

## **SYNERGY INFRASTRUCTURES LIMITED**

### **REPORT ON CORPORATE GOVERNANCE**

The detailed report on Corporate Governance, for the financial year October 1st, 2011 to September 30th, 2012 as per the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is set out below :-

#### **A. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE: -**

The company strongly believes that good Corporate Governance is a pre-requisite for enhancing shareholders long term value. The Board considers itself as the trustee of its Shareholders. During the period under review, the Board continued its pursuit by adopting and monitoring of corporate strategies, prudent business plans, major risks and ensuring that the company pursues policies and procedures to satisfy its social, legal and ethical responsibilities.

#### **B. BOARD OF DIRECTORS:-**

(i) Composition and Category of current Directors given below:

Name of the Director	Category	No. of other Public Limited Company Directorship	No. of other Board Committees	
			Member	Chairman
Mr. Jyoti Prakash Bapna	Promoter	--	--	--
Mr. Rameshkumar Mehta	Independent	--	--	--
Mr. Paras Doshi	Independent	--	--	--
Mr. Manendra Pratap Singh	Independent	6	--	--
Mr. Subhash Patle	Independent	7	1	--

(ii) Meeting of the Board of Directors: -

The Board of Directors provides the strategic direction and thrust to the operations of the company. During the period under review, 7 (Seven) Board Meetings were held on 30<sup>th</sup> October 2011, 15<sup>th</sup> November 2011, 31<sup>st</sup> January 2012, 15<sup>th</sup> May 2012, 12<sup>th</sup> Jun 2012, 14<sup>th</sup> July 2012 and 7<sup>th</sup> September 2012.

The 18<sup>th</sup> Annual General Meeting was held on 31<sup>st</sup> December, 2011.

Attendance of each Director at Board Meeting, last Annual General Meeting (AGM) and Shareholding are as follows: -

Name	Attendance Particulars		No. of Equity Shares Held
	Board Meetings	Last AGM	
Mr. Jyoti Prakash Bapna	7	Yes	12,60,000
Mr. Ghanshyam Soni <sup>1</sup>	3	Yes	Nil
Mrs. Pushpalata Soni <sup>1</sup>	3	Yes	Nil
Mr. Rameshkumar Mehta	7	No	Nil
Mr. Paras Doshi	7	No	Nil
Mr. Manendra Pratap Singh <sup>2</sup>	3	NA	Nil
Mr. Subhash Patle <sup>2</sup>	3	NA	Nil

Note:-

1. Ceased to be a Director with effect from 12/06/2012.
2. Appointed as an Additional Director with effect from 12/06/2012.

As per Section 278 of the Companies Act, 1956, Directorship held by Directors mentioned above does not include Directorship of Private Limited Companies which is neither a subsidiary nor a holding Company of a Public Company, Section 25 – non profit making Companies, Unlimited Companies and companies where the director is an Alternate Director.

The Company has a process to provide, inter-alia, the information to the Board as required under Annexure I to clause 49 of the listing agreement pertaining to Corporate Governance.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 Committees across all the Companies in which they are Directors. All the Directors have made necessary disclosures in this regards to the Company.

The Company has not entered into any materially significant transactions during the year under report with promoter directors, senior management staff etc. other than the transaction entered into in the normal course of company's business.

The Board has laid down a code of conduct for Board Members and senior management staff of the Company. The Board Members and senior management staff have affirmed compliance with the said Code of Conduct. The Annual report of the Company contains certificate duly signed by the Chairman/CEO in this regard.

#### **C. DETAILS OF REMUNERATION PAID TO DIRECTORS:-**

The Directors are not paid any sitting fees or any remuneration for attending meeting of the Board of Directors and Committees thereof.

#### **D. COMMITTEES OF THE BOARD: -**

##### **(i) Audit Committee**

The audit Committee acts as a link between the management, the statutory and internal auditors and the Board of Directors and oversees the financial reporting process.

The attendance of each member of the Audit Committee in the Committee meetings is below:

Name of the Director	No. of Meeting held	No. of Meetings attended
Mr. Ghanshyam Soni (12/06/2012)	5	4
Mrs. Pushpalata Soni (Up to 12/06/2012)	5	4
Mr. Jyoti Prakash Bapna	5	5
Mr. Rameshkumar Mehta (w.e.f.12/06/2012)	5	1
Mr. Paras Doshi (w.e.f.12/06/2012)	5	1

Mr. Rameshkumar Mehta and Mr. Paras Doshi, independent Directors are appointed as members of Audit Committee in placed of Mr. Ghanshyam Soni and Mrs. Pushpalata Soni who have resigned from the Directorship of the Company. During the period under review, 5 (Five) meetings of the committee were held on 30<sup>th</sup> October 2011, 15<sup>th</sup> November 2011, 31<sup>st</sup> January 2012, 15<sup>th</sup> May 2012 and 14<sup>th</sup> July 2012.

The Chairman of the Audit Committee is Mr. Rameshkumar Mehta.

## **(ii) Shareholders' / Investors' Grievance Committee**

The following Directors are members of the Shareholders'/Investors' Grievance Committee.

1. Jyoti Prakash Bapna
2. Ghanshyam Soni (Up to 12/06/2012)
3. Paras Doshi (w.e.f.12/06/2012)

The brief terms of reference of the Committee include redressal of investors'/shareholders' complaints and requests like transfer of shares, non-receipt of dividend, annual report, etc.

Mr. Atul Chauhan is the Compliance Officer of the company.

All Members were present at the Committee Meeting.

## **(iii) Independent Directors Committee**

The following Directors are members of Independent Committee:

1. Mr. Rameshkumar Mehta
2. Mr. Paras Doshi
3. Mr. Manendra Pratap Singh
4. Mr. Subhash Patle

Independent Directors Committee was constituted by the Board of Directors on 7<sup>th</sup> September, 2012 to give its fare recommendations on open offer of the Company's equity shares to the shareholders of the Company. During the year, one Independent Directors Committee meeting was held on 22<sup>nd</sup> September, 2012. All Members were present at the Committee Meeting.

## **E. GENERAL BODY MEETING: -**

Particulars of the last Three Annual General Meeting (AGM) of the company have been held at the following places in the last three years: -

AGM for the financial year ended	Date, Time & Venue of AGM	Special Resolution
30-09-2009	31-12-2009 at 11.00 A.M. 22, Press Complex, Indore	-
30-09-2010	31-12-2010 at 11.00 A.M. 22, Press Complex, Indore	-
30-09-2011	31-12-2011 at 11.00 A.M. 22, Press Complex, Indore	-

During the year, no Extra-ordinary General Meeting was held. During the year, no postal ballot was conducted.

## **F. DISCLOSURES REGARDING APPOINTMENT/REAPPOINTMENT: -**

### **(i) Mr. Paras Ramniklal Doshi:**

Mr. Paras Ramniklal Shah, aged about 33 years, is a under graduate and having more than 10 years of experience in the business of textile and Construction.

### **(ii) Mr. Manendra Pratap Singh:**

Mr. Manendra Pratap Singh, aged about 41 years, has more than 20 years of experience in the field of textile and diamond industry.

### **(iii) Mr. Subhash Patle:**

Mr. Subhash Patle, aged about 29 years, has 8 years of experience in the field of textile and construction industry.

## **G. DISCLOSURES: -**

- (i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large: NIL
- (ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by SEBI, ROC, Stock Exchange or any statutory authority, on any matter related to capital markets, during the last 3 financial years: NIL
- (iii) The Company has generally complied with all mandatory requirements of Corporate Governance under Clause 49 of the Listing Agreement.
- (iv) Pursuant to sub-clause V of the Clause 49 of the Listing Agreement, the Board has received CEO/CFO certificate for the Financial Year ended September 30, 2012.

## **H. MEANS OF COMMUNICATIONS: -**

### Financial Results

The quarterly unaudited financial results and annual audited financial results are normally published in Malav Anchal & Free Press.

## **I. GENERAL SHAREHOLDERS INFORMATION: -**

### **(i) Annual General Meeting: -**

Day, date and time : Monday 31<sup>st</sup> December 2012  
Venue : ST - 3, 22, Press Complex,  
A. B. Road, Indore - 452001

### **(ii) Financial Calendar: -**

Calendar of events for the year ended 30<sup>th</sup> September 2012 – on or before 30-09-2013

Audited results for the period ended 01-10-2012: 30-09-2013

First Quarter Results (2012-2013) : On or before 31-01-2013

Second Quarter Results (2012-2013) : On or before 30-04-2013

Third Quarter Results (2012-2013) : On or before 31-07-2013

Fourth Quarter Results (2012-2013) : On or before 31-10-2013

(iii) Date of Book Closure: -

The Company's Register of Members and Share Transfer Books shall remain closed from Thursday, 24<sup>th</sup> December, 2012 to Saturday, 31<sup>st</sup> December, 2012 (both days inclusive).

(iv) Share Transfer System: -

The Company has entered into an Agreement with M/s. Purva Shareregistry Pvt. Ltd. on 16<sup>th</sup> October, 2011 appointing it as Register & Share Transfer Agent of the Company. Members are requested to contact R&T Agent of the Company for transfer of shares, change of address and other related works.

(v) Investor Services – queries / complaints during the period ended.

During the period from 01-10-2011 to 30-09-2012, no queries / complaints / requests were received by the Company from the shareholders and investors.

(vi) Listing on Stock Exchange: -

The Shares of the Company are listed on the Madhya Pradesh Stock Exchange Limited at Indore.

Stock Exchange: - Madhya Pradesh Stock Exchange Limited  
Palika Plaza, MTH Compound, Indore

(vii) Market Price data (At MPSE)

Not traded during the year.

(viii) Distribution of Shareholding (As on 30-09-2012)

Shareholding of Nominal Value	Number of Shareholders	% of Total Shareholders	Number of Shares held	% of Shareholding
Upto - 5000	749	76.90	3745000	3.63
5001 - 10000	2	0.21	16000	0.02
10001 -20000	7	0.72	114000	0.11
20001 - 30000	0	0.00	0.00	0.00
30001 – 40000	0	0.00	0.00	0.00
40001 – 50000	0	0.00	0.00	0.00
50001 - 100000	0	0.00	0.00	0.00
100001 - Above	216	22.17	99375000	96.24
<b>Total</b>	<b>974</b>	<b>100.00</b>	<b>103250000</b>	<b>100.00</b>

(ix) Dematerialization of Shares: -

Dematerialization is still to be done, Company's share exist only in physical form.

(x) Address for Correspondence for Shareholders: -

Address of Company	:	ST – 3, 22 Press Complex, A. B. Road, Indore – 452001, Madhya Pradesh Tel.: 0731 – 4202337 Email – <a href="mailto:info@synergyinfrastructures.com">info@synergyinfrastructures.com</a>
Address of R & T Agent	:	PURVA SHAREGISTRY PRIVATE LIMITED 9 Shiv Shakti Ind. Estate, J R Boricha Marg, Lower Parel (E), Mumbai - 400 011, Maharashtra Tel. – (022) 2301 6761 Fax – (022) 2301 2517 Email - <a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a>

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT: -**

(a) Industry structure and developments

The Company is in construction activity & trading of shares and commodities during the year. The company expects that these businesses will surge in India and in particular with respect to company.

(b) Segment-wise or products-wise performance

The company has only two business segment, Construction and Share Trading.

(c) Risk and concerns

Share Trading is a risky business but the company is doing business diligently and does not expect any losses in the future.

(d) Internal Control System and their adequacy: -

The company has an elaborate system of internal controls to ensure optimal utilization of company's resources and protection thereof, facilitating accurate and speedy compilation of accounts and management information reports and compliance with laws and regulations. The internal Auditors and company's internal audit department conduct regular audits to ensure adequacy of internal control system, adherence to management instruction and compliance this laws and regulations of the country as well as to suggest improvements.

(e) Discussion on financial performance with respect to operational performance

During the year company has not earned profit.

(f) Human Resources

The company firmly believes that Human Resources and knowledge capital are vital for business success and creating value for stakeholders. The Company recognizes the fact that people drive business success, strengthening its efforts to build leadership at all levels. The Industrial relationship at both the units has remained quite cordial with total dedicated efforts from employees.

The total number of employees as on 30-09-2012 was one.

**For & on behalf of the Board of Directors**

**Dated: 30-10-2012**  
**Place: Indore**

**J. P. BAPNA**  
**Chairman & Director**

## **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
Synergy Infrastructures Limited

We have examined the compliance of conditions of Corporate Governance by Synergy Infrastructures Limited for the period ended 30-09-2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations were limited to 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 opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied 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 period ended 30-09-2012 no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Company.

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

**For RAJESH SHANTILAL JAIN & COMPANY  
CHARTERED ACCOUNTANTS**

**Place: Indore  
Dated: 30-10-2012**

**RAJESH JAIN  
(PROPRIETOR)**