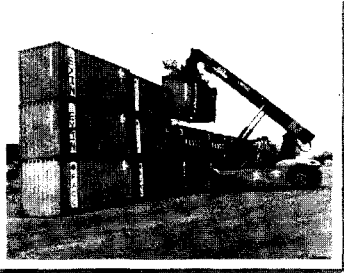
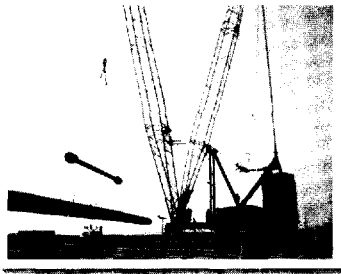
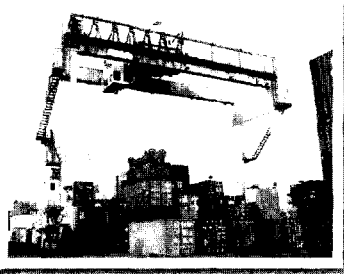


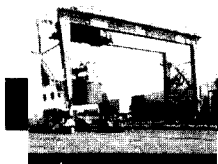
# ABG

Heavy Industries Limited



Annual Report 2005

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## ABG Heavy Industries Limited

### CORPORATE INFORMATION

#### BOARD OF DIRECTORS

**Kamlesh Kumar Agarwal**  
Chairman

**R. G. Govindrajpuram**  
Director

**Rishi Agarwal**  
Director

**H. P. Prabhu**  
Director

**Saket Agarwal**  
Managing Director

**COMPANY SECRETARY**  
G. Lakshmi Prasanna

**REGISTERED OFFICE**  
5th Floor, Bhupati Chambers,  
13 Mathew Road,  
Mumbai - 400 004.

**AUDITORS**  
**M/s M.M. Chaturvedi & Co.,**  
24 Atlanta, Nariman Point,  
Mumbai - 400 021.

**BANKERS**  
UTI Bank Ltd.  
The Jammu & Kashmir Bank Ltd.  
UCO Bank

**LEGAL ADVISORS**  
M/s Bachubhai Munim & Co. Mumbai

**REGISTRARS AND SHARE TRANSFER AGENTS**  
Bigshare Services Pvt. Ltd.,  
E/2, Ansa Industrial Estate, Sakivihar Road,  
Sakinaka, Andheri (E), Mumbai 400 072.



*Erection of wind turbines with self assembly state of the art cranes*

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## Annual Report 2004-05

### NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of ABG Heavy Industries Limited will be held on Monday, the 31<sup>st</sup> day of October, 2005 at 2.00 p.m. at Ashoka Hall, Arcadia, Nariman Point, Mumbai - 400 021, to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2005 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare Dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2005.
3. To appoint a Director in place of Mr. Rishi Agarwal, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. H. P. Prabhu, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

By order of Board of Directors

**G. Lakshmi Prasanna**  
Company Secretary

Mumbai, 26<sup>th</sup> September, 2005

#### Regd. Office:

5th Floor, Bhupati Chambers,  
13 Mathew Road,  
Mumbai - 400 004.

#### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxy form must be lodged with the Company not less than 48 hours before the time of the meeting.

2. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, the 26<sup>th</sup> October, 2005 to Monday, the 31<sup>st</sup> October, 2005 (both days inclusive).**
3. The Registrar of Companies, Maharashtra, Mumbai, have granted their approval for extension in time for convening this Annual General Meeting vide letter no TA/31578/54/1671 dated 23<sup>rd</sup> September, 2005.
4. Members holding shares in physical form are requested to notify/ send the intimation of their change in address

and details of Bank account at the earliest to the Share Transfer Agents viz:

Bigshare Services Pvt. Ltd., E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400 072.  
Tel: 28470652/53 Fax: 28475207.

Members holding shares in the electronic form are advised to inform changes in address/ Bank mandate directly to their respective Depository Participants. The address and Bank mandates as furnished to the Company by the respective Depositories viz. NSDL and CDSL will be printed on the Dividend warrants.

5. Dividend as recommended by the Board if approved by the members will be paid on or after 1<sup>st</sup> November, 2005, to those shareholders whose names appear on the Register of Members as on the date of Annual General Meeting. In respect of the shares held in electronic form the dividend will be paid on the basis of beneficial ownership as at the close of 31<sup>st</sup> October, 2005 as per the details furnished by the National Securities Depository Limited/Central Depository Services (India) Limited for the purpose as on that date.
6. The resolutions regarding the re-appointment of Mr. Rishi Agarwal and Mr. H. P. Prabhu as Directors of the Company are placed before the shareholders. As per Clause 49 of the Listing Agreement with the Stock Exchanges, the following particulars of Mr. Rishi Agarwal and Mr. H. P. Prabhu are being provided:
  - a] Mr. Rishi Agarwal is Management graduate from the University of Purdue, USA and is presently the Managing Director of ABG Shipyard Limited. He has experience of successfully managing various businesses since last 12 years.

His other Directorships are as under:

Name of the Company Held	Position
ABG Shipyard Limited	Managing Director
ABG International Private Limited	Director
ABG Shipping Limited	Director
Onaway Industries Ltd.	Director
ABG Cement Limited	Director
YAR Aviation Private Limited	Director
Cardinal Logistics Pvt. Ltd.	Director
ABG Cranes Private Limited	Director
ABG Power Pvt. Ltd.	Director
ABG Projects & Services Limited	Director

- b] Mr. H. P. Prabhu is a seasoned banker and was with Bank of India for over 35 years. During his career in the Bank,



## ABG Heavy Industries Limited

he held many important positions including the position of Principal, Management Development Institute and Zonal Manager, Pune Zone. He took Voluntary Retirement in the year 2000 whilst holding the post of Deputy General Manager in the Bank. His experience is of relevance and value to the business of the Company. He is not a director in any other Company.

7. In terms of Sections 205A and 205C of the Companies Act, 1956 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of its transfer to Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund established by the Central Government and no claim shall lie against the said Fund or the Company for the amount of dividend so transferred to the Fund. Shareholders who have not yet encashed their dividend warrant(s) for the financial year ended 31<sup>st</sup> March, 1998 or any subsequent financial years are requested to make their claims to the Company's Share Transfer Agent immediately. It may be noted that unpaid dividend for the financial year ended 31<sup>st</sup> March, 1998 is due for transfer to the Investor Education and Protection Fund in the month of November, 2005.

8. Members desirous of getting any information relating to the accounts and operation of the Company are requested to address their queries at least 7 days in advance of the meeting so that the information required may be made available at the meeting.
9. Members are requested to bring their copy of Annual Report to the meeting.

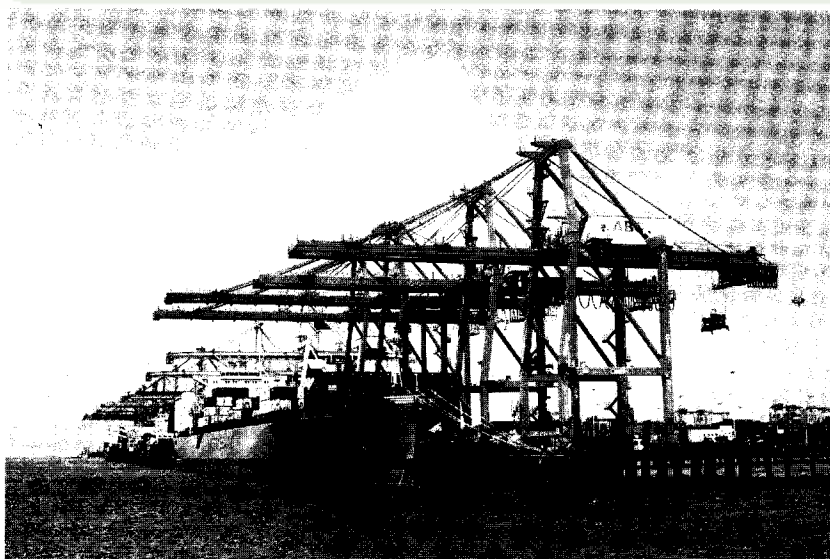
By order of Board of Directors

**G. Lakshmi Prasanna**  
Company Secretary

Mumbai, 26<sup>th</sup> September, 2005

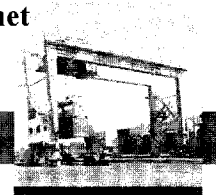
**Regd. Office:**  
5th Floor, Bhupati Chambers,  
13 Mathew Road,  
Mumbai – 400 004.

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ABG's RMQCs in operation at Jawaharlal Nehru Port for container handling.





## DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting the Twenty First Annual Report with the Audited Accounts for the year ended 31<sup>st</sup> March, 2005.

### Financial Results

Particulars	(Rupees In Lacs)	
	2004-05	2003 - 04
Gross Receipts	7234	6183
Gross Profit before Interest and Depreciation	3574	3368
Less : Interest	(534)	(780)
Depreciation	(1484)	(1471)
Profit before Extra – Ordinary Item & Tax	1556	1117
Less : Extra –Ordinary item (Loss on sale of Asset)	(443)	—
Net Profit before tax	1113	1117
Less : Provision for Taxation	(260)	(86)
Add: Reversal of Deferred Tax	151	163
Profit After Tax	1004	1194
Add : Profit brought forward from earlier year	3532	2966
Net profit available for appropriation	4537	4160
Proposed Dividend (Including Corporate Dividend Tax)	192	128
Transfer to General Reserve	800	500
Balance Carried to Balance Sheet	3545	3532

### Operations

During the year under review, the performance of Container and Bulk handling cranes deployed at Jawaharlal Nehru Port, Chennai Port, Cochin Port and Mormugao Port continued to be satisfactory. The operational income from these cranes has recorded growth on the basis of the escalation clause in the contracts with the Port Trusts. The mobile crane hiring business too has shown significant improvement. Your Company has achieved a turnover of Rs.7234 Lacs as compared to Rs.6184 Lacs during the last year showing the net growth in sales by 16.9% mostly attributable to improvement in mobile crane business.

Your company has made further investments in brand new cranes against contracts for crane hiring. Your Company has qualified for submitting price bid for maintenance and operation of Container Terminal at Kandla Port Trust on BOOT basis for 30 years.

### Finance

The Company's continuous endeavour to reduce its overall borrowings / liabilities as well as the restructuring / refinance of high

cost debts have resulted in further savings in finance cost.

### Dividend

Your Directors are pleased to recommend a Final Dividend of Rs. 1.50 (15%) per Equity Share on Equity Share Capital of Rs. 1132 Lakhs, divided into 1,13,20,200 Equity Shares of Rs.10/- each, for the Financial Year ended 31<sup>st</sup> March, 2005. The dividend, as recommended by the Board will absorb Rs. 191.99 Lakhs including Dividend Distribution Tax.

### Delisting of Shares

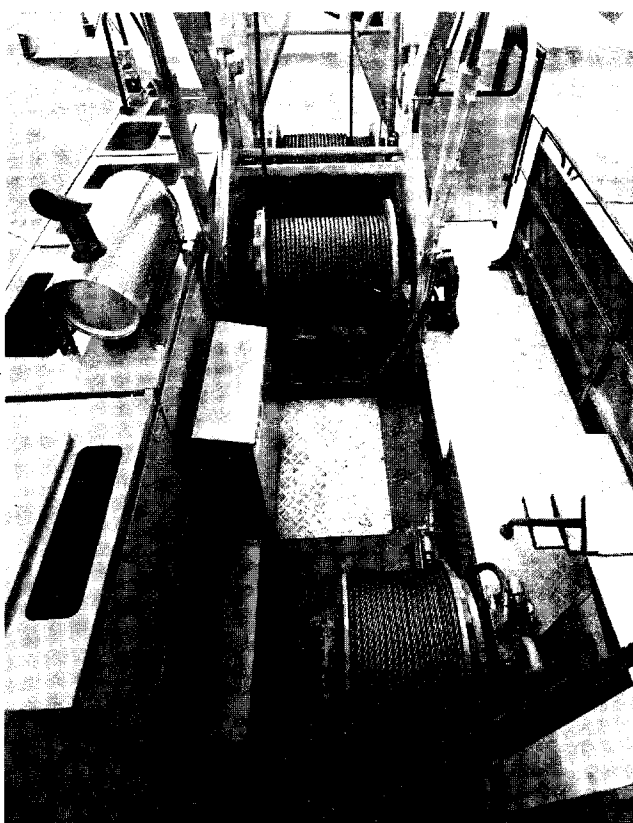
The shares of your Company are delisted from Delhi Stock Exchange Association Limited (DSE) in addition to the Ahmedabad Stock Exchange (ASE) previously in pursuance of the Resolution passed in the Annual General Meeting on 30<sup>th</sup> September, 2003. Your Company's application for delisting of Equity Shares from National Stock Exchange of India Limited (NSE) is pending for approval by them.

### Directors

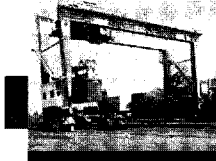
In accordance with the provisions of Sections 255 and 256 of the Companies Act, 1956 and also Articles 128 of the Articles of Association of the Company, Mr. Rishi Agarwal and Mr. H.P. Prabhu retire by rotation and being eligible, offer themselves for re-appointment.

### Directors' Responsibility Statement

As stipulated under Section 217(2AA) of Companies Act, 1956, your Directors subscribe to "Directors' Responsibility Statement" and confirm that:



ABG offers the highest standard maintenance



## ABG Heavy Industries Limited

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors have prepared the accounts on a going concern basis.

### Auditors

M/s. M.M. Chaturvedi & Co., Chartered Accountants, the Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re - appointment. The Company has received a letter from M/s. M.M. Chaturvedi & Co. to the effect that their appointment as Auditors, if made, would be within the limits under Section 224 (I-B) of the Companies Act, 1956. The Auditors' comments in their Report are self-explanatory, hence do not call for any further clarification.

### Subsidiaries

Information pursuant to Section 212 of the Companies Act, 1956 with regard to Subsidiary Companies shall be furnished by way of an addendum to this report on receipt of the same.

### Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, Management Discussion and Analysis are made a part of this report. Corporate Governance Report and Auditors'

Certificate regarding compliance of conditions of Corporate Governance shall be furnished by way of a addendum to this report at the time of convening ensuing Annual General Meeting.

### Fixed Deposit

Your Company has not accepted any Fixed Deposits from the Public for the year ended 31<sup>st</sup> March, 2005.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Since your Company does not own any manufacturing facility, the particulars as required u/s 217(1)(e) of the Companies Act, 1956, so far the same relates to Conservation of Energy and Technology Absorption, are not applicable.

The information related to foreign exchange earnings and outgo has been given in the notes forming part of the accounts for the year ended 31<sup>st</sup> March 2005.

### Particulars of Employees

A statement giving the requisite information as per Section 217 (2A) of the Companies Act, 1956 is annexed hereto and forms part of this report.

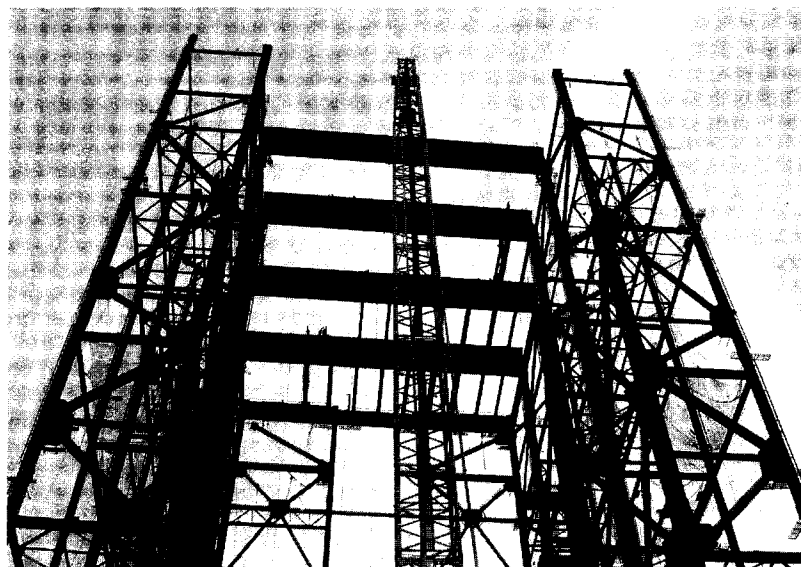
### Appreciation

Your Directors place on record their appreciation for the support and co-operation extended by Company's Bankers, Government Bodies, Shareholders and specifically contribution made by the employees of the Company for grand success of the Company during the year under review. Your Directors look forward to their unstinted support.

For and on behalf of the Board of Directors

**Kamlesh Kumar Agarwal**  
Chairman

Mumbai, 30<sup>th</sup> June, 2005



3x500 MW power station ceiling girder erection with brand new Demag CC 2800-I crane with 330 Ft boom.



## Annual Report 2004-05

## STATEMENT REGARDING PARTICULARS OF EMPLOYEES FORMING PART OF DIRECTORS' REPORT AS REQUIRED UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956

Name	Age	Qualification	Experience	Date of Employment	Designation	Gross Income	Previous Employment
Mr. Saket Agarwal	41 years	B.Com	21 years	11.06.84	Managing Director	Rs.3,063,410/-	First Employment
Mr. Anthony Frank Jones*	64 years	Mechanical Engineer	48 years	10.12.03	Engineering Service Manager	Rs.934,454/-	Marine Transpot International

\* the employee was in service for the part of the year.

### NOTES:

- (1) The nature of employment is contractual.
- (2) Remuneration includes salaries, allowances, bonus, gratuity, payments made under voluntary retirement scheme and expenditure incurred in providing rent free accommodation, medical expenses, value of other perquisites on the basis of Income Tax Act and Rules and Company's contribution to Provident and Pension Fund.
- (3) Mr. Saket Agarwal is a relative of Mr. Kamlesh Kumar Agarwal and Mr. Rishi Agarwal, Directors of the Company.

For and on behalf of the Board of Directors

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**Kamlesh Kumar Agarwal**  
Chairman

Mumbai, 30<sup>th</sup> June, 2005

### Addendum to the Directors' Report

#### Subsidiaries

As required by Section 212 of the Companies Act, 1956, the statement relating to subsidiary companies, of Cardinal Logistics Pvt. Ltd. and ABG Projects & Services Ltd., alongwith their audited annual accounts, are annexed to this Report. Pursuant to the Accounting Standard AS 21 issued by the Institute of Chartered Accountants of India, consolidated Financial Statements presented by the Company include the financial information of above subsidiaries.

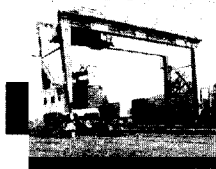
#### Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of this Annual Report.

For and on behalf of the Board of Directors

**Kamlesh Kumar Agarwal**  
Chairman

Mumbai, 26<sup>th</sup> September, 2005



## ABG Heavy Industries Limited

### MANAGEMENT DISCUSSION & ANALYSIS

#### A) INDUSTRY STRUCTURE AND DEVELOPMENT

Indian economy has performed well during the year 2004-05. The estimated GDP growth of about 6.9% over the unprecedented growth of 8% in the GDP previous year makes India one of the fastest growing economies in the world. It is heartening that the pace of industrial growth is impressive in the current year. Your Company prospers with industrial growth. The impact is visible in greater demand for the hiring of its mobile cranes. There has been growth both in the topline and the bottomline of the company, without considering extra ordinary items. The provision of escalation in lease rentals in the long – term contracts of the company with the ports resulted in growth in income from the port operations. Emergence of opportunities for deployment of certain specific kinds of mobile cranes also led to increase in earning from mobile cranes business.

The management has been making efforts to contract new business both in the port sector and the mobile crane business. The Company has been qualified for submission of bid for maintenance and operation of two Container Terminals at Kandla Port on BOOT basis for 30 years. The Company is looking at business opportunities as well as strategic alliances with foreign operators of ports to embark on the business of port management in India and abroad.

Cardinal Logistics Private Ltd., a subsidiary of the company, having an agreement with Kolkata Port Trust (KPT) for supply, operation and maintenance of 2 Nos. Mobile Harbour Cranes with necessary back up support equipment for handling containers on 'Own, Operate and Maintain' basis at Container Terminals in Kolkata Dock System of Kolkata Port Trust (KPT) for a period of 10 years has since successfully commissioned the port project.

Mobile Crane business has been on uptrend. Your Company has already entered into contracts with major PSUs and private sector companies for hiring of mobile cranes. Looking to increasing demand, your Company has made fresh investments for acquisition of specialized cranes to suit present demand. Demand scenario also provided opportunity for deployment of old idling cranes of the Company.

One contract with Jawaharlal Nehru Port Trust has been almost complete and the Cranes will be handed over to them as and when the contract period is over. The Company is looking at mobile crane business and its investments in port business through subsidiaries to augment loss in revenue on completion of long term port contracts of past.

#### B) OPPORTUNITIES AND THREATS

The Indian economy is clearly looking up and for ABG too, the year 2004-05 has been a fairly good year. During the year under review, the performance of Container and Bulk handling cranes deployed at Jawaharlal Nehru Port, Chennai Port, Cochin Port and Mormugao Port continued to be satisfactory. The operational income from these cranes has recorded growth on the basis of the escalation clause in the contracts with the Port Trusts. The mobile crane hiring business too has shown significant improvement. Your company has made further investments in brand new cranes against contracts for crane hiring.

Cardinal Logistics Pvt. Ltd. has successfully commissioned the

Mobile Harbour Cranes and the back up support equipment. It is expected that it will start contributing to the bottomline of the Company.

As India increasingly integrates into the global market and becomes a party to free-trade agreements, as interest rates and the stock markets align themselves to move in tandem with global economies, your Company will continue to explore and pursue to tap the opportunities available in the globally competitive markets.

#### C) RISKS AND CONCERNS

##### Market & Industry Risk

The Company has endeavoured to develop a flexible long-term strategic plan that will enable it to capitalize on the opportunities presented by the sector, while at the same time mitigating the inherent risks. The Company is exposed to the risks of the changes in government policies on infrastructure development, privatization of ports operations and the opening up of port sector for foreign investment. The estimated GDP growth of about 6-7 percent makes India one of the fastest growing economies in the world. The Company has used the present situation to its advantage and is looking for expansion in India and abroad to reduce the risk in business.

##### Interest Rate and Foreign Exchange Risk

The Company has always contracted fixed price loans to avoid any interest rate risk. But in the falling interest rate regime, the Company's continuous endeavour to reduce its overall borrowings / liabilities as well as the restructuring / refinance of high cost debts have resulted in substantial savings in finance cost. The Company follows a conservative policy of taking forward covers or other risk mitigation products to avoid any forex risk.

#### D) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions proper authorization and ensuring compliance of corporate policies.

The Company has an Audit Committee, details of which have been provided in the Corporate Governance Report. The Audit Committee meets the Company's Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations from time to time.

#### E) HUMAN RESOURCE MANAGEMENT

Employee relations remained cordial throughout the year. The Company has a system for Annual Performance appraisal for its employees. The grant of increment or accelerated increments is related to work performance.

#### F) CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.





## Annual Report 2004-05

### REPORT ON CORPORATE GOVERNANCE

(As required under Clause 49 of the Listing Agreement with Stock Exchanges)

#### Company's philosophy on Corporate Governance

ABG Heavy Industries Limited believes that good corporate governance practices form basis for the management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximizing value for all its stakeholders. For your Company, corporate governance is not only compliance - it involves leveraging Company's resources and aligning its activities to consumer needs, shareholder benefits and employee growth thereby delighting all its stakeholders while minimizing risks.

The Company's philosophy on Corporate Governance is to make it a way of life by adopting standard Corporate Governance practices through continual improvement of internal systems and satisfaction of all the stakeholders. The core values in the Company's governance process include independence, integrity, accountability, transparency, responsibility and fairness. The Business policies are based on aspects like ethical conduct, health, safety and commitment to building a long-term sustainable relationship.

ABG Heavy Industries Limited has always strived for excellence

through adoption of best governance and disclosure practices. The Company places due attention on regulatory compliances. The Company is in full compliance with the norms and disclosures prescribed under Clause 49 of the Listing Agreement with Stock Exchange.

#### Board of Directors

##### (a) Composition

The present Board of the Company comprises of five directors with blend of executive/ non-executive/ independent directors. It has a non - executive Chairman. The composition of the Board is in compliance with the requirements of clause 49(I)A - i.e more than 50% of Directors are non-executive directors and more than one - third of the Directors are independent. Apart from sitting fees paid for attending Board / Committee Meetings, the Non-Executive Directors did not have any pecuniary relationship with the Company, during the financial year 2004-05.

##### (b) Board Meetings & Attendance

The names of Directors, the categories of the Directors on the Board, their attendance at Board Meetings and Annual General Meeting as also the number of Directorship and Committee Membership held by them in other companies are given below:

Name	Category	Attendance at Board Meeting		Attendance at AGM on 30.09.2004	Directorship in other Companies		Membership in Committees	
		Held	Attended		Chairman	Director	Chairman	Member
Mr. Kamlesh Kumar Agarwal	Chairman, Promoter, Non-Executive	13	13	Yes	-	6	-	-
Mr. Rishi Agarwal	Promoter, Non-Executive Not Independent	13	9	Yes	-	10	-	-
Mr. R. G. Govindrajpuram	Non-Executive Independent	13	10	Yes	-	-	1	1
Mr. H. P. Prabhu	Non-Executive Independent	13	13	Yes	-	-	1	1
Mr. Saket Agarwal	Managing Director, Executive Not Independent	13	10	Yes	-	9	-	-

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 Committees as specified in Clause no. 49. Necessary disclosures regarding Committee positions have been made by the Directors.

Thirteen (13) meetings of the Board of Directors were held during the year on the following dates:

20<sup>th</sup> April 2004, 15<sup>th</sup> June 2004, 22<sup>nd</sup> June 2004, 30<sup>th</sup> June 2004, 31<sup>st</sup> July 2004, 17<sup>th</sup> August 2004, 31<sup>st</sup> August 2004, 30<sup>th</sup> September 2004, 12<sup>th</sup> October 2004, 30<sup>th</sup> October 2004, 31<sup>st</sup> October 2004, 31<sup>st</sup> January 2005, 24<sup>th</sup> February 2005.

#### Audit Committee

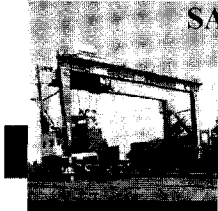
The Board has constituted an Audit Committee comprising of independent and non-executive Directors. The terms of reference

of the Audit Committee are wide and in consonance with the requirement under Clause 49 of Listing agreement, the Companies Act, 1956. Deputy General Manager (Finance) and a representative of Statutory Auditors are permanent invitees. Deputy General Manager (Finance) is the Member Secretary of the Committee.

Audit Committee comprises of three Non - Executive Directors namely:

1. Mr. H. P. Prabhu - Chairman
2. Mr. R. G. Govindrajpuram
3. Mr. Kamlesh Kumar Agarwal

During the year, Audit Committee met six (6) times on the following dates when all the members of the Committee were present:



## ABG Heavy Industries Limited

30<sup>th</sup> June 2004, 31<sup>st</sup> July 2004, 31<sup>st</sup> August 2004, 30<sup>th</sup> September 2004, 30<sup>th</sup> October 2004 and 31<sup>st</sup> January 2005.

The minutes of the Audit Committee are circulated and discussed at the Board Meetings.

### Investors' Grievances Committee

Investors' Grievances Committee is set up to ensure effective redressal of investor complaints like delay in transfer of shares, non – receipt of Balance Sheet, Annual Report etc. The Committee also dwells upon steps for further improvement in service to the investors.

The Investors' Grievances Committee is headed by Mr. R. G. Govindrajpuram with Mr. H. P. Prabhu as another member of the Committee. The meetings of Investors' Grievances Committee took place during the year on the following dates when all the members of the Committee were present:

30<sup>th</sup> June 2004, 31<sup>st</sup> July 2004, 31<sup>st</sup> August, 2004, 30<sup>th</sup> September, 2004, 30<sup>th</sup> October, 2004 and 31<sup>st</sup> January 2005.

Name, designation & address of Compliance Officer	Mr. P. K. Sinha, DGM - Finance 5th Floor, Bhupati Chambers, 13 Mathew Road, Mumbai 400 004
---	--

a) No. of complaints received from the Investors during the year comprising of non – receipt of dividend, non – receipt of shares sent for transfer, revalidation of dividend, change of address etc	222
b) No. of complaints not solved to the satisfaction of investors as on 31.03.2005	0
c) No. of pending share transfers	0

### Remuneration Committee

The Company does not have a Remuneration Committee at present. The Board determines the remuneration of Whole Time Director or any other directors. (Non – mandatory requirement)

No director other than Mr. Saket Agarwal was paid any remuneration during the year. Remuneration paid to Mr. Saket Agarwal during the year ended 31<sup>st</sup> March, 2005 is as under:

Name	Designation	Gross Income
Mr. Saket Agarwal	Managing Director	Rs.3,063,410/-

### Annual General Body Meeting

The last three AGMs were held on/at

- On 30<sup>th</sup> September 2004 at 4.30 p.m. at Ashoka Hall, Arcadia, Nariman Point, Mumbai 400 021.
- On 30<sup>th</sup> September 2003 at 3.00 p.m. at Ashoka Hall, Arcadia, Nariman Point, Mumbai 400 021.
- On 30<sup>th</sup> September 2002 at 12.30 p.m. at Ashoka Hall, Arcadia, Nariman Point, Mumbai 400 021.

Whether Special resolutions –

- |   |   |
|---|---|
| a) were put through Postal Ballot last year                     | No.   |
| b) Were conducted without Postal Ballot last year               | Yes.<br>Re-appointment of Mr. Saket Agarwal as Managing Director. |
| c) are proposed to be conducted through Postal Ballot this year | No.   |

### Disclosures

- The Company has received approval from Delhi Stock Exchange Association Limited (DSE) for delisting of its securities w.e.f 20<sup>th</sup> January, 2005. The Company's shares are delisted from Ahmedabad Stock Exchange (ASE) w.e.f 8<sup>th</sup> July, 2004. The approval for delisting shares from National Stock Exchange (NSE) is still awaited.
- The Company does not have any nominee of term lending institutions on the Board.

### Means of Communication

Whether half – yearly report sent to the household of each shareholder (Non – mandatory requirement) No.

### Quarterly Report

- |  |   |
|--|---|
| (a) Which newspaper generally published in?  | Business Standard and Mumbai Tarun Bharat |
| (b) Any website, where displayed   | No  |
| (c) Whether it also displays official news releases, and the presentations made to investors or to analysts  | No  |
| (d) Whether data related to quarterly results, shareholding pattern etc. is uploaded on the website www.sebidifar.nic.in as per clause 51 of the Listing Agreement | Yes                                       |
| (e) Whether MD & A is a part of Annual report  | Yes                                       |

### (f) General Shareholder Information

AGM - Date, Time & Venue 31<sup>st</sup> October, 2005 at 2.00 p.m. at Ashoka Hall, Arcadia Nariman Point, Mumbai - 400 021.

### Financial Calendar

Year ending	31 <sup>st</sup> March
First Quarter results	By end July
Half – yearly results.	By end October
Third Quarter results	By end January
Annual Result	By end June
Annual General Meeting	31 <sup>st</sup> October 2005
Date of Book Closure	Wednesday, 26.10.2005 to Monday, 31.10.2005