

# **PUDUMJEE PULP & PAPER MILLS LIMITED**



**PUDUMJEE**

## **Abridged Annual Report 2008 – 2009**

## **PUDUMJEE PULP & PAPER MILLS LIMITED**

### **DIRECTORS:**

M. P. JATIA (Chairman & Managing Director)  
V. O. SOMANI  
O. P. GUPTA  
R. N. SETHNA  
A. K. JATIA  
V. P. LEEKHA  
S. M. CHITNIS (Resigned w.e.f. 22.01.2009)  
S. K. BANSAL  
B. C. DALAL (Appointed w.e.f. 13.06.2009)

### **BANKERS:**

STATE BANK OF INDIA  
IDBI BANK LTD.  
HDFC BANK LTD.  
BANK OF INDIA  
THE HONGKONG & SHANGHAI BANKING CORPN.LTD.

### **SOLICITORS:**

KANGA & COMPANY

### **AUDITORS:**

KHARE & COMPANY

### **REGISTERED OFFICE:**

THERGAON, PUNE 411 033.

### **REGISTRAR & TRANSFER AGENTS:**

KARVY COMPUTERSHARE PVT.LTD.,  
UNIT: PUDUMJEE PULP & PAPER MILLS LTD.,  
17-24, VITTAL RAO NAGAR,  
MADHAPUR.  
HYDERABAD 500 081.

### **DEMAT STOCK CODE:**

INE606A01024

### **EQUITY SHARES ARE LISTED AT:**

MUMBAI, PUNE & NATIONAL STOCK EXCHANGES.

## NOTICE

The Forty fourth Annual General Meeting of the Shareholders of **Pudumjee Pulp & Paper Mills Limited** will be held at the Registered Office of the Company at Thergaon, Pune 411 033 on Saturday, the 29<sup>th</sup> day of August, 2009 at 9.00 a.m. (ST) to transact the following business:

1. To receive and adopt the audited Balance Sheet as on 31<sup>st</sup> March, 2009, the Profit and Loss Account and the Cash Flow statement for the year ended on that date together with the Reports of the Directors and the Auditors.
2. To declare a dividend for the year 2008-2009.
3. To appoint a Director in place of Mr. V. O. Somani who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Mr. Arun Kumar Jatia who retires by rotation and is eligible for reappointment.
5. To appoint a Director in place of Mr. S. K. Bansal who retires by rotation and is eligible for reappointment.
6. To appoint the Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the number of Directors for the time being in office be increased from Seven to Eight".

8. To appoint a Director in place of Mr. Bhupendra Champaklal Dalal who was appointed as additional Director of the Company pursuant to Article 126 of the Articles of Association and holds office only upto the date of this Annual General Meeting by reason of the provisions of Section 260 of the Companies Act, 1956 and being eligible, offers himself for reappointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of a Director in accordance with the provisions of Section 257 of the Companies Act, 1956 and, if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. Bhupendra Champaklal Dalal be and is hereby appointed as Director of the Company".

9. To consider, and if thought fit, to pass with or without modification(s), the following resolution as Special resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956 and subject to such approvals, sanctions as may be necessary, and in partial modification of the resolution passed by the Shareholders at their Extra-Ordinary General Meeting held on 16<sup>th</sup> December, 2006, consent of the Company be and is hereby accorded to the following revised remuneration payable to Mr. M. P. Jatia, the Managing Director for a period of 3 years with effect from 01.04.2009, under clauses (b) and (d) of the said resolution, the other provisions remaining unaltered:

- i) Remuneration at the rate of Rs.2,00,000/- per month including Dearness Allowance.
- ii) Rent free furnished residential accommodation, the Company paying or reimbursing all rents, rates, taxes and other expenses for the upkeep and maintenance of his residential accommodation or an allowance in lieu thereof at the rate of Rs.65,000/- per month".

10. To consider, and if thought fit, to pass with or without modification(s), the following resolutions as Special resolutions:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956 and subject to such consents and sanctions as may be necessary and subject to such modification(s) as may be required and which Mr. Ved Prakash Leekha may accept, Mr. Ved Prakash Leekha be and is hereby appointed as Whole-time Director of the Company for a period of five years with effect from 1st April, 2009 AND THAT consent be and is hereby accorded to the following remuneration, payments, benefits and amenities, for an initial period of 3 years, and the terms of the appointment of the said Mr. Ved Prakash Leekha with power to the Board of Directors to alter or vary from time to time at its discretion the remuneration and other terms so however that they do not exceed the permissible limits laid down under the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof for the time being in force, namely:

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- a) He shall, subject to the supervision and control of the Board of Directors, perform such services and duties and exercise such powers as from time to time be entrusted to him by the Managing Director.
- b) Remuneration at the rate of Rs.1,95,000/- per month including Dearness Allowance.
- c) Rent free furnished residential accommodation, the Company paying or reimbursing all rents, rates, taxes and other expenses for the upkeep and maintenance of his residential accommodation at an aggregate cost not exceeding Rs.65,000/- per month or an allowance in lieu thereof.
- d) Expenses of electricity, gas and water, furnishing, of the residential accommodation.
- e) Actual medical expenses including health insurance premium, hospitalization, nursing home charges, surgical charges and traveling expenses incurred for himself, his wife and dependent children.
- f) Leave Travel Assistance to cover air or first class air conditioned railway fare for himself, his wife and dependent children once in a year to and from any place in India.
- g) Membership fees including entrance and other fees for any two Clubs.
- h) Personal accident insurance premium.
- i) Participation in the Provident Fund and Pension/Superannuation Schemes.
- j) Gratuity as per the Company's rules applicable to its Executive staff members.
- k) i) Annual leave with full pay and other benefits for a period of one month with benefit of encashment of unutilized leave.  
ii) Sick and casual leave as per Company's rules applicable to its Executive staff members.
- l) Maintenance of telephone at his place of residence at the entire cost of the Company.
- m) Exclusive free use of a motor car for the business of the Company as well as for his personal use with full maintenance charges in respect thereof such as Chauffeur's salary, garage rent, fuel, repairs, insurance, taxes, overhauling charges, etc. at the entire cost of the Company.

PROVIDED THAT in the event of absence or inadequacy of profits in any year the said remuneration as stated in clause (b) above together with the payments, benefits and amenities shall nevertheless be paid or allowed as minimum remuneration for such year".

11. "RESOLVED THAT, in rescission of the Special Resolution passed at the Annual General Meeting held on 5<sup>th</sup> September, 2005 and pursuant to the applicable provisions of the Companies Act, 1956 and subject to such consents and sanctions as may be necessary and subject to such modification(s) as may be required and which Mr.Surendra Kumar Bansal may accept, Mr.Surendra Kumar Bansal be and is hereby appointed as Whole-time Director of the Company for a period of five years with effect from 1st April, 2009 AND THAT consent be and is hereby accorded to the following remuneration, payments, benefits and amenities for an initial period of 3 years and the terms of the appointment of the said Mr.Surendra Kumar Bansal with power to the Board of Directors to alter or vary from time to time at its discretion the remuneration and other terms so however that they do not exceed the permissible limits laid down under the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof for the time being in force, namely:
- a) He shall, subject to the supervision and control of the Board of Directors, perform such services and duties and exercise such powers as from time to time be entrusted to him by the Managing Director.
  - b) Remuneration at the rate of Rs.1,75,000/- per month including Dearness Allowance.
  - c) Rent free furnished residential accommodation, the Company paying or reimbursing all rents, rates, taxes and other expenses for the upkeep and maintenance of his residential accommodation or an allowance in lieu thereof.
  - d) Expenses of electricity, gas and water, furnishing, of the residential accommodation.
  - e) Actual medical expenses including health insurance premium, hospitalization, nursing home charges, surgical charges, and traveling expenses incurred for himself, his wife and dependent children.
  - f) Leave Travel Assistance to cover air or first class air conditioned railway fare for himself, his wife and dependent children once in a year to and from any place in India.

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- g) Membership fees including entrance and other fees for any two Clubs.
- h) Personal accident insurance premium.
- i) Participation in the Provident Fund and Pension / Superannuation Schemes.
- j) Gratuity as per the Company's rules applicable to its Executive staff members.
- k) i) Annual leave with full pay and other benefits for a period of one month with benefit of encashment of unutilized leave.
- ii) Sick and casual leave as per Company's rules applicable to its Executive staff members.
- l) Maintenance of telephone at his place of residence at the entire cost of the Company.
- m) Exclusive free use of a motor car for the business of the Company as well as for his personal use with full maintenance charges in respect thereof such as Chauffeur's salary, garage rent, fuel, repairs, insurance, taxes, overhauling charges, etc. at the entire cost of the Company.

PROVIDED THAT in the event of absence or inadequacy of profits in any year the said remuneration as stated in clause (b) above together with the payments, benefits and amenities shall nevertheless be paid or allowed as minimum remuneration for such year".

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

The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the above mentioned item Nos. 7 to 11 are annexed hereto.

The Register of members and Share Transfer Books of the Company will remain closed from Thursday, the 13<sup>th</sup> day of August, 2009 to Saturday, the 29<sup>th</sup> day of August, 2009, both days inclusive.

The Dividend, when sanctioned, will be paid on and from 7<sup>th</sup> September, 2009 to those shareholders whose names stand on the Company's Register of members as holders of the shares on 29<sup>th</sup> August, 2009. The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of the shares as at the close of business hours on 13<sup>th</sup> August, 2009 as per the details furnished by the Depositories for this purpose. The payment of Dividend will be subject to the provisions of Section 206A of the Companies Act, 1956.

Messrs. V. O. Somani, A. K. Jatia, S. K. Bansal and Bhupendra C. Dalal whose appointments are to be considered by the Annual General Meeting as mentioned above hold 7310, 20,36,045, 20 and Nil equity shares of Rs. 2/- each of the Company respectively.

Shareholders of the Company are informed that pursuant to the provisions of Section 205C of the Companies Act, 1956, the amount of dividend which remains unclaimed/unpaid for a period of 7 years would be transferred to the Investor Education & Protection Fund (IEPF) constituted by the Central Government and the Shareholders would not be able to claim any amount of the dividend so transferred to the Fund. As such, shareholders who have so far not encashed the dividend warrants of earlier years are requested to immediately return the outdated warrants to the Company or write to us to enable the Company to issue duplicate warrants / Demand Drafts in lieu thereof.

Members who hold shares in dematerialized form are requested to bring their CLIENT ID and DP ID numbers for easy identification of attendance at the Meeting.

By Order of the Board of Directors,

S.K. BANSAL

SECRETARY

Registered Office:

Thergaon, Pune 411 033.

Dated : 15<sup>th</sup> June, 2009.

**PUDUMJEE PULP & PAPER MILLS LIMITED****ANNEXURE TO THE NOTICE**

Explanatory Statement under Section 173 of the Companies Act, 1956.

The following Explanatory Statement sets out all the material facts relating to item Nos. 7 to 11 of the Special Business mentioned in the accompanying Notice dated 15<sup>th</sup> June, 2009 convening the 44<sup>th</sup> Annual General Meeting.

**RESOLUTION NO.7**

Section 258 of the Companies Act, 1956 requires the sanction of the members by an Ordinary Resolution for increasing the number of Directors within the limit fixed by the Company's Articles of Association. It is therefore necessary to pass a formal resolution increasing the number of Directors for the time being in office from seven to eight.

**RESOLUTION NO.8**

Mr.Bhupendra C. Dalal was appointed as additional Director of the Company under Article 126 of the Articles of Association with effect from 13<sup>th</sup> June, 2009. Under the provisions of Section 260 of the Companies Act, 1956 and the provisions of the said Article he holds office only upto the date of the ensuing Annual General Meeting. Mr.Dalal is B.Com., LL.B and comes from a reputed business family and has over 45 years of experience in Business. He is an Advocate by profession and has been a regular speaker at Staff Training College of Reserve Bank of India and other Banks as well as IIM Ahmedabad and Administrative Staff College of Hyderabad.

A notice proposing Mr.Dalal for appointment to the office of Director at the ensuing Annual General Meeting together with a deposit of Rs.500 has been received by the Company as required by Section 257 of the Companies Act, 1956. The Ordinary Resolution in this behalf is, therefore, commended for the approval of the members.

Except Mr. Bhupendra C. Dalal no other Director is interested in this resolution.

**RESOLUTION NO.9.**

Mr.Mahabir Prasad Jatia was appointed as the Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2007. His remuneration, House Rent allowance and other perquisites were last fixed for three years with effect from 01.04.2007 by the shareholders at the Extra-ordinary General Meeting held on 16<sup>th</sup> December, 2006. The proposed resolution which is based on the recommendation of the Remuneration Committee has the effect of revising his remuneration and house rent allowance for the remaining period of his term.

The Directors commend the resolution for approval of the members.

Except Mr.M.P. Jatia and Mr.A.K. Jatia, who is relative of Mr.M.P. Jatia, no other Director is interested in this proposed resolution.

**RESOLUTION NO.10.**

Mr. V.P. Leekha has been Whole-time Director since 1<sup>st</sup> April, 2000 and was last reappointed as Whole-time Director for a period of 5 years with effect from 1<sup>st</sup> April, 2004. His term of office expired on 31<sup>st</sup> March, 2009. The Management proposes to re-appoint Mr.Leekha as Whole-time Director for a period of 5 years with effect from 1<sup>st</sup> April, 2009 on the terms and conditions as contained in the accompanying resolution. Mr.Leekha is a B.E. (Mech) and has a wide and varied experience of over 45 years in Paper Industry. The Board of Directors and its Remuneration Committee at their meetings held on 15<sup>th</sup> June, 2009 have recommended his appointment and proposed remuneration. The Board of Directors are of the opinion that it would be in the interest of the Company to re-appoint him as a Whole-time Director.

The Directors commend the resolution for your approval.

Except Mr.Ved Prakash Leekha, no other Director is interested in this proposed resolution.

**RESOLUTION NO.11.**

Mr.S.K.Bansal was appointed as Whole-time Director for a period of 5 years with effect from 1<sup>st</sup> February, 2005. His term as Whole-time Director would expire on 31<sup>st</sup> January,2010. Therefore, in rescission of Special Resolution passed at Annual General Meeting held on 5<sup>th</sup> September, 2005, it is proposed to re-appoint him as Whole-time Director with effect from 1<sup>st</sup> April, 2009 on the terms and conditions as contained in the accompanying resolution. Mr.S.K. Bansal is a Bachelor of Commerce, Associate member of the Institute of Chartered Accounts of India and

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of the Institute of Company Secretaries of India and has been associated with the Company since 1984. The Board of Directors and its Remuneration Committee at their meetings held on 15<sup>th</sup> June, 2009 have recommended his appointment and proposed remuneration. The Board of Directors are of the opinion that it would be in the interest of the Company to re-appoint him as a Whole-time Director.

The Directors commend the resolution for your approval.

Except Mr.Surendra Kumar Bansal, no other Director is interested in this proposed resolution.

Information pursuant to the requirements of paragraph 1B of Section II of Part II of Schedule XIII to the Companies Act, 1956 concerning remuneration payable to Messrs. M.P. Jatia, the Managing Director, V.P. Leekha and S.K. Bansal, the Whole-time Directors are furnished herein below:

I. GENERAL INFORMATION :				
1.	Nature of Industry	Paper Manufacturing		
2.	Date or expected date of commencement of commercial production	January, 1968		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable		
4.	Financial performance based on given indicators	Year ending 31st March, 2009 (Rs. in lacs)		
	Effective Capital	14736.18		
	Turnover	22823.75		
	Profit Before Tax	615.71		
	Profit after Tax	420.71		
	Dividend	12.5%		
	Reserves	10630.21		
5.	Export performance and net foreign exchange contribution.	Foreign exchange earned and used in financial year 2008-09 was Rs.233.52 lacs and Rs. 4706.61 lacs respectively.		
6.	Foreign investments or collaborators, if any.	NIL		
II. INFORMATION ABOUT THE APPOINTEE :		MR. M.P. JATIA	MR. V.P. LEEKHA	MR.S.K. BANSAL
Background Details		Mr.M.P. Jatia was appointed in 1984 as Managing Director of the Company and since then he has been re-appointed from time to time. Mr.Jatia has a long and varied experience of about 5 decades especially in the fields of business administration, finance and marketing. Under his able guidance the Company has achieved substantial progress and completed many expansion programmes. He is presently Chairman and Managing Director of the Company.	Mr.V.P. Leekha was appointed in the year 2000 as a Whole-time Director of the Company and was re-appointed for a further period of 5 years with effect from 1 <sup>st</sup> April, 2004 at the Annual General Meeting held on 3 <sup>rd</sup> September, 2004. Mr.Leekha is a B.E. (Mech.) and has a wide and varied experience of over 45 years in Paper Industry.	Mr.S.K. Bansal had joined the Company in 1984 and was appointed as a Whole-time Director of the Company for a period of 5 years with effect from 1 <sup>st</sup> February, 2005 at the Annual General Meeting held on 5 <sup>th</sup> September, 2005. Although his term of appointment has not expired, the Management proposed to re-appoint Mr.Bansal for a further period of 5 years with effect from 1 <sup>st</sup> April, 2009. Mr.Bansal is a Bachelor of Commerce and a member of the ICAI and ICSI. He has over 25 years' experience in finance, administration and other matters.
Past Remuneration (before revision under proposed resolution Nos. 9 to 11) Remuneration per Month House Rent Allowance per Month Commission @		Rs. 130,000/- Rs. 60,000/- 1% of net Profit.	Rs. 125,000/- Rs. 55,000/- —	Rs. 117,000/- — —
		All the above persons are also entitled to the benefits of contribution to Provident Fund, Super Annuation Fund, Gratuity, and perquisites such as gas, electricity, medical expenses, furnishings, LTA, club fees, personal accident insurance, telephone, cars etc.		

**PUDUMJEE PULP & PAPER MILLS LIMITED**

II INFORMATION ABOUT THE APPOINTEE :	MR. M.P. JATIA	MR. V.P. LEEKHA	MR.S.K. BANSAL
Recognition or Awards	NIL	NIL	NIL
Job Profile and his suitability	The Managing Director shall be in overall charge of the Company's activities and in particular attend to all matters concerning production planning, manufacture, finance, marketing and administration and performs such other duties and services and exercise such further powers as shall, from time to time, be entrusted to him by the Board of Directors. Mr.Jatia has a long and varied experience of about 5 decades as an over all in charge of the aforesaid functions and has worked successfully as Managing Director of the Company for over 24 years. During his tenure, the Company has achieved substantial progress and is established as a specialty paper producer.	Mr.V.P.Leeekha is in overall charge of the Company's affairs concerning technical and production matters and performs such other duties and services and exercises such further powers as are from time to time entrusted to him by the Managing Director. Mr.Leeekha has long and varied experience of over 45 years in the Paper Industry in various positions. He has successfully carried out many capital expenditure programmes in the Company and in the Industry.	Mr.S.K. Bansal is in charge of Company's Finance and administrative matters and performs such other duties and services and exercises such further powers as are from time to time, entrusted to him by the Managing Director. Mr.Bansal has long and varied experience of over 25years in aforesaid functions in various positions.
Remuneration Proposed: Remuneration per Month House Rent Allowance per Month Commission @	Rs. 2,00,000/- Rs. 65,000/- 1% of net profit.	Rs. 1,95,000/- Rs. 65,000/- —	Rs. 1,75,000/- — —
	All the above persons will also be entitled to the benefits of contribution to Provident Fund, Super Annuation Fund, Gratuity, and perquisites such as gas, electricity, medical expenses, furnishings, LTA, club fees, personal accident insurance, telephone, cars etc.		
Comparative Remuneration profile with respect to industry, size of the Company, profile of the Position and person	Whilst there exists no such comparison in terms of Company's size and nature of its operations, the remuneration proposed is in line with the remuneration of similar occupants in some of the Companies in the Industry and general trend in this regard.	Whilst there exists no such comparison in terms of Company's size and nature of its operations, the remuneration proposed is in line with the remuneration of similar occupants in some of the Companies in the Industry and general trend in this regard.	Whilst there exists no such comparison in terms of Company's size and nature of its operations, the remuneration proposed is in line with the remuneration of similar occupants in some of the Companies in the Industry and general trend in this regard.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr.M.P. Jatia holds 1136300 equity shares of Rs.2/- each of the Company. His son Mr.A.K. Jatia is a non executive director, holding 2036045 equity shares of Rs.2/- each in the Company who is entitled to sitting fees for the meetings of the Board and its committees attended by him.	NIL	Mr.S.K. Bansal holds 20 equity shares of Rs.2/- each of the Company.
III & IV OTHER INFORMATION / DISCLOSURES	Remuneration Package: As indicated above under item II "Information about the appointee".		

The Company's Memorandum and Articles of Association are open for inspection at the Company's Registered Office on any working day, except Saturday, between the office hours of 2.30 p.m. and 4.30 p.m.

By Order of the Board of Directors,  
S.K. BANSAL  
SECRETARY

Registered Office:  
Thergaon, Pune 411 033.  
Dated : 15<sup>th</sup> June, 2009.

## FINANCIAL HIGHLIGHTS

PARTICULARS	RS. IN LACS									
										As At 31st March
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000 1999
Shareholders' Funds	<b>13,767</b>	13,587	12,795	12,371	12,045	11,693	11,447	11,937	11,535	11,269 10,611
Borrowed Funds	<b>5,206</b>	8,218	6,803	7,038	4,244	5,206	6,815	6,576	7,725	11,037 10,159
<b>TOTAL</b>	<b>18,973</b>	21805	19,598	19,409	16,289	16,899	18,262	18,513	19,260	22,306 20,770
Net Fixed Assets	<b>11,998</b>	12727	12,656	11,783	10,517	10,620	11,528	12,329	13,114	13,398 12,915
Investments	<b>243</b>	243	243	212	212	225	223	303	617	602 607
Working Capital	<b>6,732</b>	8835	6,699	7,414	5,560	6,054	6,511	5,881	5,529	8,306 7,248
<b>TOTAL</b>	<b>18,973</b>	21805	19,598	19,409	16,289	16,899	18,262	18,513	19,260	22,306 20,770
Book value per Equity share Rs.	<b>168</b>	166	156	151	147	143	140	146	141	137 129
Earning per share Rs.	<b>5.13</b>	5.72	6.55	5.62	6.35	2.82	2.29	6.36	4.83	10.26 10.02
Dividend per share Rs.	<b>0.25*</b>	1.20	1.20	1.20	1.20	1.00	1.00	1.50	1.50	2.00 2.00

\*Face value of Rs. 2/- per share

**PUDUMJEE PULP & PAPER MILLS LIMITED****DIRECTORS' REPORT TO THE MEMBERS.**

The Directors present the 44<sup>th</sup> Annual Report on the working of the Company for the year ended 31<sup>st</sup> March, 2009 together with the statement of Accounts for that year.

**FINANCIAL RESULTS**

	<b>2008-2009</b> <b>Rs. in lacs</b>	<b>Previous Year</b> <b>Rs. in lacs</b>
The gross profit before interest and		
Depreciation is	<b>2003.81</b>	2193.88
Reducing therefrom Interest of	<b>366.14</b>	544.29
Depreciation of	<b>1033.87</b>	959.85
and Extra-ordinary items of	<b>18.09</b>	37.43
The net profit comes to	<b>615.71</b>	652.31
and the balance of Profit brought forward		
from last year of	<b>1999.17</b>	1846.18
the total comes to	<b>2614.88</b>	2498.49
Adjusting against this amount the Following, namely:		
Expenses/(Income) for earlier years of	—	1.20
Provision for Current Taxation of	<b>304.00</b>	142.00
Provision/(Saving) for Deferred Taxation of	<b>(-)109.00</b>	41.00
Dividend on Equity Shares of	<b>102.50</b>	98.40
Tax on Dividend of	<b>17.42</b>	16.72
And Transfer to General Reserve of	<b>200.00</b>	200.00
Totalling to	<b>514.92</b>	499.32
There remains a balance of	<b>2099.96</b>	1999.17
which the Directors propose to carry-forward to next year's accounts.		

**CONSOLIDATED FINANCIAL STATEMENTS**

As required by Listing Agreements with the Stock Exchanges, the Consolidated Financial Statements prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India are attached.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm

- that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has not been any material departure;
- that 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 on 31<sup>st</sup> March, 2009 and of the profit of the Company for that period;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors have prepared the annual accounts on a going concern basis.

**DIVIDEND**

The Directors recommend for your consideration the payment of Dividend for the year ended 31<sup>st</sup> March, 2009 at the rate of Re. 0.25 per share. If approved, the Equity Dividend will, subject to the provisions of Section 206A of the Companies Act, 1956, be paid to those shareholders whose names stand on the Register of Members on 29<sup>th</sup> day of August, 2009. The Dividend in respect of shares held in the electronic form will be paid to the