

# NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

## REPORT ON CORPORATE GOVERNANCE

### Philosophy:

The Company is committed to good corporate governance and taking steps for implementing corporate governance norms as prescribed by SEBI. The Company respects the rights of its shareholders to incorporation on the performance of the company and considers itself a trustee of its shareholders.

### Board of Directors:

Composition, Category of Directors and their other Directorships and Committee Memberships:

At present, the Board consists of three members. The composition of Board of Directors, the number of other directorship or board committees of which he is a member / Chairman is as under:

Name of Director	Category	Other Directorships/Board Committees	
		Directorships	Board Committee
Mr. Vrajlal Vaghasia	Promoter Exe. Director	NIL	NIL
Mr. Jiten Vaghasia	Promoter Director	NIL	NIL
Mr. Arjanbhai Vaghasia	Independent Non-Exe. Director	NIL	NIL
Mr. Lalitbhai Vaghasia	Independent Non-Exe. Director	NIL	NIL

5 Meetings of the Board of Directors were held during the Financial Year 2010-2011 as under:

7<sup>th</sup> May, 2010, 1<sup>st</sup> September, 2010, 30<sup>th</sup> October, 2010, 27<sup>th</sup> January, 2011 and 24<sup>th</sup> March, 2011

### Attendance of Directors at the Board Meetings and Last Annual General Meeting:

Name of Director	Board Meetings Attended	Attendance in GM (Yes/No)
Mr. Vrajlal Vaghasia	5	YES
Mr. Jiten Vaghasia	5	YES
Mr. Arjanbhai Vaghasia	5	YES
Mr. Lalitbhai Vaghasia	5	YES

No Extra Ordinary General Meeting was held during the year under review.

### 3. COMMITTEE OF BOARD:

#### (A). AUDIT COMMITTEE:

The terms of reference of this committee cover the matters specified for Audit Committee under clause 49 of the Listing Agreement. During the year ended 31<sup>st</sup> March, 2011 and up to this report the committee met four times. The attendance of each member of the Committee is given below;

Name of Director	Designation	No. of Meetings Attended
Mr. Arjanbhai Vaghasia	Chairman	4
Mr. Lalitbhai Vaghasia	Member	4
Mr. Jiten Vaghasia	Member	4

#### (B). REMUNERATION COMMITTEE:

The Company has not constituted a remuneration committee. The Company has not paid any salary to its Directors in the Financial Year 2010-11

#### (C). SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:

The Company has constituted a shareholders / investors grievances committee in accordance with Clause 49 of the Listing Agreement. The Committee looks into redressal of investors' complaints and requests like delay in transfer of shares, non-receipt of dividend, non-receipt of annual report etc.

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The committee comprises of three directors. Mr. Jiten Vaghasia is the Chairman of the Committee and Mr. Arjanbhai Vaghasia and Mr. Lalitbhai Vaghasia are members of the Committee. During the year ended 31<sup>st</sup> March, 2011 Committee met four times and all members were present.

(D). **SHARE TRANSFER COMMITTEE:**

The Company has Share Transfer committee since 1994. At present members of the Committee are Mr. Jiten Vaghasia, Chairman of the Committee and Mr. Arjanbhai Vaghasia and Mr. Lalitbhai Vaghasia are members of the Committee.

RTA M/s R & D Consultants Ltd., Mumbai has discontinued the activity of RTA w.e.f. 31/01/2004. The Directors are in talks with a couple of Registrars and Share Transfer Agents and shall appoint one in the near future.

4. **Details of Annual General Meeting:**

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

Financial Year	Location	Date	Time
2007-2008	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30/09/2008	3.00 P.M.
2008-2009	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30/09/2009	3.00 P.M.
2009-2010	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30/09/2010	3.00 P.M.

All the resolutions set out in the respective notice were passed by the shareholders. There were no resolutions put through postal ballot last year. There is no business at the ensuing AGM requiring implementation of the postal ballot under the applicable rule.

5. **Disclosures:**

(a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large. There are no materially significant related party transactions during the Financial Year 2010-11 that may have potential conflict with the interest of the Company at large.

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory, on any matter related to capital markets, during the last three years. Due to non-compliance with the provisions of the listing agreement, trading is suspended. However the Company has hired professional services for assistance in the compliance of Listing Agreement and intends to finish off the pending Stock Exchange Compliance before the AGM.

6. **Means of Communication:**

- Half -Yearly result is not sent to each shareholder.
- Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirement of Clause 41 of the Listing Agreement.
- The Quarterly results are published in Western Times (Ahmedabad) in English and Gujarati edition.
- No presentation has been made to Institutional Investors or to analysts.
- Quarterly results have been displayed on company's website.
- The Management Discussion and Analysis Report is attached with the Director's report in this Annual Report.

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## 7. General Shareholder Information:

### I. Annual General Meeting

Date and Time : 30/09/2011 at 3.00 P.M.  
Venue : Plot No. 119-120, Santej-Vadsar Road,  
At & Post Santej, Taluka: Kalol,  
Dist.: Gandhinagar

### II. Financial Calendar (Tentative):

Financial Year : 1<sup>st</sup> April - 31<sup>st</sup> March  
First Quarter Results : End of July 2011  
Second Quarter Results : End of October 2011  
Third Quarter Results : End of January 2012  
Results for the year ending  
31<sup>st</sup> March 31, 2012 : End of April 2012

III. Book Closure Date : 26<sup>th</sup> September, 2011 to 30<sup>th</sup> September, 2011  
(Both days inclusive)

IV. Registered Office : Plot No. 119-120, Santej-Vadsar Road,  
At & Post Santej, Taluka: Kalol,  
Dist.: Gandhinagar

V. Dividend Payment Date : No dividend is recommended for the financial year 2010-11

### VI. Listing of Equity Shares on Stock Exchange:

Your Company's equity shares are listed on

Sr. No.	Name of Stock Exchange	Address of Stock Exchange
1	The Ahmedabad Stock Exchange Ltd.	Kamdheni Complex, Opp. Sahajanand College, Ambawadi, Ahmedabad - 380 015
2	The Bombay Stock Exchange Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001
3	The Saurashtra Kutch Stock Exchange Ltd	Popatbhai Sorathiya bhawan, Sardar Bazar, Rajkot - 360 001
4	Madras Stock Exchange Ltd	No. 30, Second Line Beach, Chennai - 600 001

Annual Listing Fees for the year 2011-12 have been paid to the Bombay Stock Exchange only.

### VII. Stock Code:

- a) The Ahmedabad Stock Exchange Limited, Ahmedabad :  
b) The Bombay Stock Exchange Limited, Mumbai : 517431  
c) The Saurashtra Kutch Stock Exc. Ltd.  
d) The Madras Stock Exchange Ltd.

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## VIII. Distribution of Shareholding:

No. of Equity Shares	As on 31 <sup>st</sup> March, 2011			
	No. of Shareholders	% of Shareholders	Total Nos. of Shares held	% of Shareholding
1-500	2354	79.55	828800	20.84
501-1000	293	9.90	268100	6.74
1001-2000	193	6.52	326500	8.21
2001-3000	51	1.72	134700	3.39
3001-4000	6	0.20	21100	0.53
4001-5000	26	0.88	125700	3.16
5001-10000	21	0.71	155200	3.90
10001 & Above	15	0.51	2116300	53.23
<b>TOTAL</b>	<b>2959</b>	<b>100.00</b>	<b>3976400</b>	<b>100.00</b>

## IX. Categories of Shareholding (as on 31<sup>st</sup> March, 2011:

Category of Holder	No. of Shares	% of Equity
Promoters / Persons Acting In Concert	1574300	39.59
Banks / Financial Institutions	34400	0.87
Private Corporate Bodies	96700	2.43
Indian Public	2271000	57.11
NRI's	NIL	NIL
<b>Total</b>	<b>3976400</b>	<b>100.00</b>

- X. **Details on use of public funds obtained in the last three years:** No funds have been raised from the public during the last three years.
- XI. **Outstanding GDR / ADRs / Warrants and Convertible bonds, conversion date and likely impact on the equity:** No GDRs / ADRs / Warrants issued by the company.
- XII. **Investors' correspondence may be addressed to :** NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED A-16 Parulnagar Society, 1st floor, Bhuyangdev Char Rasta, Sola Road Ghatlodia, Ahmedabad - 380 061