

# AMTEK AUTO LIMITED

## 19th ANNUAL REPORT

### 2004 - 2005

## Board Of Directors

Shri Arvind Dham	<i>Chairman &amp; Managing Director</i>
Shri D. S Malik	<i>Whole Time Director</i>
Shri Rajiv Thakur	<i>Director</i>
Shri Sanjay Chhabra	<i>Director</i>
Shri B. Lugani	<i>Director</i>
Shri K. Vidyalingam	<i>Director</i>
Shri M. Chittaranjan Kumar	<i>Director</i>

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### Regd. Office & Works (Unit-I)

Plot Not. 16, Industrial Estate,  
Rozka-Meo (Sohna)  
Distt: Gurgaon (Haryana).  
Ph.: 0124-2362140  
Tel/Fax: 0124-662454  
e-mail: aall@amtek.com

### Unit-II

Begumpur Khataula,  
P.O. Khandsa, Distt. Gurgaon, Haryana.  
Ph.: 0124-2373412  
Fax: 0124-2373408  
e-mail: amtekunit2@amtek.com

### Unit-III

Vill. Mohammadpur, Jharsa,  
Distt. Gurgaon (Haryana).  
Ph.: 0124-2372152 Fax: 0124-2373410

### Unit-IV

Plot No. 7 & 8, Hirehalli Industrial Area,  
Hirehalli, District Tumkur, Karnataka  
Phone: (0816) 43692, 43686  
e-mail: amtekbang@amtek.com

### Unit-V

Plot No. 1, Sector-II,  
New Industrial Area,  
Distt. Raipur  
Mandideep-462046  
Phone: 507053

### Corporate Office

4, Bhanot Apartments,  
Local Shopping Centre,  
Pushp Vihar,  
New Delhi-110 062  
Ph.: 011-51649800, 51649801,  
Fax: 011-29054554, 29053667  
e-mail: info@amtek.com  
web: http://www.amtek.com

### Company Secretary

Shri Rajat Bajaj

### Bankers

Corporation Bank  
The South Indian Bank Ltd.

### Auditors

M/s Manoj Mohan & Associates  
Chartered Accountants

**NOTICE**

Notice is hereby given that the Nineteenth Annual General Meeting of the Company will be held as under :-

Day : Friday  
Date : 30th December, 2005  
Time : 9.30 A.M.  
Venue : Plot No. 16, Industrial Estate, Rozka Meo,  
Sohna, Gurgaon (Haryana)

to transact the following business :-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 30th June, 2005 together with Profit and Loss Account for the year ended on that date, and the reports of the Directors and the Auditors thereon.
2. To appoint a Director in the place of Mr. Sanjay Chhabra, who retires by rotation and being eligible offer himself for re-appointment.
3. To declare dividend.
4. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS**

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

"RESOLVED THAT pursuant to the provision of Clause 49 of the Listing Agreement with the Stock Exchanges, consent of the Company be and is hereby accorded for payment of Rs. 2000/- (Rupees two thousand only) or such other amount as may be approved by the Board of Directors subject to the ceiling prescribed under the Companies Act, 1956, or rules framed there under as amended from time to time, as sitting fees for each meeting of the Board of Directors and the Committee (s) thereof attended by the Directors of the Company. In addition to the remuneration above specified, the Directors shall also be entitled to be reimbursed all traveling and other expenses incurred by them in connection with their attending meetings of Directors or of Committees thereof or which they may otherwise incur in the performance of their duties as Directors."

By Order of the Board  
**For AMTEK AUTO LIMITED**

Date : 29th November, 2005  
Place : New Delhi

(**ARVIND DHAM**)  
Chairman & Managing Director

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The proxy form duly completed, stamped and signed should reach the Company's office at least 48 hours before the time of the meeting.
3. All documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 26th December, 2005 to 30th December, 2005 (both days inclusive).

5. Members are requested to furnish bank details by 20th December, 2005 in order to enable the Company to print the same on the dividend warrants. In respect of members holding shares in electronic mode, bank details as furnished by the depositories to the Company will be printed on the dividend warrant.
6. The members are requested to bring their copies of Annual Report to the Meeting, as the same will not be redistributed at the venue of Annual General Meeting.
7. The Members attending the General Meeting are requested to bring the enclosed attendance slip and deliver the same after filling in their folio number at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only after verification of the signature in the attendance slip. Duplicate Attendance Slip will be issued at the Registered Office of the Company upto a day preceding the day of Annual General Meeting.
8. Members who hold shares in de-materialised form are requested to bring their client ID and DP-ID number for the purpose of identification and attendance at the meeting.
9. The dividend as recommended by the Board of Directors, if declared at this Annual General Meeting shall be paid on or before January 25, 2005.
  - a. To those shareholders whose names appear on the Company's Register of Members after giving effect to all valid share transfers in physical form lodged with the Registrar & Transfer Agents (R&T Agents) of the company on or before 26th December, 2005.
  - b. In respect of shares held in electronic form, to those "deemed members" whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours of 26th December, 2005. In respect of shares held in demat mode, the dividend will be paid on the basis of beneficial ownership as per details to be furnished by NSDL and CDSL for this purpose.
10. Pursuant to the provisions of section 205A (5) of the companies Act, 1956, dividends for the financial year ended 31st March, 1995 and thereafter, which remain unclaimed in the unpaid dividend account for a period of seven years from the date of transfer of the same, will be transferred to the Investor Education and protection fund established by the Central Government. Shareholders who have not en-cashed their dividend warrant(s) so far for the financial year ended 31 March 1999 or any subsequent financial years are requested to make their claim to the R&T Agents of the company. According to the provisions of the Act, no claims shall lie against the said Fund or the company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims.
11. Consequent upon the introduction of section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No. 2B in duplicate (which will be made available on request) to the R&T Agents of the company.

#### 12. Electronic Clearing Services (ECS) Facility

With respect to payment of dividend, the Company provides ECS facility to all members, holding shares in electronic/physical forms. Members holding shares in the physical form who wish to avail ECS facility may furnish to the Company/Registrar & Share Transfer Agents, their ECS mandate in the prescribed form, which is available elsewhere in the Annual Report or can be obtained from the Registrar & Share Transfer Agents.

#### INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING RE-APPOINTED

Name	: Mr. Sanjay Chhabra
Date of Birth	: 18th July, 1960
Qualification	: B. Tech.
Profession	: Business
Expertise	: Vast Experience in the field of technical, marketing and project implementation
Other Directorships	: Nil





**EXPLANATORY STATEMENT, PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 SETS OUT ALL THE MATERIAL FACTS RELATING TO THE BUSINESS MENTIONED AT ITEM NO. 5 OF THE ACCOMPANYING NOTICE DATED 29TH NOVEMBER, 2005**

**ITEM NO. 5**

The Securities and Exchange Board of India has issued a circular to all the Stock Exchange advising them to amend the Listing Agreement by inserting the revised Clause 49 relating to corporate governance requirements to be fulfilled by the Companies. One of the requirements stipulated under the revised Clause 49 is that all the fees/ Compensation payable to Directors shall be fixed by the Board of Director and shall require previous approval of the members in General Meeting.

At present Company is paying to all the Directors of the Company excluding the Executive Directors sitting fee of Rs. 2000/- for each of the meeting of the Board of Directors or the Committee (s) thereof attended by them.

In view of the revised clause 49 of the Listing Agreement, approval of members is requested for the payment of sitting fees to the Directors of the Company.

All of the Directors except Mr. Arvind Dham and Mr. D.S. Malik, are concerned / interested in the resolution.

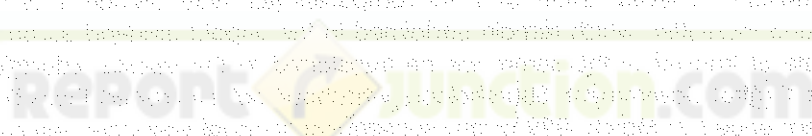
Your Directors recommend the resolution for your approval.

By Order of the Board  
**For AMTEK AUTO LIMITED**

Date : 29th November, 2005  
Place : New Delhi

(ARVIND DHAM)

Chairman & Managing Director



## DIRECTORS' REPORT

TO

THE MEMBERS,

**AMTEK AUTO LIMITED**

Your Directors have pleasure in presenting the Nineteenth Annual Report and the Audited Accounts of the Company for the year ended 30th June, 2005.

### FINANCIAL RESULTS

(Rs. in Lacs)

PARTICULARS	Year ended 30th June, 2005	Year ended 30th June, 2004
Sales and Other Income	67,106.64	51,008.09
Expenditures	50,983.60	41,016.11
Gross Profit Before Depreciation	16,123.04	9,991.98
Less : Depreciation	4,109.08	3,496.39
Profit Before Tax	12,013.96	6,495.59
Less : Provisions for Taxation	1,016.78	881.48
Profit after Tax	10,997.18	5,614.11
Less : Provision for Deferred Tax	1,712.40	407.06
Profit after Deferred Tax	9,284.78	5,207.05
Add. Accumulated Profit	84.70	87.76
Balance available for appropriation	9,369.48	5,294.81
<b>APPROPRIATIONS:</b>		
Transfer to General Reserve	6,600.00	2,100.00
Transfer to Debenture Redemption Reserve	800.00	800.00
Transfer to Preference Share Redemption Reserve	75.00	1,250.00
Proposed Dividend on Equity Shares	1,473.47	774.75
Dividend on Pref. Shares	154.95	164.96
Provision for Tax & CESS on dividend	227.31	120.40
Surplus carried to Balance Sheet	38.75	84.70

### PERFORMANCE

During the year under review, the Company has recorded a turnover of Rs. 67,106.64 lacs with a net profit after tax of Rs. 9,284.78 lacs. Cash profit has been recorded at Rs. 13,393.86 lacs. The reserve position of the Company has reached at a level of Rs. 66,789.25 lacs.

### DIVIDEND

Considering the encouraging performance of the Company, your Directors are pleased to recommend a Dividend of 70% on the paid-up Equity Share Capital of the Company. The dividend is free of tax in the hands of the shareholders.

### GLOBAL DEPOSITORY RECEIPTS ISSUE

Pursuant to the approval of shareholders at the Extra Ordinary General Meeting of the Company held on 10th September, 2004, the Company during the month of November, 2004 issued and allotted 94,15,000 Global Depository Receipts (GDRs) at an offer price of US\$ 7.328 each aggregating to US\$ 69 million representing 1,88,30,000 underlying Equity Shares of Rs.2/- each at a premium of Rs.163/- per share. The above referred GDRs has been listed on London Stock Exchange.



## PREFERENTIAL ISSUE

During the period under review, the Company has issued 48,00,000 Equity Shares of Rs.2/- each at a premium of Rs. 188/- each aggregating to Rs. 91,20,00,000/- to promoters of the Company on preferential basis.

## FOREIGN CURRENCY CONVERTIBLE BOND ISSUE

Pursuant to the approval of shareholders at the Extra Ordinary General Meeting of the Company held on 20th May, 2005, the Company during the month of June, 2005, has issued and allotted Foreign Currency Convertible Bonds of US\$ 150 millions bearing coupon rate 0.50% convertible into equity shares of the Company. The Foreign Currency Convertible Bonds has been listed on Singapore Stock Exchange.

The Bonds holders of US\$ 19.90 million has already exercised their option to convert their FCCBs into equity shares and the Company has allotted 41,43,498 equity shares of Rs. 2/- each at a conversion price of Rs. 209.83 per share.

## SUBSIDIARY COMPANIES

As of 30th June, 2005, the Company has three subsidiaries i.e. Ahmednagar Forgings Limited, Pune and Smith Jones Inc., USA and Amtek Investments U.K. Limited (UK). In the month of February, 2005, your Company set up a new wholly owned subsidiary Amtek Investment US(I) Inc. with the investment of US\$ 2.25 millions. Amtek Investment US(I) Inc., in turn, set up its wholly owned subsidiary Amtek Gears Inc.

Amtek Gears Inc. has set up a Ring Gear unit at Bay City near Detroit for manufacturing of 9 million fly wheel ring gears per annum. The Commercial production was started in the month of April, 2005. The Company has blue chip clients like Tesma, Unimotion Gear, G.M. etc.

Pursuant to provisions of Section 212 of the Companies Act, 1956, the Audited Accounts for the year ended 30th June, 2005 together with the reports of the Directors and the Auditors and also the statement under the said section of the following subsidiaries are attached to Balance Sheet of the Company:-

- Ahmednagar Forgings Limited
- Smith Jones Inc. ( USA)
- Amtek Investment U.K. Limited (UK)
- Amtek Investment U.S.(I) Inc. (U.S.A.)

## ACQUISITION

Subsequent to the year ended 30th June, 2005, in the month of July, 2005, Amtek acquired 70% equity stake of Zelter through its wholly owned subsidiary Amtek GmbH. Zelter GmbH is one of the top players in the world engaged in the business of manufacturing of machined turbo charger housings. Zelter GmbH has global scale manufacturing capacities at its two large state of art facilities located in Cologne, Germany and is an important tier - I supplier to the automotive industry globally and is a recognized world leader in the Turbocharger industry segment.

Zelter is a tier-I supplier of machined turbo charger housings to the Borgwarner & Honeywell who are world leaders in turbocharger housing assemblies. The Company has other blue chip customers like Ford, Volkswagen, Audi, Hasenclever & Sohn, TK SteerTec, Dieckerhoff, Schubert & Sulzer, Visteon, MHI Equipment etc.

## JOINT VENTURE AGREEMENT

Subsequent to the year ended 30th June, 2005, in the month of July, 2005, Amtek entered into 50 : 50 joint venture with a German Company Neumayer Tekfor GmbH for manufacturing of high precision fractured connecting rod assemblies and modules in India.

Neumayer Tekfor GmbH is part of Euro 380 million Tekfor group. It has 8 manufacturing facilities spread across Europe, USA & Brazil. It is a global scale manufacturer and an important tier-I supplier to the automotive industry globally and is a recognized world leader in forming, machining, finishing and the assembly of ready to install products, with a host of patents to its credit in the field of high precision automotive component manufacturing. They also manufacture a wide variety of high precision automotive components for the gearbox, chassis, drivelines, engines and other unique applications. Tekfor has a remarkable market presence globally and undisputed technological leadership with its product range comprising of high endurance fasteners, cam lobes & camshafts, hubs, axles, spindles along with a strong market position in ready to assemble gear box components and fully finished connecting rod assemblies & modules.





This alliance is another milestone for Amtek which will be a step in the direction of attaining a world class technological edge in manufacturing of latest technology fractured connecting rod modules. Besides others, this JV shall be the sole supplier of these components in India and the scope of the JV also encompasses joint business development globally. There is also a marketing agreement between Amtek Auto Limited and Neumayer Tekfor GmbH under which Tekfor will use its global presence for marketing of Amtek's connecting rods in Europe and the America.

Already, Maruti Udyog has nominated this JV as a sole supplier for the fractured connecting rod modules for its prestigious diesel engine plant which is being set-up at Manesar with an installed capacity of 100,000 engines annually. It will be for the first time that an Indian company will be manufacturing fractured connecting rod with a laser beam fracturing technology which not only enhances the engine efficiency but also reduces noise level of the engines.

#### **FII INVESTMENT LIMIT**

Pursuant to the approval of the shareholders at the Extra-ordinary General Meeting held on 10th September, 2004 Foreign Institutional Investors (FIIs) are permitted to acquire and hold upto 75% of the paid up Equity Capital of the Company.

#### **DIRECTORS**

Mr. Sanjay Chhabra retire at the ensuing Annual General meeting and being eligible offer himself for re-appointment.

#### **AUDITORS**

M/s Manoj Mohan & Associates, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have confirmed their eligibility to act as auditors of the Company under Section 224(1B) of the Companies Act, 1956, if appointed at the ensuing Annual General Meeting.

#### **CONSOLIDATED FINANCIAL STATEMENT**

As required under Accounting Standards AS-21, AS-23 and AS-27 of The Institute of Chartered Accountants of India the consolidated financial statements have been prepared on the basis of financial statements of the company and aforementioned subsidiaries.

#### **FIXED DEPOSITS**

During the period under review, the Company continued to accept deposits under section 58-A of the Companies Act, 1956.

#### **DE-MATERIALISATION OF SHARES**

The Company's equity shares are available for de-materialization on both the depositories viz., NSDL & CDSL. Shareholders may be aware that SEBI has made trading in your company's shares mandatory, in de-materialized form. As on 30th June, 2005, 911,27,865 equity shares representing 90.13% of your Company's Equity shares capital has been de-materialised.

#### **LISTING AT STOCK EXCHANGE**

The shares of Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Global Depository Receipts of the Company are listed at London Stock Exchange and Foreign Currency convertible Bonds are listed at Singapore Stock Exchange.

The Company has paid the annual listing fee to the Stock exchanges for the year 2005 - 2006.

#### **STATUTORY INFORMATION**

- Particular of Employees under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 - Details are given in the Annexure and form part of this Report.
- Statutory details of Energy Conservation and Technology Absorption, R & D activities and Foreign Exchange Earning and Outgo, as required under Section 217(1) (e) of the Companies Act, 1956 and rules prescribed there under i.e. the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 are given in the Annexure and form part of this Report.

- Certificate received from the Auditors of the Company regarding Compliance of conditions of Corporate Governance, as required under clause 45 VIII of the Listing Agreement, is Annexed and forms part of this report.
- As required under clause 45VA of the listing Agreement, Management Discussion and Analysis Report is Annexed and forms part of this report.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000 with respect to Directors' Responsibility Statement, it is hereby confirmed :-

- That in the preparation of the annual accounts, the applicable accounting standards had been followed;
- That the Directors had 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 or loss of the Company for the period under review;
- 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; and
- That the Directors had prepared the annual accounts on a going concern basis.

#### **INDUSTRIAL RELATIONS**

During the year under review, the relations between the Management and the workmen were highly cordial.

#### **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 satisfactory reply at the earliest possible time. The shareholders' and investors' Grievances committee of the Board meets periodically and reviews the status of the redressal of investors' grievances. The shares of the company continue to be traded in Electronic Form and the De-materialization arrangement exists with both the depositories, viz., National Securities Depository Limited and Central Depository Services (India) Limited. As on 30th June, 2005, 9,11,27,865 equity shares representing 90.13% of the paid up equity share capital of the company have been dematerialized.

#### **EMPLOYEE WELFARE**

Your Company demonstrated that it is a caring organization by continuing to devise and implement several welfare measures for the employees and their families. Employee welfare programmes and schemes were implemented with utmost zeal and they were constantly reviewed and improvements were made wherever necessary.

#### **ACKNOWLEDGEMENT**

Your Directors wish to place on record the sincere and dedicated efforts of all the members of the company's team which has made it possible to achieve excellent growth. Your Directors also take this opportunity to offer their sincere thanks to the financial Institutions, Banks and other Government Agencies, our valued customers and the investors for their continued support and assistance.

The Employees of your Company continued to display their unstinted devotion, co-operation and commitment in pursuit of excellence. Your directors take this opportunity to record their appreciation of the dedicated work and contribution made by every member of Amtek family enabling the company to realize its corporate objective.

Your directors also express their profound thanks to the shareholders for their faith and continued support to the endeavors of the company.

BY ORDER OF THE BOARD  
FOR AMTEK AUTO LIMITED

Date : 29th November, 2005  
Place : New Delhi

Sd/-  
(ARVIND DHAM)  
CHAIRMAN





ANNEXURE TO THE DIRECTORS' REPORT 2004-2005

A. INFORMATION REQUIRED UNDER SECTION 217(1) (E) OF THE COMPANIES ACT, 1956.

II. Research & Development (R & D)

- a) Specific area in which (R & D) Carried out by the Company : i) Product design & development  
ii) Process design & improvement for various products
- b) Benefit derived as a result : 1. Reduction in process time  
2. Higher productivity  
3. Consistent quality
- c) Future plan of action in Mfg. Process & Operation: To achieve better yield by way of cost reduction through higher level of automation

II. Technology Absorption :

- a) Efforts in brief towards Technology absorption : 1. The Company has indigenised and absorbed technological changes as advised by collaborators in the past.
- b) Benefit derived as a Result of above efforts e.g. product : i) Cost reduction to savings in raw material dies & moulds & power & fuel
- c) In case of Imported technology (import) during the last 6 years reckoned from beginning of the financial years) : ii) Increased in Productivity

III. Foreign Exchange Earning & Outgo:

Activities relating to exports; initiative taken to increase exports; development of new export markets for product and services and export plans.

The parent Company has strategically acquired units in UK, USA and Germany to increase its share of business in the international market.

The Company has now access to all automobile majors in U.S. and Europe market through its front and subsidiaries who are their existing suppliers and have a past business relationship.

	Current Year	Previous Year
Foreign Exchange Used	4624.85	249.17

IV. Conservation of energy :

Current Year Previous Year

A. Power & Fuel Consumption

1. Electricity Purchased

Units	3,677,356	4,052,875
Total Amount (Rs.)	15,829,629	18,237,937
Rate / Unit	4.30	4.50

2. Own Generation through Generator :

Units	11,824,148	8,950,934
Unit/Ltr.	2.97	2.97
Rate / Unit	8.46	8.47

B. Consumption per unit of production Products

Auto Components (in lacs)	316.11	248.32
Cost/Pc.	3.67	3.79

## CORPORATE GOVERNANCE REPORT

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Amtek considers Corporate Governance as an important tool for achieving all round excellence with ultimate objective of enhancing shareholders' value. The Company took initiative in practicing good Corporate Governance procedures, even before they were mandated.

Amtek firmly believes that Corporate Governance begins with Company's continuous review of its internal procedures and practices encompassing all its business areas in the most appropriate manner, which would spell fairness, transparency and accountability.

### II. BOARD OF DIRECTORS

The business of the Company is managed by the Board of Directors. The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. Mr. Arvind Dham, Chairman and Managing Director and Mr. D.S. Malik Joint Managing Director along with a team of professionals manages the day to day operations of the Company. The Board of Directors has the ideal composition with more than half the Directors being non-executive and Independent directors. Since the Company has an Executive Chairman, the Board's composition meets the stipulated requirement of at least half of the Board comprising independent Directors who have no professional and/or business relationship with the Company.

#### A. Composition of Directorships

The constitution of the Board as on June 30, 2005 :-

**Executive Chairman**  
**Mr. Arvind Dham, Chairman and Managing Director**

Promoter/ Directors	Executive Director	Non-Executive and Independent Directors
Mr. Arvind Dham	Mr. D.S. Malik	Mr. B. Lugani Mr. Sanjay Chhabra Mr. Rajiv Thakur Mr. K. Vaidyalingam Mr. M. Chittaranjan Kumar

Mr. K. Vaidyalingam and Mr. M. Chittaranjan Kumar are nominee directors of Life Insurance Corporation of India (LIC) and Industrial Development Bank of India (IDBI) respectively.

#### B. Pecuniary Relationship

There is no pecuniary relationship or transaction of the non-executive Directors vis-à-vis the Company.

#### C. Attendance Record of Board Meetings

During the year under review, Eight Board meeting were held on 21.07.04, 12.08.04, 17.09.2004, 20.10.2004, 31.01.2005, 26.02.2005, 31.03.05, 25.04.2005. The Board members are given appropriate documents and information in advance of each Board meeting.

The attendance record of all the Directors on the Board is as under:-

Director	No. of Board Meetings attended	Attendance at last AGM	Attendance at last EGM
Mr. Arvind Dham	06	NO	NO
Mr. D. S. Malik	08	YES	YES
Mr. Sanjay Chhabra	02	NO	NO
Mr. Rajiv Thakur	02	NO	NO