

## **C O R P O R A T E   S T R U C T U R E**

### **CORPORATE STRUCTURE**

#### **BOARD OF DIRECTORS**

Mr. Kamal Lunawath	Chairman and Managing Director
Mr. Vimal Lunawath	Whole time Director
Mr. Col. A.L Jayabhanu	Whole time Director
Mr. Bharat M Jain	Whole time Director
Mr. A Damodaran	Director
Mr. Ravikant Choudhary	Director
Mr. Harisharanlal Trivedi	Director
Mr. Karan Bhasin	Director

Mr. Kishore Kumar Sahoo      Company Secretary

#### **BANKERS / FI's**

Allahabad Bank  
HDFC Bank Limited  
HDFC Limited  
ICICI Bank Ltd  
ICICI Home Finance Company Limited  
Reliance Home Finance Private Limited  
Religare Finvest Limited  
Vijaya Bank

#### **AUDITORS**

M/s. B.P Jain & Co.,  
Chartered Accountants  
No.2, Gee Gee Minar, 23, College Road  
Chennai- 600006

#### **LEGAL ADVISOR**

K Venkatasubramanian  
141, Luz Church Road,  
Mylapore, Chennai- 600004

#### **REGISTERED OFFICE**

271, (Old no.182), Poonamallee High Road  
"Ankur Manor", 1st Floor, Off. McNichols Road  
Kilpauk, Chennai- 600018

#### **CORPORATE OFFICE**

No.3, Ganapathy Colony  
Off. Cenotaph Road  
Teynampet, Chennai- 600018

#### **REGISTRAR AND SHARE TRANSFER AGENTS**

M/s. Cameo Corporate Services Limited  
Vth Floor, Subramanian Building,  
No.1, Club House Road  
Anna Salai, Chennai- 600002

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Dear Shareholders,

India has emerged as an important market to do business more so in the service sector. Its favourable demographics and strong local economy made the country an attractive place for property investors. The demand for property is determined chiefly by business development and demographic trends.

The real estate sector in India assumed greater prominence with the liberalisation of the economy, as the consequent increase in business opportunities and labour migration led to rising demand for commercial and housing space. At present, the real estate and construction sectors are playing a crucial role in the overall development of India's core infrastructure. The real estate industry's growth is also linked to developments in the retail, hospitality and entertainment (hotels, resorts, cinema theatres) industries, economic services (hospitals, schools) and information technology (IT)- enabled services etc and vice versa.

As the economy shows signs of decreasing GDP growth rate, the Indian real estate industry faces its own share of concerns. Real estate developers are reeling under high debt and FDI inflows have also slowed down.

Amidst these macro-economic conditions, Indian real estate asset classes across the prime cities of India have seen mixed sentiments, but the demand for office and retail space leasing remained healthy in most of the cities. Because of the prevailing uncertainties on the global market and the likelihood of further interest rate hikes by the RBI in the early part of 2012, sentiments on the residential market will remain cautious over the short term.

During the year under review, your Company has made an average performance in terms of Sales and Profits. Many of its projects which are large residential complexes and Township are under Joint Venture and are progressing well. Your Company will earn good profits from these projects in the year to come. Few more projects under the category of budgeted housing, plots have been identified by your company which will be launched shortly.

Your Company's litigation with HUDCO have been settled during the year by Debt Recovery Tribunal. Upon receipt of the order of DRT, your Company has paid the total principal amount to HUDCO instantly. However with respect to interest payment, HUDCO has preferred an appeal to Debt Recovery Appellate Tribunal (DRAT) against the order of DRT for higher interest. Your Company has made an appeal to DRAT for reduction of interest. The case is pending before DRAT for hearing. Once DRAT decides on the appeal, the Company will pay the interest decided by DRAT.

We at Arihant, believe in building integrity by providing qualitative service and maintaining healthy and cordial relationship with our Customers and Investors.

Your Directors wishes to place on record its sincere thanks to Bankers, Financial Institutions, Chennai Metropolitan Development Authority and Corporation of Chennai and related departments of Govt. of Tamil Nadu for having supported us on all our efforts and endeavours and all those who work for or are associated with Arihant.

Thank You



(Kamal Lunawath)  
Managing Director

## NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Shareholders of Arihant Foundations and Housing Limited will be held on Friday the 30th day of March, 2012 at "Arihant Amara", Old No.60, New No. 49, Poonamallee High Road, Goparasanallur Village, Poonamallee Taluk, Chennai - 600 056 at 9.30 A.M. to transact with or without modifications, as may be permissible the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited balance sheet as at 30th September, 2011 and Audited profit and loss account for the period from 01.10.2010 to 30.09.2011, together with the Directors' Report and the Auditors' Report.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. Vimal Lunawath, who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint a Director in place of Mr. Bharat Jain, who retires by rotation and being eligible, offer himself for re-appointment.
5. To Appoint Auditors and fix their remuneration to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting. The retiring Auditors M/s. B.P Jain & Co., being eligible, offer themselves for reappointment.

### SPECIAL BUSINESS

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT In accordance with the provision of section 257 and all other applicable provisions, if any of the Companies Act, 1956 or any statutory modification(s) or re enactment thereof, Mr. Karan Bhasin, who was appointed as an additional director of the Company pursuant to Section 260 of the Companies Act, 1956 and whose appointment determines on the date of the present Annual General Meeting be and is hereby appointed as a Director of the Company subject to retirement by rotation under the provisions of Articles of Association of the Company.

By Order of the Board  
For Arihant Foundations & Housing Limited

sd/-  
(Kishore Kumar Sahoo)  
Company Secretary

Place: Chennai  
Date: 13.02.2012

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of Board resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23.03.2012 to 30.03.2012 (Both days inclusive).
4. The dividend on equity shares, if declared at the Meeting, will be payable to those shareholders, whose names appear on the Company's Register of Members at the close of business hours on 22.03.2012. In respect of shares held in dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories as at the close of business hours on 22.03.2012.
5. Members are requested to notify immediately the changes in their address, if any.
6. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
7. Members desiring any information as regards the accounts are requested to write to the Company at least 10 days before the date of meeting.
8. Members holding shares in identical order of names in more than one folio are requested to write to the Company's share department enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
9. Members, who hold shares in the dematerialized form, are requested to bring their depository account number for identification.

10. Members who have not claimed their dividend for the financial year 2004-05 to 2008-09 requested to write to the Company for the same. Details of the unclaimed dividend for the respective financial years given in the Director's Report.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

Item No.6

Pursuant to the provision of section 260 of the Companies Act, 1956 and the provision of Articles of Association of the Company, the Board of Directors of the Company at its meeting held on 1st February, 2012 has appointed Mr. Karan Bhasin as an additional director of the Company to act as an Independent Director of the Company.

In terms of provision of Section 260 of the Companies Act, 1956, Mr. Karan Bhasin would hold office up to the date of this Annual General Meeting.

The Company has received a notice in writing from a member along with a deposit of fees of Rs.500/- proposing the candidature of Mr. Karan Bhasin for the office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956.

None of the Directors except Mr. Karan Bhasin, being the appointee, is deemed to be concerned or interested in the resolution set out at item no. 6 of the notice.

Your Directors commend the Resolution for your approval as an Ordinary Resolution.

By Order of the Board  
For Arihant Foundations & Housing Limited

Sd/-  
(Kishore Kumar Sahoo)  
Company Secretary

Place: Chennai  
Date: 13.02.2012

## **DIRECTORS' REPORT**

Your Directors take pleasure in presenting the 19th Annual Report to the Shareholders together with the Audited Accounts for the year ended 30th September, 2011.

### **FINANCIALS**

(Rs.in Lakhs)

<b>PARTICULARS</b>	<b>2010-11</b>	<b>2009-10</b>
Income	<b>13461.43</b>	14505.01
Expenditure	<b>12320.65</b>	13223.78
Profit before Interest and Depreciation	<b>1140.78</b>	1281.23
Interest	<b>747.63</b>	908.89
Depreciation	<b>53.92</b>	56.72
Profit before Tax	<b>339.23</b>	315.62
Provision for tax	<b>87.68</b>	105.56
Profit after Tax	<b>251.55</b>	210.06
Previous year provision for dividend added back	<b>74.80</b>	
<b>APPROPRIATIONS</b>		
Proposed Dividend	<b>86.00</b>	74.80
Payment of Dividend for Previous year		4.30
Balance profit carried forward	<b>240.35</b>	130.96

### **PERFORMANCE**

The Company's total Income is Rs.135 crores during the financial year 2010-11 as against Rs.145 crores in the previous year 2009-10. The Profit after tax (PAT) for the financial year is Rs.2.52 crores compared to previous year profit of Rs.2.10 crores. On consolidated basis, the total income of your Company and its subsidiaries and Joint venture stands at Rs.201.74 crores and consolidated profit after tax (PAT) stood at Rs. 0.90 crores. The earnings per Share (EPS) basic and diluted stands at Rs.2.93 considering the total equity capital of Rs.8.60 crores (86,00,000 equity shares of Rs.10/- each) as on 30th September, 2011. Sales has come down during the year. With stringent market condition, competition and the strict funding from Banks and Financial Institutions, your Company has made a profit of Rs.2.52 crores during the financial year.

A more detailed discussion and analysis on the performance of the Company in retrospect as well as the outlook is detailed in the Management Discussion and Analysis Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as required under clause 49 of the Listing Agreement with the Stock Exchanges is presented in a separate section forming part of the Annual Report.

## PROJECTS

The Company recognises that conceiving, developing and implementing projects aimed at growth and meeting market requirements, in a cost effective and time bound manner, will always remain a key business policy of the Company. The Company's Project managers are guided by this policy and principle in the successful implementation and completion of various projects.

### Project Details

ONGOING PROJECTS		
Project name	Location	Area (Sqft)
<b>Villa Viviana</b> Township Project In association with J P Morgan India Property Fund	GST Road, Chennai	13,00,000
<b>ARIHANT AMARA</b> Residential Complex	Poonamallee High Road, Chennai	1,45,000
<b>NORTH TOWN ESTATES</b> Township Project In association with PVP Ventures Ltd and Unitech Ltd.	Perambur, Chennai	21,26,880
<b>ARIHANT - FRANGIPANI</b> Residential Complex	Pudupakkam, Chennai	2,80,000
<b>ARIHANT - PANACHE</b>	Arumbakkam, Chennai	1,05,400
<b>ARIHANT - Jashn</b> (Mixed development)	Egmore Chennai	36,831
<b>Green Wood</b> Plotted development	Thazambur Chennai	39.665 Acres

## DIVIDEND

Your directors pleased to recommend final dividend for the financial year ended 30th September, 2011 @ 10% i.e. Rs.1.00 per equity share on the paid-up equity shares of Rs.10 each for the financial year ended 30th September 2011, which if approved at the ensuing Annual General Meeting , will be paid to:

- all those shareholders whose name appears in the Register of Members as on 22nd March 2012 and;
- all those whose name appears on that date as beneficial owners as furnished by National Securities Depository Limited and Central Depository Services Limited.

## DEPOSITS

The Company has outstanding fixed deposits of Rs.1,40,28,560 as on 30.09.2011, which is 0.87 % of aggregate of paid up capital and free reserves of the Company.

## SUBSIDIARY COMPANIES AND IT'S ACCOUNTS

There are four subsidiaries of your Company as on 30th September, 2011. The financial details of the Subsidiary Companies as well as the extent of holdings therein are provided in a separate section of the Annual Report pursuant to Section 212 of the Companies Act, 1956. Ministry of Corporate Affairs vide its general circular no.2/2011 dated 8th February, 2011 has issued a direction under Section 212(8) of the Companies Act, 1956 granting general exemption with respect to the provision of section 212 of the Companies Act, 1956. With the consent of the Board and following the aforesaid direction, the annual accounts and other details of Subsidiary Companies are not attached. However these documents will be made available upon request by any member of the Company interested in obtaining the same.

## CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on consolidated financial statements read with Accounting Standard AS-27 on financial reporting of interest in Joint Venture, auditors report on the consolidated financial statements, audited consolidated Balance Sheet, Profit and Loss account and Cash flow statements are provided in the Annual Report.

## CHANGES IN CAPITAL STRUCTURE

### Issued and Paid up Share Capital:

On 3rd February, 2011, your Company allotted 11,20,000 fully paid-up equity shares of Rs.10/- each to "Persons forming part of Promoter Group." and a body corporate upon conversion of remaining 11,20,000 convertible equity warrants (out of total 1550000 convertible equity warrants originally allotted on 05.08.2009 to persons forming part of Promoter Group and Body Corporate) on a preferential basis at a total exercise price of Rs.89/- (including premium of Rs.79/- ) in terms of Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009. The issued and paid-up capital of the Company enhanced from Rs.74,80,000 equity shares of Rs.10/- each to 86,00,000 equity shares of Rs.10/- each.

## REPORT ON CORPORATE GOVERNANCE

Your Company ensures good corporate governance by implementing and complying with the policies, standards set out by Securities and Exchange Board of India and other regulatory authorities. The requisite certificate issued by M/s. B.P Jain & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement, is attached to this Report.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN - EXCHANGE EARNINGS AND OUTGO.

The necessary details are furnished in Notes to Accounts, point no.10.

## PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A)

During the period under review, no employee was in receipt of remuneration in excess of the limits laid down in Subsection (2A) of Section 217 of the Companies Act, 1956.

## DIRECTORS

In accordance with the relevant provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Vimal Lunawath and Mr. Bharat Jain, Directors are liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment. The brief resume of directors, who are to be re-appointed as stipulated under clause 49(IV) of the Listing Agreement, are furnished in the Corporate Governance Report forming part of the Annual Report.

## DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanations relating to the 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 affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- iii. Proper and sufficient care have been taken to maintain adequate accounting records in accordance with the provisions of this Act to safeguard the assets of the company and to prevent and detect fraud and other irregularities.
- iv. The annual accounts have been prepared on a going concern basis.

## AUDITORS

M/s B.P Jain & Co., Chartered Accountants, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from them to the effect that they offer themselves for reappointment and if appointed, it would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

## INVESTOR RELATIONS

Your Company always endeavors to keep the time of response to shareholders' requests/ grievances at the minimum. Priority is accorded to address all the issues raised by the shareholders and provide them a suitable reply at the earliest possible time. The Shareholders' and Investors' Grievance Committee of the Board met to review the redressal of investors grievances. The shares of your Company are continued to be traded in Electronic Form and the dematerialisation arrangement exists with both the depositories, viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 30th September, 2011, 6599420 (Sixty five lakhs Ninety nine thousands Four hundred and twenty only) shares have been dematerialised, representing 76.74% of the subscribed capital.

## LISTING

The shares of your Company are listed in Madras Stock Exchange Limited, Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company has paid the listing fees for the Financial Year 2011-2012 to the Stock Exchanges where its securities are listed. During the year, 11,20,000 equity shares allotted upon conversion of 11,20,000 convertible warrants. These shares were listed at NSE on 13.04.2011 and BSE on 19.07.2011 respectively. The listed capital of the Company with BSE and NSE is 86,00,000 fully paid-up equity shares of Rs.10/- each. The Company had made a request to Madras Stock Exchange Ltd for delisting its entire securities (70,00,000 equity shares of Rs.10/- each) voluntarily after obtaining the approval of shareholders at the 15th Annual General Meeting of the Company held on 28.03.2008. Delisting approval from MSE is awaited. The Company has also complied with the amendments in listing agreement from time to time.

## TRANSFER OF UNPAID DIVIDEND TO IEPF (INVESTOR EDUCATION AND PROTECTION FUND)

Pursuant to the provision of Section 205A (5) of the Companies Act, 1956, the amount transferred to the unpaid dividend account which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred to the Investor Education Protection Fund established under Sub-section (1) of Section 205C of the Companies Act, 1956.

Unclaimed dividend amount of Rs.60,760/- relating to final dividend for the financial year end 30th September, 2003 was transferred to Investor Education and Protection Fund on 08.11.2011.

Details of unclaimed Dividend:

Financial Year	Date of Declaration of dividend	Unpaid Dividend as on 30.09.10 amount.(Rs.)	Due date for transfer to IEPF.
2004-05	24-03-2006	8,453.20	22-04-2013
2005-06	23-03-2007	90,856.00	21-04-2014
2006-07	28-03-2008	1,93,944.00	26-04-2015
2007-08	20-03-2009	65,057.00	18-04-2016
2008-09	26-03-2010	1,44,331.00	24-04-2017

The Shareholders are requested to claim their unclaimed dividends before the aforementioned due dates. The unpaid dividend transferred to IEPF, cannot be claimed by the Shareholders.

## PERSONNEL

The Board wishes to place on record its appreciation of all employees of the Company, for their wholehearted efforts and impressive contribution to the high level of performance and growth of the Company during the Year.

## ACKNOWLEDGEMENTS

Your Directors place on record their gratitude for the support and co-operation received from CMDA, Corporation of Chennai, ELCOT, Banks and Financial Institutions, Customers, Suppliers and Shareholders and for their continued support. The Board also wish to place its sincere appreciation to the dedicated and committed team of employees.

For and on behalf of the Board of Directors  
Arihant Foundations & Housing Limited

sd/-  
(KAMAL LUNAWATH)  
Managing Director

sd/-  
(VIMAL LUNAWATH)  
Wholetime Director

Place: Chennai  
Date: 29.11.2011



## ANNEXURE TO DIRECTOR'S REPORT

Board of Directors explanation for the observations made in the auditors report pursuant to provision of section 217(3) of the Companies Act, 1956.

4 (iv) The Company has not accrued interest for the period amounting to Rs. 1,39,36,936 and total accunulated interest for the period 01.07.2004 to 30.09.2011 to the tune of Rs.10,10,71,423.40 payable to HUDCO as per the order of Debt Recovery Tribunal (DRT) dated 08.08.2011.

With respect to the aforementioned comment, management is of the view that upon receipt of the order of DRT, the Company has paid outstanding Principal amount of Rs.15,48,54,845/- on 29.08.2011. HUDCO has preferred an appeal to DRAT (Debt Recovery Appeallate Tribunal) against the order of DRT for higher interest. The Company has also filed an appeal to DRAT for lower interest. As the order is under dispute, the company has accrued interest only to the extent of Rs. 2,61,07,364/- and not for the entire period of 7 years.

IX). The provident fund amount will be remitted during the month April 2012.

## REPORT ON CORPORATE GOVERNANCE

### 1.COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company endeavor to achieve highest level of transparency, accountability towards its shareholders. The objective of the Company is to sustain growth in order to enhance the wealth of the shareholders, who are the real owners of the Company.

### 2. BOARD OF DIRECTORS

#### (I) COMPOSITION OF BOARD

The Board of Directors of Arihant Foundations & Housing Limited consists of Seven Directors as on 30.09.2011.

The break up of the total composition of the Board as on 30.09.2011 is as follows:

Sl. No.	Name of the Directors	Designation	Executive/ Non- executive/ Independent
1.	Mr. Kamal Lunawath *	Managing Director	Executive
2.	Mr. Vimal Lunawath *	Whole time Director	Executive
3.	Sri. Col. A.L. Jayabhanu	Whole time Director	Executive
4.	Mr. Bharat M Jain	Director	Executive
5.	Sri. A. Damodaran	Director	Non-Executive & Independent
6	Sri. Harisharanlal Trivedi	Director	Non-Executive & Independent
7.	Mr.Ravikant M Choudhary	Director	Non-Executive & Independent
8.	Mr. A. Subramanian**	Director	Non-Executive & Independent

\* Represents Promoter Group;

\*\* Appointed on 01.10.2010 and resigned from Directorship w.e.f 08.08.2011.

On 08.08.2011, Mr. A Subramanian, Independent Director resigned from the Board by which total no. of Directors reduced from 8 Directors to 7 Directors, out of which executive directors are four (4) and non executive and Independent Directors are Three (3). Since the Chairman is executive ½ of the Board required to be independent in compliance of Clause - 49 (1A) of the listing agreement. The said vacancy of one Independent Director will be filled up within 180 days from the date of the aforesaid resignation.

**(II) ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST AGM AND DETAILS OF OTHER DIRECTORSHIPS AS ON 30.09.2011**

Sl. No.	Name of the Directors	No. of Directorship held in other Public Limited Companies	No. of Membership / Chairmanship of Board, Committee of other Public Limited Companies	No. of Board Meetings Attended	Whether Attended last A.G.M
1.	Kamal Lunawath	5	3	11	Yes
2.	Vimal Lunawath	5	1	11	Yes
3.	Col. A.L Jayabhanu	-	-	11	Yes
4.	A .Damodaran	1	-	11	Yes
5.	Bharat M Jain	-	-	11	No
6.	Harisharanlal Trivedi	-	-	4	No
7.	Ravikant M Choudhary	2	4	10	No
8.	A. Subramanian	-	-	5	No

**(III) NUMBER OF BOARD MEETINGS HELD, DATES ON WHICH HELD**

During the Financial Year 2010 to 2011 (from 01.10.2010 to 30.09.2011) 11 (eleven) Board meetings were held on 1.10.2010, 29.10.2010, 29.11.2010, 03.02.2011, 12.02.2011, 02.04.2011, 14.05.2011, 06.06.2011, 01.07.2011, 08.08.2011 and 29.09.2011.

**3. AUDIT COMMITTEE**

(I) Composition, name of members and Chairman:  
The Committee reconstituted on 01.10.2010 with the appointment of Mr. A Subramanian as an Independent Director and resignation of Mr. Harisharanlal Trivedi from membership of Audit Committee w.e.f 01.10.2010.

Mr. A Subramanian, Chairman of Committee  
Mr. A Damodaran, Member of Committee  
Mr. Ravikant Choudhary, Member of Committee

The Committee further reconstituted on 08.08.2011 due to resignation of Mr. A Subramanian from the Directorship and also from the Audit Committee w.e.f 08.08.2011.

Mr. Ravikant Choudhary, Chairman of the Committee  
Mr. A Damodaran, Member of the Committee  
Mr. Kamal Lunawath, Managing Director, Member of the Committee

**II) No. of meetings and attendance:**

There were five meetings held during the year 2010-11 (from 01.10.2010 to 30.09.2011) on 29.11.2010, 03.02.2011, 12.02.2011, 14.05.2011 and 08.08.2011. All five meetings were attended by the members except Mr. A Subramanian, who have attended four meetings.

**(III) Brief description of terms of reference:**

The Committee's terms of reference, authority and powers are in conformity with the requirement of the Companies Act, 1956 and the Listing Agreement.