



ANNUAL REPORT 2001-2002



ARTSON ENGINEERING LTD.

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ANNUAL GENERAL MEETING ON
 Friday, 27th Sept., 2002 at 2.30 p.m. at
 Hotel Sai Palace, Mumbai-Agra Road,
 Opp. CIDCO, Nashik - 422 009.
 As a measure of economy, copies of the Annual
 Report will not be distributed at the Annual General
 Meeting. Shareholders are requested to kindly bring
 their copies to the Meeting.

BOARD OF DIRECTORS

N. K. JAGASIA	<i>Chairman & Managing Director</i>
C. V. KADVEKAR	<i>Wholetime Director</i>
R. S. MEDHI	<i>Wholetime Director</i>
V. CHANDRASHEKAR	<i>Wholetime Director & Company Secretary</i>
P. S. CHOPDE	<i>Director</i>
M. S. GULATI	<i>Director</i>
T. RAMARAJU	<i>Director</i>

MANAGEMENT

U. S. NANIWADEKAR	<i>General Manager (Projects)</i>
R. K. DAMANIA	<i>General Manager (Projects)</i>
P. E. THOMAS KUTTY	<i>General Manager (Projects)</i>

BANKERS

BANK OF INDIA
 DENA BANK
 ICICI BANK LTD.

AUDITORS

CHOKSHI & CHOKSHI
Chartered Accountants
 MUMBAI 400 020.

REGISTERED OFFICE

PLOT NO. D-5, MIDC AMBAD,
 NASHIK 422 010.

HEAD OFFICE

'ARTSON HOUSE' 16-17, MOTI BAUG,
 CHEMBUR, MUMBAI-400 071.

PLANT

PLOT NO. D-5, MIDC AMBAD,
 NASHIK- 422 010.

REGISTRARS

SHAREPRO SERVICES
 SATAM INDL. ESTATE, 3RD FLOOR,
 CARDINAL GRACIOUS ROAD, CHAKALA,
 ANDHERI (E), MUMBAI-400 099.

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Notice

NOTICE is hereby given that the TWENTY THIRD ANNUAL GENERAL MEETING of the Company will be held at Hotel Sai Palace, Mumbai-Agra Road, Opp. CIDCO, Nashik - 422 009, on Friday, 27th September, 2002 at 2.30 p.m. to transact the following business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2002 and the Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. P. S. Chopde who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Mr. C. V. Kadvekar who retires by rotation and is eligible for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

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

"**RESOLVED** that the Company hereby accords its approval and consent under Section 198, 269, 309, 310 and other applicable statutory provisions, if any, of the Companies Act, 1956, and all other applicable statutory provisions, if any, to the appointment of Mr. N.K. Jagasia as Chairman and Managing Director of the Company and to his receiving remuneration, benefits and amenities for a period of five years with effect from 1st March, 2002, upon the terms, conditions and stipulations contained in an agreement to be entered into between the Company and Mr. N.K. Jagasia, a draft whereof is placed before the meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement, as may be agreed to between the Board of Directors and Mr. N.K. Jagasia provided, however, that the remuneration payable to Mr. N.K. Jagasia shall not exceed the maximum limits for payment of managerial remuneration in accordance with the laws, policies, rules, regulations or guidelines in force from time to time.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take all necessary and/or desirable steps for the aforesaid purpose and matters incidental thereto."

6. To appoint a Director in place of Mr. M.S. Gulati who was appointed as an Additional Director of the Company under Article 147 of the Articles of Association of the Company and who according to Section 260 of the Companies Act, 1956, holds office upto the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director under Section 257 of the said Act.

7. To appoint a Director in place of Mr. T. Ramaraju who was appointed as an Additional Director of the Company under Article 147 of the Articles of Association of the Company and who according to Section 260 of the Companies Act, 1956, holds office upto the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director under Section 257 of the said Act.

By Order of the Board

V. CHANDRASHEKAR
Wholesale Director
& Company Secretary

Mumbai, 26th August, 2002

Registered Office :

Plot No. D-5,
MIDC Ambad,
Nashik - 422 010.

Notes :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE IN HIS STEAD AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (b) The Register of Members and Share Transfer Books of the Company will be closed on 8th October, 2002.
- (c) Members are requested to intimate immediately any change in their address to M/s. Sharepro Services, Satam Industrial Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai - 400 099.
- (d) Members holding shares under more than one folio are requested to send to the Registrar and Transfer Agents details of such folios alongwith the share certificates for consolidating the folios.
- (e) The Unpaid Dividend that is due for transfer to the Central Government is as follows :

Financial Year	Date of Declaration	Due for transfer on
1995-96	23.09.96	9.11.2003

- (f) Members seeking any information with regard to Accounts, etc. are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- (g) Members who have not encashed their dividend warrants for the aforesaid financial year are requested

Notice (Contd.)

to approach the Company's Share Transfer Agents, for obtaining duplicate dividend warrants.

By Order of the Board
V. CHANDRASHEKAR
*Wholtime Director
 & Company Secretary*

Mumbai, 26th August, 2002

Registered Office :

Plot No. D-5,
 MIDC Ambad,
 Nashik - 422 010.

Annexure to the Notice

Explanatory Statements as required by Section 173 of the Companies Act, 1956 are annexed hereto :

ITEM 5

The Board of Directors of the Company at their Meeting held on 6th March, 2002 have appointed Mr. N.K. Jagasia as Chairman & Managing Director, subject to the approval of the members, on the following terms and conditions :

PERIOD

For a period of five years w.e.f. 1st March, 2002.

REMUNERATION

SALARY : Rs. 60,000/- p.m. with an annual increment of Rs. 5,000/- on 1st April every year.

PERQUISITES & ALLOWANCES

- (a) In addition to the salary payable, the appointee shall be entitled to perquisites and allowances like house rent allowance or accommodation (furnished or not); reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs; medical reimbursement; leave travel concession for self and family; club fees; medical insurance and other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the appointee.
- (b) For the purpose of calculating the above ceiling on perquisites, provision of car for use of Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee.
- (c) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the

computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity shall be payable as per rules of the Company and encashment of leave at the end of the tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

The terms and conditions of the said appointment and/or agreement may be varied from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amounts payable to managing and wholtime directors as per Schedule XIII of the Companies Act, 1956 or any amendments made hereafter in this regard.

In terms of the provisions of the Companies Act, 1956 this appointment is required to be confirmed by the members. Mr. N.K. Jagasia may be said to be interested in the resolution pertaining to his appointment. The Board commends the passing of the resolution. None of the other Directors are interested in the resolution.

ITEM 6

Mr. M.S. Gulati was appointed as an additional director of the Company on 27.03.2002 under Article 147 of the Articles of Association of the Company and in terms of Section 260 of the Companies Act, 1956, holds office of Director upto the date of this Annual General Meeting. Mr. M.S. Gulati is eligible for appointment as Director. The Company has received notice from a member under section 257 of the Act signifying his intention to propose him as a candidate for the office of Director.

A brief resume of Mr. M.S. Gulati is given of page no. 5 of this Annual Report. The Board commends the appointment of Mr. M.S. Gulati as a Director in the best interest of the Company.

Mr. M.S. Gulati may be said to be interested in the resolution pertaining to his appointment. None of the other Directors are interested in the resolution.

ITEM 7

Mr. T. Ramaraju was appointed as an additional director of the Company on 29.04.2002 under Article 147 of the Articles of Association of the Company and in terms of Section 260 of the Companies Act, 1956, holds office of Director upto the date of this Annual General Meeting. Mr. T. Ramaraju is eligible for appointment as Director. The Company has received notice from a member under section 257 of the Act signifying his intention to propose him as a candidate for the office of Director.

A brief resume of Mr. T. Ramaraju is given of page no. 5 of this Annual Report. The Board commends the appointment of Mr. T. Ramaraju as a Director in the best interest of the Company.

Mr. T. Ramaraju may be said to be interested in the resolution pertaining to his appointment. None of the other Directors are interested in the resolution.

By Order of the Board

V. CHANDRASHEKAR
*Wholetime Director
& Company Secretary*

Mumbai, 26th August, 2002

Registered Office:

Plot No. D-5,
MIDC Ambad,
Nashik - 422 010.

**Details of the Directors seeking appointment/re-appointment at the
ensuing Annual General Meeting**

(In pursuance of Clause 49 of the Listing Agreement)

MR. PRAKASH S. CHOPDE

Date of Birth : 10.03.1949

A Mechanical Engineer from Pune University and Post Graduate in Business Management from Mumbai University, Mr. Chopde has over 33 years experience in Design and Construction. He has worked with Lube India Ltd. and Hindustan Petroleum Corporation Ltd., before promoting Artson Engineering Limited.

MR. CHANDRASHEKHAR V. KADVEKAR

Date of Birth : 08.02.1956

A Chemical Engineer from UDCT, Bombay and MBA from Pune University, Mr. Kadvekar has over 33 years experience in Process Design and Project Management. He has been with Artson Engineering Limited since 1982.

MR. NARAYAN K. JAGASIA

Date of Birth : 26.09.1942

A graduate in Mechanical Engineering from Mumbai University, Mr. Jagasia has over 22 years work experience in the Construction field, Project Management and General Management. He has worked with Larsen & Toubro Ltd. and Hindustan Petroleum Corporation Ltd. in senior positions for about 14 years before promoting Artson Engineering Limited in the year 1978.

MR. MOHINDAR S. GULATI

Date of Birth : 15.09.1939

Mr. M.S. Gulati, a Bachelor of Mechanical Engineer from Delhi University (1962), has over 37 years experience in the Construction, Chemical, Fertilizer, Petrochemical and Metallurgical Industries. He has worked and held responsible posts for about 20 years first with the Engineering Projects Division of M/s. Larsen & Toubro Ltd. and thereafter with Engineering Construction Corporation Limited (E C C). His fields of specialisation lie in equipment installation and piping work. He has ample experience in execution, monitoring and management of total projects comprising all disciplines in Construction Engineering. At present he is the Managing Director of Nitson and Amitsu Pvt. Ltd.

MR. T. RAMARAJU

Date of Birth : 03.08.1928

Mr. T. Ramaraju is a Civil Engineer and a Post Graduate in M.S. from North Western University, Illinois, U.S.A. He is also a diploma holder in Administrative Management from Bajaj Institute, University of Bombay. He has over 40 years experience of designing of integrated structures such as construction and commissioning of scientific laboratories, housing complexes, highly sensitive accelerators, industrial plants & hospital complexes. At present Mr. T. Ramaraju is the Technical Adviser at Gujarat Ambuja Cements Ltd.

Directors' Report

To the Members,

The Directors hereby present their Twenty Third Annual Report on the business and operations of your Company and statements of accounts for the year ended 31st March, 2002.

1. SUMMARISED FINANCIAL RESULTS

The financial results are briefly indicated below :

	For the year ended 31st March 2002 Rs. '000	For the year ended 31st March 2001 Rs. '000
Profit / (Loss) before Depreciation	(57,002)	(31,641)
Less : Depreciation	10,962	12,623
Profit / (Loss) before Taxation	(67,964)	(44,264)
Less : Provision for Taxation	—	—
Net Profit / (Loss)	(67,964)	(44,264)
Surplus brought forward from previous year	851	33,251
Other Adjustments	(1,445)	(8,136)
Profit available for disposal	(68,558)	(19,149)
Appropriations :		
Proposed Dividend	—	—
General Reserve	11,071	20,000
Balance carried forward to Profit & Loss Account	(57,487)	851

2. REVIEW OF OPERATIONS

There has been further slippage in business as seen in the results. This is due to cyclical nature of engineering and construction business in the country. Also while some balancing investments of Public Sector Undertakings continue, Private Sector has not come forward with investments in any new projects. Due to paucity of work the management has taken a decision to close down its manufacturing activities at Nashik works.

3. THE FUTURE SCENARIO

Your Company has had good experience in Cyprus for the last 10 years. Currently, your Company has tied up with another major Indian company to quote for the tender on a major refinery project in that country. The offer is well placed and it could result in an order of over Rs. 20 crores.

Your Company is also actively pursuing the Oil and Gas Sector for retail outlets, depots, terminals, along the new highways under the Prime Minister's programme.

Your company also hopes to book new orders in tertiary roads infrastructure for water supply and sewage systems. It has already been prequalified for such projects in various States.

4. DIRECTORS

Mr. T. Ramaraju and Mr. M.S. Gulati have been appointed as Non-Executive Independent Directors on the Board of Directors of the Company on 29.04.2002 and 27.03.2002 respectively. The Board looks forward to a long and fruitful association with them as Directors of the Company. A brief resume of Mr. Ramaraju and Mr. Gulati is given on page no. 5 of this Annual Report.

Mr. K.B. Kakatkar has resigned as Director of the Company, the same being approved by the Board on 31st October, 2001. The Board wishes to place on record its appreciation of the valuable services rendered by Mr. Kakatkar during his tenure as Director of the Company.

Mr. P.S. Chopde has resigned from the wholetime employment of the company. His resignation was approved by the Board on 6.03.2002. However, he continues to remain on the Board of the Company as Director. The Board wishes to place on record its appreciation of the valuable services rendered by Mr. Chopde during his tenure as Executive Chairman of the Company and looks forward to continued association with him as Director on the Board of Directors of the Company.

Directors' Report — (Contd.)

Mr. C.V. Kadvekar has resigned as Managing Director and continues as Wholetime Director of the Company. Mr. Kadvekar's resignation and appointment was approved at the Board meeting held on 6.03.2002.

Mr. N.K. Jagasia has been appointed as Chairman and Managing Director of the Company at the Board meeting held on 6.03.2002.

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Mr. P.S. Chopde and Mr. C.V. Kadvekar retire by rotation and are eligible for re-appointment.

5. AUDITORS

The observations of Auditors are explained, where necessary, in appropriate notes on accounts. The shareholders are requested to appoint the Auditors and fix their remuneration. M/s. Chokshi & Chokshi, retiring Auditors, have informed the company that they are eligible for re-appointment.

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

In accordance with the provisions of Section 217 (1)(e) of the Companies Act, 1956, the required information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed to the Directors' Report.

7. DEMATERIALISATION (DEMAT) OF EQUITY SHARES

Securities and Exchange Board of India (SEBI) has made compulsory delivery of shares of your Company in the dematerialised form for all investors with effect from 2nd April 2001. In view of the same, the Company has executed necessary agreements with Central Depository Services Limited (CDSL) and National Securities Depository Ltd. (NSDL). Accordingly, the Company has been allotted ISIN activation No. INE133D01015. The shareholders have the option / discretion of holding their dematerialised shares in the Company through CDSL & NSDL.

8. CORPORATE GOVERNANCE

The Stock Exchange has amended the Listing Agreement by incorporating a new clause 49 covering Corporate Governance, which is an important instrument of investor protection. As per the amendment, the Company is required to comply with the requirements on or before 31st March, 2002. A separate report on corporate governance forms part of this Annual Report.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000, the Directors state as under :

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimate 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) that the Directors had taken proper and sufficient care for 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) that the Directors had prepared the annual accounts on a going concern basis.

10. PARTICULARS OF EMPLOYEES

As required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 1975, as amended, particulars of the Company's employees are set out in a separate statement attached hereto which forms part of the report.

11. ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the employees of Artson, who continue to stand by your Company. Bank of India, Dena Bank, ICICI Bank Limited and SICOM Limited need special mention for their unfettered support to your Company. Your Directors look forward to a stronger association with these associations.

For and on behalf of the Board

N.K. JAGASIA

Chairman & Managing Director

Mumbai, 26th August, 2002

Registered Office :

Plot No. D-5,
MIDC Ambad,
Nashik - 422 010.

Annexure to Directors' Report

Statement pursuant to Section 217 (1) (e) of the Companies Act, 1956.			(B) TECHNOLOGY ABSORPTION																	
(A) CONSERVATION OF ENERGY			FORM B																	
(a) Energy conservation measures taken : NIL (b) Additional investments and proposals, if any, being implemented for reduction in consumption of energy : None (c) Impact of the measures at (a) and (b) above for energy consumption and consequent impact on the cost of production of goods : N.A. (d) Total energy consumption and consumption of energy per unit of production :			Research & Development (R&D) 1. Specific areas in which R & D was carried out by the Company: NIL 2. Benefits derived as a result of the above R & D: N.A. 3. Future plan of action: Being formulated. 4. Expenditure on R & D :																	
			<table border="1"> <thead> <tr> <th></th> <th>2001-2002 (Rs. in '000)</th> <th>2000-2001 (Rs. in '000)</th> </tr> </thead> <tbody> <tr> <td>(a) Capital</td> <td>NIL</td> <td>NIL</td> </tr> <tr> <td>(b) Recurring</td> <td>NIL</td> <td>NIL</td> </tr> <tr> <td>(c) Total</td> <td>NIL</td> <td>NIL</td> </tr> <tr> <td>(d) Total R & D expenditure as % of total turnover</td> <td>NIL</td> <td>NIL</td> </tr> </tbody> </table>				2001-2002 (Rs. in '000)	2000-2001 (Rs. in '000)	(a) Capital	NIL	NIL	(b) Recurring	NIL	NIL	(c) Total	NIL	NIL	(d) Total R & D expenditure as % of total turnover	NIL	NIL
	2001-2002 (Rs. in '000)	2000-2001 (Rs. in '000)																		
(a) Capital	NIL	NIL																		
(b) Recurring	NIL	NIL																		
(c) Total	NIL	NIL																		
(d) Total R & D expenditure as % of total turnover	NIL	NIL																		
FORM A																				
PARTICULARS	2001-2002	2000-2001																		
A. POWER AND FUEL CONSUMPTION 1. Electricity (a) Purchased Units (KWH) 1,22,866 1,48,596 Total amount (Rs. in lacs) 6.84 8.42 Rate per unit (Rs.) 5.57 5.66 (b) Own Generation NIL NIL			Technology Absorption, Adaptation and Innovation (1) Efforts in brief made towards technology absorption, adaptation and improvements. None (2) Benefits derived as a result of the above efforts. N.A. (3) Import of Technology None																	
B. CONSUMPTION PER UNIT OF PRODUCTION (Standards, if any)* (i) Electricity N.A. N.A. (ii) Furnace Oil N.A. N.A. (iii) Coal N.A. N.A. (iv) Others N.A. N.A. * The Company does not have unitised product.			(C) FOREIGN EXCHANGE EARNINGS AND OUTGO <table border="1"> <thead> <tr> <th></th> <th>2001-2002 (Rs. in '000)</th> <th>2000-2001 (Rs. in '000)</th> </tr> </thead> <tbody> <tr> <td>(i) Foreign Exchange earned</td> <td>25,184</td> <td>41,968</td> </tr> <tr> <td>(ii) Foreign Exchange used</td> <td>7,537</td> <td>10,389</td> </tr> </tbody> </table> For and on behalf of the Board N.K. JAGASIA Chairman & Managing Director				2001-2002 (Rs. in '000)	2000-2001 (Rs. in '000)	(i) Foreign Exchange earned	25,184	41,968	(ii) Foreign Exchange used	7,537	10,389						
	2001-2002 (Rs. in '000)	2000-2001 (Rs. in '000)																		
(i) Foreign Exchange earned	25,184	41,968																		
(ii) Foreign Exchange used	7,537	10,389																		
			Mumbai, 26th August, 2002 Registered Office: Plot No. D-5, MIDC Ambad, Nashik - 422 010.																	

Particulars of Employees pursuant to the provisions of Section 217(2A) of the Companies Act, 1956.						
Sr. No.	Name of Employee	Age	Present Designation/ Nature of duties	Qualification & Experience	Date of Appointment	Total Remuneration Paid (Rs.)
Employed throughout the financial year under review and was in receipt of remuneration in aggregate of not less than Rs. 24,00,000/- p.a. - Nil Employed for a part of the financial year and was in receipt of remuneration in aggregate of not less than Rs. 2,00,000/- p.m. - Nil						
For and on Behalf of the Board N.K. JAGASIA Chairman & Managing Director						
Mumbai, 26th August, 2002 Registered Office: Plot No. D-5, MIDC AMBAD, NASHIK 422 010.						

Corporate Governance Report

As per the format prescribed by SEBI guidelines and Clause 49 of the Listing Agreement

The Company's Philosophy on Corporate envisages attainment of high level of transparency and accountability in the functioning and conduct of business of the Company. This includes its interaction with employees, shareholders, creditors, consumers and institutional and other lenders. The Company shall continue its efforts in strengthening and

raising the standards in Corporate Governance and shall also review its systems and procedures constantly to keep pace with the changing economic scenario.

BOARD OF DIRECTORS

The Company has an Executive Chairman. The composition of the Board of Directors is as under:

Name of Director	Category	No. of Board Meetings attended	Attendance at the last AGM (Y/N)	Directorship in other companies incorporated in India	No. of committees in which Chairman/ Member
Mr. Narayan K. Jagasia	Chairman (Executive & Non-Independent)	6	N	Kerraun Systems Ltd.	Member - 1
Mr. Ramesh S. Medhi	Wholetime Director (Executive & Independent)	5	Y	—	
Mr. Chandrashekhar V. Kadvekar	Wholetime Director (Executive & Independent)	5	Y	—	
Mr. V. Chandrashekar	Wholetime Director (Executive & Independent)	8	Y	—	Member - 1
Mr. Prakash S. Chopde	Director (Non-Executive & Non-Independent)	8	Y	Kerraun Systems Ltd.	Chairman - 1 Member - 1
Mr. Mohindar S. Gulati	Director (Non-Executive & Independent)	Apptd. On 27.03.02	N	M.D. of Nitson & Amitsu Pvt. Ltd.	Chairman - 1
Mr. T. Ramaraju	Director (Non-Executive & Independent)	Apptd. On 29.04.02	N		Member - 1
Mr. Kiran B. Kakatkar	Director (Non-Executive & Non-Independent)	Resigned on 30.10.01	Y	Pam Systems Limited	Member - 1
Mr. Joginder S. Pal	Nominee Director -SICOM Ltd. (Non-Executive & Independent)	Withdrawn nomination on 31.01.02	N	—	

BOARD MEETINGS

During the year under review, 8 Board Meetings were held, viz. 30/05/2001, 30/07/2001, 23/08/2001, 28/09/2001, 30/10/2001, 31/01/2002, 06/03/2002, 27/03/2002.

The Company did not have any pecuniary relationship with NEDs during the year under review.

AUDIT COMMITTEE

Your Company constituted an Audit Committee on 30th May, 2002. Composition of the then Audit Committee was in line with the provisions of Section 292A of the Companies Act, 1956. During the year, the Audit Committee held 2 meetings, viz. 23rd August, 2002 and 29th October, 2002. The Company