

AMULYA LEASING AND FINANCE LIMITED
Regd. Office: D-5, Anand Vihar, New Delhi-110092

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the members of Amulya Leasing and Finance Limited will be held on Friday, September 30, 2011 at Gg's Banquet, Plot No. 14, Laxmi Nagar District Centre, Vikas Marg, Delhi -110 092 at 2:15 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Rahul Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting, till the conclusion of the next Annual General Meeting and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that M/s. R. Mahajan & Associates, Chartered Accountants, New Delhi, the retiring auditors, be and is hereby reappointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and on such remuneration as may be determined by the board of directors of the company.”

SPECIAL BUSINESS:-

Regularization of Directors:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that Mr. Sameer Gupta, who was appointed as an Additional Director on the Board on January 5, 2011 under Article 80 of Articles of Association of the Company and holds office up to the date of Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956 be and is hereby appointed as a director of the company liable to retire by rotation."
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that Mrs. Meenakshi Gupta, who was appointed as an Additional Director on the Board on January 5, 2011 under Article 80 of Articles of Association of the Company and holds office up to the date of Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956 be and is hereby appointed as a director of the company liable to retire by rotation."
6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that Mr. Rajeev Kohli, who was appointed as an Additional Director on the Board on January 10, 2011 under Article 80 of Articles of Association of the Company and holds office up to the date of Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956 be and is hereby appointed as a director of the company liable to retire by rotation."

By Order of the Board

Place: Delhi
Date: September 3, 2011

(Sameer Gupta)
Chairman

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**

2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 27, 2011 to Friday, September 30, 2011 (both days inclusive).
3. Explanatory Statement as required under section 173 (2) of the Companies Act, 1956 in respect of the Special Business is as follows:

During the year, the Board of Directors of the Company has appointed Mr. Sameer Gupta, Mrs. Meenakshi Gupta and Mr. Rajeev Kohli as additional directors on the Board, and they hold office upto the date of this Annual General Meeting of the Company. As required under Section 257 of the Companies Act, 1956, the Company has received notice from a member of the Company along with requisite deposit, proposing their candidature as Directors of the Company. The Board considers that their continuance on the Board will be of immense benefit to the Company and accordingly recommends the resolutions at Item No. 4 to 6 for approval of the members.

None of the directors, except Mr. Sameer Gupta, Mrs. Meenakshi Gupta and Mr. Rajeev Kohli is concerned or interested in the proposed resolutions as set out in items No. 4 to 6 of the Notice.

4. Members are requested to refer any change of address etc. :
 - To the Company's Registrar in respect of their physical share folios.
 - To their Depository Participants (DPs) in respect of their electronic demat accounts as the Company is obliged to print the bank details on the dividend warrant as furnished by NSDL/CDSL.
5. Members are requested to:
 - Send their queries, if any at least 10 days in advance of meeting so that the information can be made available.
 - Note that copies of the Annual Report will not be distributed at the Annual General Meeting.
 - Note that no gifts/coupons will be distributed at the Annual General Meeting.
6. Members holding shares in multiple folios are requested to apply for consolidation to the Company or its Registrar along with relevant share certificates.
7. Reserve Bank of India has, vide its Circular No. RBI/2009-10/109/DPSS (CO) EPPD No. 191/04.01.01/2009-10, dated July 29, 2009 instructed the banks to move to the National Electronic Clearing Services (NECS) platform with effect from October 1, 2009. In view of the aforesaid, the shareholders are requested to forthwith furnish to the Company or RTA, their new bank account number allotted to them, after the bank has implemented the Core Banking System (CBS), along with the name of the bank, branch details, the 9 digit MICR Code and the account type along with their folio number and a photocopy of the cheque pertaining to their bank account respectively, so that the future dividends, if declared, can be credited to their bank account, vide the NECS platform. In case shareholders are holding shares in demat form, they are requested to provide the above mentioned details to their respective DPs.
8. The Company is obliged to print such bank details on the dividend warrant(s)/NECS advice(s) as furnished by the depositories to the Company and the Company is constrained not to entertain any request for deletion/change in bank details already printed on the dividend warrant(s)/NECS advice(s) based on the information received from the concerned depositories, without confirmation from them. In this regard members are advised to contact their Depository Participant (DP) and furnish them the particulars of any change desired.
9. As per the Circular No. MRD/Dop/Cir-5/2009 dated May 20, 2009 issued by the Securities and Exchange Board of India (SEBI), it is mandatory to quote PAN for transfer/transmission of shares in physical form. Therefore, the transferee(s)/legal heirs are required to furnish a copy of their PAN to the Registrar and Share Transfer Agent of the Company.

10. Brief resume of directors seeking appointment/re-appointment as required in Clause 49 of the Listing Agreement is as follows:

Name of Director	Mr. Sameer Gupta	Mrs. Meenakshi Gupta	Mr. Rajeve Kohli	Mr. Rahul Jain
Date of Birth	November 02, 1977	November 09, 1979	August 17, 1972	September 10, 1980
Date of Appointment	January 05, 2011	January 05, 2011	January 10, 2011	January 10, 2011
Expertise in specific functional areas	Experience of more than 12 years in the various segments of the tube industry and Finance	Experience of more than 10 years in administration	Experience of more than 14 years in financial market	Wide experience in marketing of Financial Products
Qualification	Graduate	Graduate	Graduate	Graduate
Shareholding in ALFL	695600	Nil	Nil	Nil
List of other companies in which directorships are held	i. Apollo Pipes Ltd. ii. Shri Lakshmi Metal Udyog Ltd. iii. SMT Finance and Investment Ltd. iv. APL Apollo Tubes Ltd.	N.A.	N.A.	N.A.

Note:

1. The directorships held by Directors as mentioned above, do not include directorships of foreign companies, Section 25 companies and private limited companies.
2. Pursuant to Clause 49 of the Listing Agreement, two committees viz. the Audit Committee and Investor Grievance Committee have been considered.

IMPORTANT COMMUNICATIONS TO MEMBERS

The Ministry of Corporate Affairs has taken "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, we propose to send documents like the notice convening the General Meeting, Financial Statements, Annual reports etc. henceforth, in electronic form, to the email addresses of those members which are available in the Register of Members of the Company. The members holding shares in electronic form, are requested to register their e-mail address, in respect of electronic holdings with the Depository through their concerned Depository participants and those holding shares in physical form are requested to register their e-mail address with Registrar and Transfer Agent viz. M/s. Beetal Financial & Computer Services Private Limited, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi-110062. Members desiring to receive the said documents in physical form are requested to send an e-mail at cs.amulya@gmail.com or send a letter at the registered office of the company.

DIRECTORS' REPORT

To, The Members of Amulya Leasing and Finance Limited.

Your Directors have immense pleasure in presenting before you the 25th Annual Report together with the Audited Annual Accounts of your Company for the year ended March 31, 2011.

PERFORMANCE REVIEW

During the year under review, the Company has earned a Net Profit of Rs. 1,84,44,850.42 as compared to a Net Profit of Rs. 1,88,91,238.89 in the previous year. The earning of the company is slightly lower as compared to previous year as the overall Indian economy and capital market in particular remain subdued and increased rate of inflation and the rate of interest adversely affect the working of bodies corporate which cater the financial sector. Your Directors plan to take major steps for overall better performance of the company resulting into handsome profit in the years to come. The details of financial performance of the Company are appearing in the Balance Sheet and Profit & Loss Account for the year.

DIVIDEND

The Company is planning to enhance the overall business activities of the company by increasing the investment amount. Hence, no dividend is being recommended during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed discussion on the Company's operations is presented in the chapter on Management Discussion and Analysis, which forms part of this Annual Report.

FUTURE OUTLOOK

The company is in financial sector and as such the performance of the company solely depends on the growth of global and Indian economy. Non-banking financial companies (NBFCs) are fast emerging as an important segment of Indian financial system as they provide financial support to some important segments of the economy which plays a key role in stimulating the engine of economic growth. Gradually, NBFCs are being recognized as complementary to the banking sector, thus providing a positive outlook for the business. Your directors will continue with their initiatives and efforts and with the favour of external factors it is hoped that the company will able to do its business efficiently and effectively which will result into increased profitability a year ahead.

DIRECTORS

During the year, an 'Open offer' was made by Mr. Sameer Gupta in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, to acquire 10,00,340 (Ten Lacs Three Hundred and Forty) Equity Shares of Rs. 10/- each fully paid up representing 20% of the total Issued and Subscribed Equity Share Capital of the Company at a price of Rs. 28 (Rupees Twenty Eight Only) per fully paid up equity share accompanied with acquisition of effective management control over the company. Consequently, the Board of Directors of the company was reconstituted.

Mr. Sameer Gupta and Mrs. Meenakshi Gupta were appointed as Additional Directors of the Company on January 5, 2011. Further, to strengthen the Board of Directors, Mr. Rajeev Kohli was also appointed as Additional Director of the company on January 10, 2011. Their tenure of office expires at this Annual General Meeting and they are eligible for appointment as Directors liable to retire by rotation. The Company has received notices from members proposing their appointment as Directors of the Company.

In addition, Mr. Rahul Jain was appointed as director of the Company to fill the casual vacancy caused by resignation of Mr. Brij Bhushan Gupta. Mr. Rahul Jain retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Necessary resolutions for the appointment/re-appointment of the aforesaid directors have been included in the Notice convening the Annual General Meeting.

During the year, Mr. Pradeep Kumar Goel expressed his inability to continue as director of the Company and resigned. Mr. Anil Kumar Goel, Mr. Rakesh Kumar and Mr. Vikas Goel also resigned from the directorship w.e.f. May 30, 2011. The Board places on record its appreciation for their valuable contribution in the growth of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- a) that in the preparation of the accounts for the financial year ended March 31, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review;
- c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- d) that the directors have prepared the accounts for the financial year ended March 31, 2011 on a going concern basis.

CORPORATE GOVERNANCE

A report on Corporate Governance is annexed herewith and forms part of this Annual Report. A certificate from M/s. R. Mahajan & Associates, Chartered Accountants with regard to Compliance of the provisions of clause 49 of the listing agreement, by your company, is attached hereto as Annexure and forms part of this report.

AUDITORS

M/s. R. Mahajan & Associates, Chartered Accountants, the retiring Auditors, have informed that they are offering themselves for reappointment. The Company has received letter from them to the effect that their appointment, if made, would be within the limit prescribed under Section 224(1B) of the Companies Act, 1956.

DEPOSITS

Your Company has not accepted any deposits from the public. There are no unclaimed or unpaid deposits as on March 31, 2011.

PARTICULARS OF EMPLOYEES

There is no employee whose particulars are required to be furnished in terms of Section 217(2A) of the Companies Act, 1956 and rules made there under.

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

Your company has no activity relating to conservation of energy and technology absorption. The company did not have any foreign exchange income or outgo.

RESERVE BANK OF INDIA'S DIRECTIONS

Your Company, being a Non Banking Finance Company (NBFC), continues to comply with all the requirements prescribed by the Reserve Bank of India from time to time.

LISTING

The equity shares of the company are listed at Bombay Stock Exchange and Delhi Stock Exchange. The Listing Fees of all the Stock Exchanges has been paid.

MATERIAL INFORMATION

Open offer: During the year, Mr. Sameer Gupta made an open offer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, to acquire 10,00,340 (Ten Lacs Three Hundred and Forty) Equity Shares of Rs. 10/- each fully paid up representing 20% of the total Issued and Subscribed Equity Share Capital of the Company at a price of Rs. 28 (Rupees Twenty Eight Only) per fully paid up equity share payable in cash. One Shareholder participated in this open offer and sold Ten Equity Shares of the company.

Post acquisition, Mr. Sameer Gupta holds 695610 equity shares constituting 13.91% of the total Issued and Subscribed Equity Share Capital of the Company.

ACKNOWLEDGEMENT

The Board acknowledges with gratitude the co-operation and assistance provided by the Company's bankers, financiers, government and non-government agencies. The relationship with the employees remained cordial and your Director's wish to place on record their appreciation for the contribution made by the employees at all levels. The Directors also thank the shareholders for their continued support.

On behalf of the Board of Directors

Place: Delhi
Dated: September 3, 2011

(Sameer Gupta)
Director

(Meenakshi Gupta)
Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The Financial Sector of the economy continues to be characterized by high volatility. The measures taken by government and Reserve Bank of India have created favorable conditions to some extent and have been successful in lending stability to the sector and economy as a whole. During the year under review, the banking as well as non-banking entities also showed some progress.

OUTLOOK, RISK AND CONCERN

The systematic importance of the role of NBFCs has been given acceptance by the Reserve Bank of India by lending support to the NBFC sector. Consolidation process in the NBFC sector is also underway, which is a positive sign for the sector. In these competitive conditions, in order to survive, the non banking financial companies amidst other things must look to identify new business opportunities, widen their geographical reach, monitor credit better and reduce their costs. Further, maintaining their credibility through identification of potential business areas, rigorous credit evaluation and efficient collection and recovery system is also a major area of concern for NBFCs.

The Company is exposed to specific risks that are particular to its business and the environment, within which it operates, including interest rate volatility, economic cycle, market risk and credit risk. The Company manages these risks and intends to maintain its focus on investments in shares, securities, mutual funds and infrastructure bonds by maintaining a conservative financial profile and by following prudent business and risk management practices. The Company has been fully compliant with all the guidelines, regulations and directions of Reserve Bank of India, as applicable.

OPPORTUNITIES AND THREATS

The entire Non-Banking Financial Companies (NBFCs) sector face stiff competitive pressures from the banking sector, which enjoys access to lower cost financing. The spreads in the lending business have also narrowed considerably but the demand of short term finances has increased considerably with the positive growth in the economy. Retail financing presents numerous opportunities for the company's future growth. Further, globalization and dynamic lifestyles can maintain the demand for credit at higher levels. Apart from these, the reviving economy is likely to throw numerous opportunities for the sector. The stock market has also shown significant and static recovery trend throughout the financial year 2010-2011 and consolidated its position. The earnings of the NBFCs could be under some pressure owing to the higher refinancing costs. Major concerns like drying of onward lending, inefficient collection and recovery system, competition at domestic as well as global level still continue to haunt this sector.

The operations of NBFCs are regulated and supervised by RBI vide powers conferred under Reserve Bank of India Act, 1934. However, regulatory and supervisory framework for NBFCs has been continuously strengthened by limiting excessive risk taking practices and protecting the interests of such companies.

ADEQUACY OF INTERNAL CONTROL SYSTEM

The company has adopted internal control system to ensure operational efficiency, proper accounting control and conservation of resources, accuracy and promptness in financial reporting and general economic trend, while protecting assets from unauthorized use or losses and compliance of laws and regulations. The Internal Control procedures adopted by the company have been functioning well, as a result of which availability of accurate financial information is available to the concerned personnel in timely manner.

The Audit Committee of the Company's Board of Directors reviews the internal audit reports and the adequacy and effectiveness of internal controls.

SEGMENT WISE PERFORMANCE

The Company presently operates only in one business segment.

FINANCIAL PERFORMANCE

During the year under review, the Company has earned a Net Profit of Rs. 1,84,44,850.42 as compared to a Net Profit of Rs. 1,88,91,238.89 in the previous year. The earning of the company is slightly lower as compared to previous year as the overall Indian economy and capital market in particular remain subdued and increased rate of inflation and the rate of interest adversely affect the working of bodies corporate which cater the financial sector. Your Directors plan to take major steps for overall better performance of the company resulting into handsome profit in the years to come. The details of financial performance of the Company are appearing in the Balance Sheet and Profit & Loss Account for the year.

FULFILLMENT OF RBI NORMS AND STANDARDS:

The Company continues to fulfill all applicable norms and standards laid down by the Reserve Bank of India pertaining to prudential norms, income recognition, accounting standards, asset classification and provision of standard assets as applicable to NBFC's.

HUMAN RESOURCES

Human Resources (HR) are the most important resources and the key assets of any organization. The Company has a well-defined organization structure, roles and responsibilities, which helps in ensuring integration of individual and organizational goals. The company takes all steps to harness this resource to its full potential, to ensure fruitful results and to increase the morale of employee and thereby, leading to employee satisfaction, along with increased performance levels at all levels. We focus on identifying leadership qualities amongst individuals and providing employees a work environment wherein they can work to their potential. During the year under review, development of leadership and people capability in the organization continued to be of focus. It further helps to capture employee concerns on an ongoing basis, analyze their concerns to identify need for policy changes, establish one-to-one connect with officers and create a repository of the employee ideas and concerns.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be “forward-looking statements” within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

REPORT ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) ushered in a formal code of corporate governance (hereinafter the code) through clause 49 in the listing agreement executed by the Company with the stock exchanges. Clause 49 lays down several corporate governance practices, which listed companies are required to adopt. The code has been periodically upgraded to ensure the adoption of best corporate governance practices by the corporates. While most of the practices laid down in clause 49 require mandatory compliance, few are recommendatory in nature. This report sets out the compliance status of the Company with the requirements of corporate governance, as set out in clause 49, for the financial year 2010-11.

Your Company has complied, in all material respects, with the features of Corporate Governance code as per Clause 49 of the Listing Agreement with the Stock Exchanges.

The Status of the Corporate Governance code of the Listing Agreement by Amulya Leasing and Finance Limited is given below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy can be described as pursuing business practices with the ultimate aim of enhancing long term shareholder's value and at the same time remaining committed to high standards of business ethics. Your company and its employees have a commitment to its customers, competitors, local communities, shareholders and the nation to conduct the business in an ethical and legal manner.

2. BOARD OF DIRECTORS

Composition

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Independent Directors to maintain the independence of the Board and they have in-depth knowledge of business, in addition to expertise in their areas of specialization.

As on March 31, 2011, the Company had seven Directors including a Non-Executive Chairman and a Managing Director. Of the seven directors, two are Promoter Non-Executive Directors, four are Independent Non-Executive Directors and one is the Managing Director of the Company. The composition of the Board is in conformity with Clause 49 of the Listing Agreements with the Stock Exchanges.

The Composition of Board of Directors, their attendance at Board Meetings during the year and at the last Annual General Meeting, and also the number of Directorships and Committee Memberships held by them in other companies are given below:

S. No.	Name of the Director	Designation	No. of Board Meetings held	No. of Board Meetings attended	Last AGM attended	No of other directorship and committee membership and chairmanship.		
						Other Directorship	Committee Membership	Committee Chairmanship
1.	*Sameer Gupta	Director/Promoter /Non-Executive	10	5	No	4	-	-
2.	*Meenakshi Gupta	Director /Promoter /Non-Executive	10	5	No	-	-	-
3.	**Rajeev Kohli	Director / Independent /Non-Executive	10	3	No	-	1	-
4.	**Rahul Jain	Director /Independent / Non-Executive	10	3	No	-	1	1
5.	***Pradeep Kumar Goel	Whole-Time Director	10	3	Yes	3	-	-

S. No.	Name of the Director	Designation	No. of Board Meetings held	No. of Board Meetings attended	Last AGM attended	No of other directorship and committee membership and chairmanship.		
						Other Directorship	Committee Membership	Committee Chairmanship
6.	# Brij Bhushan Gupta	Director / Independent/ Non-Executive	10	5	Yes	-	-	-
7.	## Vikas Goel	Managing Director	10	10	Yes	13	-	-
8.	## Anil Kumar Goel	Director / Independent/ Non-Executive	10	8	Yes	1	2	1
9.	## Rakesh Kumar	Director / Independent/ Non-Executive	10	8	No	-	2	1

Changes in the composition of Directors

During the year, there was change in directorship of the company as Mr. Pradeep Kumar Goel and Mr. Brij Bhushan Gupta has resigned from the directorship. Mr. Sameer Gupta, Mr. Rajeev Kohli and Mrs. Meenakshi Gupta were appointed as Additional Directors of the company and Mr. Rahul Jain was appointed as Director in casual vacancy in pursuance of section 262 of the Companies Act, 1956 in place of Mr. Brij Bhushan Gupta.

Further, Mr. Vikas Goel, Mr. Anil Kumar Goel and Mr. Rakesh Kumar also resigned from the directorship of the company w.e.f. May 30, 2011.

Notes:

*Mr. Sameer Gupta and Mrs. Meenakshi Gupta appointed as Additional Director w.e.f. January 5, 2011.

** Mr. Rajeev Kohli appointed as Additional Director w.e.f. January 10, 2011 and Mr. Rahul Jain appointed as Director in casual vacancy.

***Mr. Pradeep Kumar Goel resigned from the directorship w.e.f. August 20, 2010.

#Mr. Brij Bhushan Gupta resigned from the directorship w.e.f. January 7, 2011.

##Mr. Vikas Goel, Mr. Anil Kumar Goel and Mr. Rakesh Kumar resigned from the directorship w.e.f. May 30, 2011

Board Functions & Procedure

The Board plays a pivotal role in ensuring good governance. Its style of functioning is democratic. The Members of the Board always had complete freedom to express their opinion and decisions are taken after detailed discussions after which, a consensus is reached. They are also free to bring any matter up for discussion at the Board Meetings with the permission of the Chairman.

In accordance with the provisions of Clause 49 of the Listing Agreement, the Board meets at least once in every quarter to review the quarterly results and other items of agenda as required under Annexure 1A of Clause 49 of Listing Agreement, and if necessary, additional meetings are held. It has always been the Company's policy and practice that apart from matters requiring the Board's approval by law, all major decisions including quarterly/yearly results of the Company and its divisions, financial restructuring, capital expenditure proposals, sale and acquisition of material nature of assets, mortgage and guarantee, among others, are regularly placed before the Board. This is in addition to information with regard to detailed analysis of operations, major litigations, feedback reports and minutes of all committee meetings.

Number and Dates of Board Meetings held

10 (Ten) Board meetings were held during the year ended March 31, 2011. The dates of these meetings were: April 19, 2010, May 28, 2010, August 13, 2010, August 20, 2010, November 12, 2010, January 5, 2011, January 7, 2011, January 10, 2011, February 11, 2011 and March 24, 2011.

3.AUDIT COMMITTEE

The Company has an Audit Committee has the powers similar to those stated in the Listing Agreement under section 292A of the Companies Act, 1956 and exercises the functions as per terms of reference of the Audit Committee.