

## MANAGEMENT DISCUSSION AND ANALYSIS

### Operations of the Company:

Out of the part consideration received against the sale of land and building of the company at Sikandrabad, Bulandshahar, pending dues of the financial institutions have been paid in full.

### Future Outlook:

As the company has decided to sell-off some of its assets to pay the liabilities so that it can start a fresh with clean slate.

### Opportunities and threats:

The only opportunity which the company have to start the business afresh with no old outstanding and may face stiff competition with present player in the industry.

### Risk and concerns:

The business of the company was closed since long so there may be teething problem to start again and to streamline the same.

### Internal control systems and their adequacy:

As already informed that the company is not in operation since long, the audit committee periodically reviews internal control system, which are designated to assure that the over head levels are reduced to the minimum.

### Human resources/ industrial relations:

Industrial relations during the year under review were cordial and peaceful. The company is still in the process to recall the employees who have left their job due to closure and hope to resume the requisite staff for reopening the Unit in near future.

## REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2011.

### 1. Company's Philosophy

The Company's philosophy on Code of Corporate Governance is based on the following principles:

- (i) The members of the Board are persons in whom the shareholders have reposed their confidence and trust. Persons appointed to the Board are conscious of their corporate and social responsibilities and maintain highest standards of integrity.
- (ii) Highest standards of compliance, disclosure and transparency are maintained by the Company.

### 2. Board of Directors

Mr. Narender Kumar Sood and Mr. Vivek Jha, who retire by rotation and being eligible, offer themselves for re-appointment.

### Directors' Profile

Brief resume of all the Directors, nature of their expertise in specific functional areas and number of companies in which they hold directorships, memberships / chairmanships of Board Committees and their shareholding in the Company are as follows:

- (i) **Mr. Naveen Kohli**, aged 61, is a commerce graduate having more than 36 years of experience in their family business.
- (ii) **Mr. N. K. Sood**, aged 63, is a commerce graduate having more than 31 years of experience in the garments export business.
- (iii) **Mr. Anil Sood**, aged 52, is a qualified Chartered Accountant having an experience of more than 26 years in corporate and related economic legislations.
- (iv) **Mr. Vivek Jha**, aged 41, is graduate having an experience of 11 years in the field of office administration.

**Details of designation of directors, attendance of Board Meetings / AGM and other directorship and chairmanships/memberships of Committees**

Name of Director	Category of Directorship	Attendance of Meetings during 2010-11		No. of Directorships and Committee Memberships/Chairmanships (including this Company)		
		Board Meetings	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
Mr. Naveen Kohli	Executive	10	Yes	2	1	1
Mr. N. K. Sood	Non Executive	10	Yes	3	3	-
Mr. Anil Sood	Non Executive	10	Yes	4	2	1
Mr. Vivek Jha	Non Executive	3	Yes	1	-	-

**3. Meetings of the Board / Committees**

**Board Meetings**

During the year ended March 31, 2011, ten (10) meetings of the Board of Directors were held on April 26, 2010, July 27, 2010, September 02, 2010, October 25, 2010, December 10, 2010, December 22, 2010, January 21, 2011, January 27, 2011, February 28, 2011 and March 16, 2011.

**Audit Committee**

The Audit Committee is comprised of Mr. Anil Sood as Chairman and Mr. Naveen Kohli and Mr. N.K. Sood as Members.

The powers and role of the Audit Committee are in accordance with the provisions of Clause 49 of the Listing Agreement related to the Corporate Governance.

During the year ended March 31, 2011, five (5) meeting of the Audit Committee were held on April 26, 2010, July 27, 2010, September 02, 2010, October 25, 2010, January 27, 2011,

**Shareholders' Grievance Committee**

The **Shareholders' Grievance Committee** is comprised of Mr. Naveen Kohli as Chairman and Mr. Anil Sood and Mr. N.K. Sood as Members.

During the year ended March 31, 2011, one (1) meeting of the Shareholders' Grievance Committee was held on December 28, 2010.

### Remuneration Committee

The Remuneration Committee is comprised of Mr. Anil Sood as Chairman and Mr. N.K. Sood as Member.

No meeting of the Remuneration Committee was held during the year ended March 31, 2011.

### 4. General Body Meetings

Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed thereat are as follows:

Year	Location	Date and Time	Special Resolutions Passed
2007-08	A-46, UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar, U.P.	September 30, 2008 at 11.00 A.M.	Nil
2008-09	A-46, UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar, U.P.	September 30, 2009 at 11.00 A.M.	Nil
2009-10	C-34, Site - C, Surajpur Industrial Area, Greater Noida - 201306 (U.P)	September 30, 2010 at 11.00 A.M.	Nil

### 5. Disclosures on materially significant related party transactions

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of Members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts Rs 2.91 Lacs paid during the financial year 2010-11 towards advance recoverable.

### 6. Means of Communication

#### Quarterly Results

Quarterly Results are published in 'The Pioneer' and 'Veer Arjun' and are also uploaded on the Company's website [www.vibrosorganics.com](http://www.vibrosorganics.com).

#### Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report, and other important information is circulated to members and others entitled thereto. The Report on Management Discussion and Analysis (MD&A) forms part of the Annual Report.

### 7. General Shareholder Information

#### Company Registration Details

The Company is registered in the State of Uttar Pradesh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24112UP1987PLC021518

**Annual General Meeting:**

Day, Date, Time and Venue:

Friday, September 30, 2011  
C-34, Site C, Surajpur Industrial Area,  
Greater Noida 201306 (U.P)

**Book Closure Period:**

Tuesday, 27<sup>th</sup> September, 2011  
to Friday, 30<sup>th</sup> September, 2011  
(both days inclusive), for AGM

**Listing on Stock Exchanges, Payment of Listing Fee, Stock Codes etc.**

Stock Exchange	No. of Shares Listed	Trading ISIN
Bombay Stock Exchange Association Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.	54,38,800	N.A.
Delhi Stock Exchange Association Limited (DSE) 3/1, Asaf Ali Road, New Delhi-110002.	54,38,800	
The U. P. Stock Exchange Association Limited Padam Towers, 14/113, Civil Lines, Kanpur- 208001	54,38,800	
Jaipur Stock Exchange Limited (JSE). Stock Exchange Building, Jawaharlal Nehru Marg, Malviya Nagar, Jaipur-302017.	54,38,800	

**Payment of Listing Fees:**

Annual listing fee for the year 2011-12 (as applicable) has been paid by the Company to BSE, DSE, UPSE and JSE.

**Stock Market Data**

The shares of the Company have not been traded on any of the stock exchanges where the shares of the Company are listed due to suspension of trading in the shares.

**Revocation of Suspension in trading of Shares in BSE**

The Bombay Stock Exchange Limited has granted in-principal approval for revocation of suspension in trading of shares of the Company.

**Delisting of Shares from UPSE and JSE**

The Board at its meeting held on September 2, 2011, passed a resolution to delist the shares of the Company from the U.P. Stock Exchange Association Limited and the Jaipur Stock Exchange Limited.

**Registrar and Share Transfer Agents:**

Skyline Financial Services Pvt. Ltd.

D-153 A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase - I,

New Delhi - 110020

E-Mail: [viren@skylinerta.com](mailto:viren@skylinerta.com)

Telephone Nos. : 011-30857575

### Share Transfer System

Presently, the share transfers which are received in physical form are processed and the share certificates returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to the Shareholders' Grievance Committee. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

### Distribution of Shareholding as on 31<sup>st</sup> March, 2011

S. No.	Category	Shares					
		Electronic Form		Physical Form		Total	
		No. of Shares	%age of Total Capital	No. of Shares	%age of Total Capital	No. of Shares	%age of Total Capital
1	Promoters	NIL	NIL	1903200	34.99	1903200	34.99
2	Bodies Corporate	NIL	NIL	121500	2.23	121500	2.23
3	Individuals	NIL	NIL	3414100	62.78	3414100	62.78
	<b>Total</b>	NIL	NIL	<b>5438800</b>	<b>100.00</b>	<b>5438800</b>	<b>100.00</b>

### Shareholding Pattern by Size

S. No.	Category	Share holders		No. of Shares			%age of Total Capital
		No.	%age of Total Shareholders	Physical Form	Electronic Form	Total	
1	Upto 500	2613	72.74	760490	NIL	760490	13.98
2	501-1000	628	17.48	452700	NIL	452700	8.32
3	1001-2000	209	5.82	289600	NIL	289600	5.32
4	2001-3000	46	1.28	122200	NIL	122200	2.25
5	3001-4000	11	0.31	40500	NIL	40500	0.74
6	4001-5000	18	0.50	84600	NIL	84600	1.56
7	5001-10000	26	0.72	198000	NIL	198000	3.64
8	10001 and above	41	1.14	3490710	NIL	3490710	64.18
	<b>Total</b>	<b>3592</b>	<b>100.00</b>	<b>5438800</b>	<b>NIL</b>	<b>5438800</b>	<b>100.00</b>

### Address for Correspondence

B 159, Sector 63,  
Noida - 201307

**8. Compliance Certificate of the Practicing Company Secretary**

Certificate from the practicing Company Secretary, Mr. Manish Kumar Dixit, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is annexed to the Directors' Report forming part of the Annual Report.

**9. CEO Certification**

The Chairman and Managing Director of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The Chairman and Managing Director also gives quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

**10. Adoption of Requirements of Clause 49**

The Company has complied with all the mandatory requirements of Clause 49.

**For and on behalf of the Board**

**For VIBROS ORGANICS LIMITED**

Sd/-

**(NAVEEN KOHLI)**

**CHAIRMAN & MANAGING DIRECTOR**

**Place: Greater Noida**

**Dated: 2<sup>nd</sup> September, 2011**