been used for long term purposes not long term funds are used for short term purposes.
- (17) According to the information and explanation given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (18) No debentures have been issued during the year.
- (19) The company has not raised any money by public issue during the year.
- (20) According to the information and explanation give to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For Shirish Dalal & Associates  
(Chartered Accountants)**

**Place: Ahmedabad  
Date: 31-08-2012**

**Sd/-  
Shirish Dalal  
(Proprietor)**

**Gujarat Narmada Flyash Company Limited**  
Balance Sheet as at 31st March, 2012

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>		<b>85,087,601</b>	<b>85,331,384</b>
(a) Share Capital	1	63,673,000	63,673,000
(b) Reserves and Surplus	2	21,414,601	21,658,384
(c) Money received against share warrants		-	-
<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>		<b>33,928,633</b>	<b>32,768,634</b>
(a) Short-Term Borrowings	3	32,828,633	32,768,634
(b) Trade Payables	4	1,100,000	-
(c) Other Current Liabilities		-	-
(d) Short-Term Provisions		-	-
<b>Total</b>		<b>119,016,234</b>	<b>118,100,018</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>		<b>3,097,997</b>	<b>3,489,810</b>
<b>(a) Fixed assets</b>			
(i) Tangible assets	5	3,097,997	3,489,810
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
<b>(2) Current assets</b>		<b>115,918,238</b>	<b>114,610,208</b>
(a) Current investments	6	111,835,785	114,484,550
(b) Inventories		-	-
(c) Trade receivables	7	3,370,000	-
(d) Cash and cash equivalents	8	162,453	125,658
(e) Short-term loans and advances	9	550,000	-
(f) Other current assets		-	-
<b>(3) Miscellaneous Expenditure</b>			
Profit & Loss Account			
<b>Total</b>		<b>119,016,234</b>	<b>118,100,018</b>

Notes of Accounts &amp; Significant Accounting Policies

G

As per our Audit Report of Even Date

**For Sirish Dalal & Associates**  
Chartered Accountants

sd/-  
**Sirish Dalal**  
Proprietor

For and on behalf of The Board of Directors  
**Gujarat Narmada Flyash Company Limited**

sd/-  
Bhavik Badani  
Director

sd/-  
Mansukh Sanghvi  
Director

Place : Ahmedabad  
Date : 31/08/2012

**Gujarat Narmada Flyash Company Limited**

Profit and Loss statement for the year ended 31st March, 2012

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. Revenue from operations</b>		-	-
<b>II. Other Income</b>	10	1,357,000.00	644,739.20
<b>III. Total Revenue (I +II)</b>		<b>1,357,000.00</b>	<b>644,739.20</b>
<b>IV. Expenses:</b>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	11	5,000.00	-
Financial costs		-	-
Depreciation and amortization expense		391,813.23	455,899.27
Other expenses	12	1,203,970.15	19,642.50
<b>Total Expenses</b>		<b>1,600,783.38</b>	<b>475,541.77</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		(243,783.38)	169,197.43
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(243,783.38)	169,197.43
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII - VIII)</b>		<b>(243,783.38)</b>	<b>169,197.43</b>
<b>X. Tax Expenses:-</b>			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from continuing operations		(243,783.38)	169,197.43
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>(243,783.38)</b>	<b>169,197.43</b>
<b>XVI. Earning per equity share:</b>			
(1) Basic		(0.04)	0.03
(2) Diluted		(0.04)	0.03

As per our Audit Report of Even Date

**For Sirish Dalal & Associates**

Chartered Accountants

sd/-

**Sirish Dalal**

Proprietor

Place : Ahmedabad

Date : 31/08/2012

For and on behalf of The Board of Directors

**Gujarat Narmada Flyash Company Limited**

sd/-

Bhavik Badani

Director

sd/-

Mansukh Sanghvi

Director

## NOTES TO ACCOUNTS: G

<b>NOTE NO.1 SHARE CAPITAL</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
<b>A) Authorized Capital</b> Equity shares 70,00,000 Equity Shares of Rs. 10/- each	70,000,000.00	70,000,000.00
	<b>70,000,000.00</b>	<b>70,000,000.00</b>
<b>B) Issued, Subscribed and fully paid, or Subscribed but not fully paid shares</b> 63,67,300 Equity shares of Rs 10/- each Fully paid up	63,673,000.00	63,673,000.00
<b>TOTAL</b>	<b>63,673,000.00</b>	<b>63,673,000.00</b>

<b>Share holders holding more than 5% shares</b>	<b>As at 31st March 2012</b>	
	<b>Number</b>	<b>%</b>
Nil	-	-

<b>NOTE NO.2 RESERVES AND SURPLUS</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
Surplus - Profit/(Loss)	(243,783.38)	169,197.43
Add: Brought forward profit	21,658,384.43	21,489,187.00
Less: Brought forward loss	-	-
<b>TOTAL</b>	<b>21,414,601.05</b>	<b>21,658,384.43</b>

<b>NOTE NO.3 SHORT TERM BORROWINGS</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
<b>Secured</b> Term loan	29,983,001.00	29,983,001.00
<b>II Unsecured</b> - From other parties	2,845,632.00	2,785,632.00
<b>TOTAL</b>	<b>32,828,633.00</b>	<b>32,768,633.00</b>

<b>NOTE NO.4 TRADE PAYABLES</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
Unsecured, unconfirmed considered good		
a) More than six months	-	-
b) Others	1,100,000.00	-
<b>TOTAL</b>	<b>1,100,000.00</b>	<b>-</b>

<b>NOTE NO. 5 FIXED ASSETS</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
<b>(A) TANGIBLE ASSETS</b>		
(a) Electrical Installation		
Opening Balance	120,872.80	<b>151,091.00</b>
Add: Addition/(Sale of Asset)	-	
Less: Depreciation	24,174.40	<b>30,218.00</b>
	<b>96,698.40</b>	<b>120,873.00</b>
(b) Land & Land Equipments		
Opening Balance	570,644.00	<b>570,644.00</b>
Add: Addition/(Sale of Asset)	-	
Less: Depreciation	-	
	<b>570,644.00</b>	<b>570,644.00</b>
(c) Building :Residential		
Opening Balance	57,520.60	<b>60,548.00</b>
Add: Addition/(Sale of Asset)	-	
Less: Depreciation	2,876.03	<b>3,027.00</b>
	<b>54,644.57</b>	<b>57,521.00</b>
(d) Building : Factory		
Opening Balance	301,622.40	<b>335,136.00</b>
Addition/(Sale of Asset)	-	
Depreciation	30,162.00	<b>33,514.00</b>
	<b>271,460.40</b>	<b>301,622.00</b>
(e) Laboratory Equipments		
Opening Balance	46,870.40	<b>58,588.00</b>
Add: Addition/(Sale of Asset)	-	
Less: Depreciation	9,374.08	<b>11,718.00</b>
	<b>37,496.32</b>	<b>46,870.00</b>
(f) Tube Well		
Opening Balance	88,267.35	<b>92,913.00</b>
Add: Addition/(Sale of Asset)	-	
Less: Depreciation	4,413.35	<b>4,646.00</b>
	<b>83,854.00</b>	<b>88,268.00</b>
(g) Plant & Machinery		
Opening Balance	2,301,318.28	<b>2,673,154.00</b>
Add: Addition/(Sale of Asset)	-	
Less: Depreciation	320,113.37	<b>371,836.00</b>
	<b>1,981,204.91</b>	<b>2,301,318.00</b>
(h) Vehicles		
Opening Balance	2,693.90	<b>3,635.00</b>
Add: Addition/(Sale of Asset)	-	
Less: Depreciation	700.00	<b>941.00</b>
	<b>1,993.90</b>	<b>2,694.00</b>
<b>TOTAL</b>	<b>3,097,996.50</b>	<b>3,489,810.00</b>

<b>NOTE NO. 6 CURRENT INVESTMENTS</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
Trade (Long Term Investments - At Cost) Equity Shares (Fully Paid) UNQUOTED	111,835,785.00	- 114,484,550.00
<b>TOTAL</b>	<b>111,835,785.00</b>	<b>114,484,550.00</b>

<b>NOTE NO. 7 TRADE RECEIVABLES</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
(A) Unsecured, unconfirmed considered good		
a) More than six months	-	-
b) Others	3,370,000.00	-
<b>TOTAL</b>	<b>3,370,000.00</b>	<b>-</b>

<b>NOTE NO. 8 CASH AND CASH EQUIVALENTS</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
(a) Fixed Deposits with Accrued Interest		
(b) Balance with banks	-	-
(b) Cash in hand	162,452.85	125,658.00
<b>TOTAL</b>	<b>162,452.85</b>	<b>125,658.00</b>

<b>NOTE NO. 9 SHORT TERM LOANS AND ADVANCES</b>		
<b>PARTICULARS</b>	<b>Amount Current Period</b>	<b>Amount Previous Period</b>
Others	550,000.00	-
	<b>550,000.00</b>	<b>-</b>

<b>NOTE NO. 10 OTHER INCOME</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
(a) Income from operations	1,357,000.00	644,739.20
<b>TOTAL</b>	<b>1,357,000.00</b>	<b>644,739.20</b>

<b>NOTE NO. 11 EMPLOYEES BENEFIT EXPENSES</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
(A) Salaries and wages	5,000.00	-
(B) Contribution to provident and other funds	-	-
(C) Expenses on ESOP	-	-
(D) Staff welfare expenses	-	-
<b>TOTAL</b>	<b>5,000.00</b>	<b>-</b>

<b>NOTE NO.12 OTHER EXPENSES</b>		
<b>PARTICULARS</b>	<b>Amount of current period</b>	<b>Amount of previous period</b>
(a) Audit fees	-	5,000.00
(b) Registrar exps.	28,905.00	-
(c) Listing Fees	956,105.00	-
(d) Advertisement exps	6,499.00	-
(e) Bank charges	8,387.01	-
(f) Office exps	4,429.00	11,392.50
(g) Printing & Stationery exps	57,460.00	3,250.00
(h) Electricity charges	2,370.14	-
(i) Telephone charges	4,015.00	-
(j) Legal & Professional charges	82,000.00	-
(k) Income Tax	53,800.00	-
<b>TOTAL</b>	<b>1,203,970.15</b>	<b>19,642.50</b>

**Notes to Accounts**

- 1) Pursuant to the Notification No.447 (E) dated February 28,2011 and Notification No.653 (E) dated March 30, 2011, issued by the Ministry of Corporate Affairs, the Company has prepared its financial statements for the year ended March 31, 2012 as per revised schedules VI to the Companies Act, 1956. Accordingly, the previous year's figures have been regrouped / reclassified, wherever required to align the financial statements

**NOTE NO. 13 ANY ITEM MORE THAN RS.1 LAC OR 1% OF TOTAL REVENUE**

(A) Depreciation	391,813.23	455,899.27
<b>TOTAL</b>		

**NOTE NO. 14 PAYMENT TO AUDITOR**

(A) As Auditor	-	5,000.00
(B) For Taxation matter	-	-
(C) For Company Law matters	-	-
(D) For management services	-	-
(E) For Other Service	-	-
(F) For reimbursement of expenses	-	-
<b>TOTAL</b>	<b>-</b>	<b>5,000.00</b>

<b>Gujarat Narmada Flyash Company Limited</b>				
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012</b>				
	2011-12		2010-11	
	RS	RS	RS	RS
A . CASH FLOW FROM OPERATING ACTIVITIES & NET PROFIT/LOSS AFTER TAX PROVISION		(243,783)		169,197
ADJUSTMENT MADE FOR:				
MISCELLANEOUS EXPENDITURE WRITTEN OFF	-		-	
DEPRECIATION WRITTEN OFF	391,813	-	455,899	-
INCOME TAX PROVISION	-		-	
OPER.PROFIT BEFORE CHANGE IN WORKING CAPITAL		391,813	-	455,899
		148,030		625,097
ADJUSTMENTS MADE FOR:				
TRADE PAYABLES	-	1,100,000	-	
Sundry Debtors	-	(3,920,000)	-	-
CASH GENERATED FROM OPERATIONS		(2,671,970)		625,097
INTEREST PAID	-		-	
SERVICE TAX PROVISION	-		-	
NET CASH FLOW FROM OPERATING ACTIVITIES		(2,671,970)		625,097
B. CASH FLOW FROM INVESTING ACTIVITIES :				
SALE/PURCHASE OF INVESTMENTS	2,648,765		(3,377,050)	
PURCHASE OF COMPUTER	-		-	
NET CASH FLOW FROM INVESTING ACTIVITIES	2,648,765		(3,377,050)	(2,751,953)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Investments	-		-	
PROCEEDS FROM LOAN & ADVANCES	60,000		2,785,632	
NET CASH FLOW FROM FINANCING ACTIVITIES		60,000		2,785,632
NET INCREASE IN CASH OR OR CASH EQUIVALENTS		36,795		33,679
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		125,658		91,979
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR		162,453		125,658
NET INCREASE IN CASH OR OR CASH EQUIVALENTS		36,795		33,679
		(0)		0

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
Gujarat Narmada Flyash Company Limited

Place : Vadodara  
Date : 31/08/2012

**(Bhavik Badani)**  
DIRECTOR

**(Mansukh Sanghvi)**  
DIRECTOR

### AUDITOR'S CERTIFICATE

**The Board of Directors,**

**M/s. Gujarat Narmada Flyash Company Limited, Ahmedabad**

We have examined the above cash flow statement of M/s. **Gujarat Narmada Flyash Company Limited**, Ahmedabad, for the period ended 31st March, 2012. The statement has been prepared by the Company in accordance with the clause 32 with Stock Exchanges and is based on and is in agreement with the Balance Sheet and Profit and Loss Account of the Company covered by or report of even date, to the members of the Company.

**PLACE : AHMEDABAD**  
**DATE: 31/08/2012**

**For and on behalf of**  
**Sirish Dalal & Associates**  
**Chartered Accountant**  
**Mem No:8996**

**Sirish Dalal**  
**PROPRIETOR**



## Gujarat Narmada Flyash Company Limited

ACCT YEAR 2011-12

## Fixed assets

Sr. No.	Description of Assets	Gross Block			Depreciation			Net Block		Net Block	
		Total as at 31/03/2011	Addition during the year	Total as at 31/03/2012	Total as at 31/03/2011	Provide for the year	Total as at 31/03/2012	Total As On 31/03/2012	Total As On 31/03/2011		
1	Land & land equipments	570644	0	570644	0	0	0	570644	570644		
2	Tube Well	125935	0	125935	37668	4413	42081	83854	88267		
3	Factory Building	681057	0	681057	379435	30162	409597	271460	301622		
4	Other Building	82219	0	82219	24698	2876	27574	54645	57521		
5	Plant & machinery	9709435	0	9709435	7408117	320113	7728230	1981205	2301318		
6	Electric Fitting	701825	0	701825	580952	24174	605127	96698	120873		
7	Laboratory Equipments	276006	0	276006	229136	9374	238510	37496	46870		
8	Vehicleals	386748	0	386748	384054	700	384754	1994	2694		
	<b>Total : ----&gt;</b>	12533869	0	12533869	9044059	391813	9435873	3097996	3489810		
	<b>Previous Year</b>	12533869	0	12533869	8588160	455899	9044059	3489810	3945709		

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS****1. Basis of Preparation of Accounts:**

The accounts are prepared on historical cost convention in accordance with applicable mandatory accounting standards and other generally accepted accounting principles in conformity with the statutory requirements.

**2. Fixed Assets:**

Fixed assets are stated at historical cost where cost includes all expenses directly attributable to make the asset ready for use.

**3. Depreciation:**

Depreciation on fixed assets has been provided on Written Down value method under Schedule XIV to the Companies Act, 1956.

**4. Revenue Recognition**

Income and expenditure are recognized and accounted on accrual basis, except in case of significant uncertainties.

**5. INVESTMENTS:**

Investments have been stated at cost. However, the company has not provided by way of making necessary provisions for diminution in the value of long term investments in the line with accounting standards laid down by the ICAI. However in absence of market quotation as on 31.03.2011. We are unable to comment on the adequacy of the provision for diminution in market value of shares.

**6. RETIREMENT BENEFITS:**

As informed and explained to us that the company is not liable or retiring benefits hence not provided for the retirement benefits by way of gratuities payable to the employees on retirement in accordance with the accounting standards laid down by ICAI.

**7. AMORTISATION OF MISCELLANEOUS EXPENDITURE:**

The preliminary expenses incurred in connection with the incorporation of the company and raising share capital are amortised over a period of 10 years.

**8 VALUATION OF INVENTORIES:**

The closing stock has been physically taken and certified by the management including the quality of non/slow moving items and valued at historical cost.

**9 Taxes on Income:**

Taxes on Income comprise of Current Tax and Deferred Tax in accordance with Accounting Standard (AS) 22, "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

Current tax is being measured at the estimated amount payable to the taxation authorities.

Deferred tax is measured at rates substantively enacted by the balance sheet date.

**10 ACCOUNTING FOR EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES:**

There is no transaction involved in foreign exchange.

**11. Earning Per Share:**

The company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20 – Earning per Share issued by the Institute of Chartered Accountants of India. Basic Earning per share are computed by dividing the net profit or loss for the year by the weighted average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential equity share, except where the results are anti-dilutive.

**Calculation of Earning Per Share :**

The numerators and denominators used to calculate the basic and diluted EPS are as follows.

	<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
<b>A.</b>	<b>Profit / (Loss) attributable to</b>		
	<b>Profit / (-) Loss for the year</b>	<b>(243783)</b>	<b>169197</b>
B.	Basic & weighted average number of Equity Shares outstanding during the year	6367300	6367300
C.	Nominal Value of Equity Share	10/-	10/-
D.	Basic Earnings / (loss) per share	-	-
E.	Diluted Earning per Share	-	-

[11] Deferred Tax Liability Provision not made as details not available for verification.

**NOTES FORMING PART OF ACCOUNTS**

## 1. Payment to Auditors:

	<b>2011-12</b>	<b>2010-11</b>
For Audit	NIL	5000
For Tax Audit	----	----
For Certification work	----	----
<b>TOTAL</b>	<b>NIL</b>	<b>5000</b>

- Accounting Standard 19 on Leases is not applicable to the company as the lease is a cancelable lease.
- The company is not required to disclose Diluted Earnings per Share as it falls under level 3 as per the notification by the Institute of Chartered Accountants of India regarding Applicability of Accounting Standards to SMEs.
- Balances Due to or due from the parties from whom confirmations are not received are subject to adjustment on receipt of confirmations.
- Contingent Liabilities: Estimated amounts of contracts remaining to be executed on capital accounts and not provided for Rs. Nil

For Shirish Dalal & Associates

**Sd/-**

**Chartered Accountants**

(Shirish Dalal)

**Proprietor**

For Gujarat Narmada Flyash Company Limited

Sd/-

(Bhavik Badani)

(Director)

1.

Sd/-

(Mansukhlal Sanghvi)

(Director)

2.

Place: Ahmedabad

Date: 31-08-2012

**AUDITORS' CERTIFICATE**

To,

The Board of Directors  
Gujarat Narmada Flyash Company Ltd

We have examined the attached Cash Flow Statement of **M/S. Gujarat Narmada Flyash Company Ltd.** for the year ended on 31 -03-2012. The Statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with Mumbai Stock Exchange limited and is based on in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company for 2011-12

**Shirish Dalal & Associates.  
Chartered Accountants**

**Place : AHMEDABAD**

**Date : 31-08-2012**

**(Shirish Dalal)  
Proprietor**

**GUJARAT NARMADA FLYASH COMPANY LTD**  
206 Helix Complex, Opp. Hotel Surya, Sayajigunj, Vadodara- 390005.

**PROXY FORM**

I/We \_\_\_\_\_  
Of \_\_\_\_\_ Be  
ing a member/members of above named Company hereby appoint of \_\_\_\_\_  
\_\_\_\_\_ or failing him / her  
\_\_\_\_\_ of \_\_\_\_\_  
as may / our proxy to attend and vote on my / our behalf at Annual General Meeting of the  
Company to be held on Friday, 28 September 2012 or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Affix Rupee One Revenue Stamp  Here
--

Note : This instrument of proxy shall be deposited at the Registered Office of the Company.

**GUJARAT NARMADA FLYASH COMPANY LTD**  
206 Helix Complex, Opp. Hotel Surya, Sayajigunj, Vadodara- 390005.

**ATTENDANCE SLIP**

PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

1. Name of the attending Member \_\_\_\_\_
2. Member's Folio Number \_\_\_\_\_
3. Name of the Proxy (In Block Letters) \_\_\_\_\_  
(To be filled in if the Proxy attends instead of the Member)  
(No. of Shares held: \_\_\_\_\_).

I hereby record my presence at the Annual General Meeting at the registered Office on 28<sup>h</sup> Sept, 2012 or at any adjournment thereof.

Member's / Proxy Signature

# Gujarat Narmada Flyash Company Ltd



**ANNUAL REPORT  
2011-12**

**Regd. Office :** 206 Helix Complex,  
Opp. Hotel Surya, Sayajigunj,  
Vadodara - 390005.

**Book - Post**

To, \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Gujarat Narmada Flyash Company Ltd**  
Regd. Office : 206 Helix Complex,  
Opp. Hotel Surya, Sayajigunj,  
Vadodara - 390005.