



# A N N U A L R E P O R T



**2010 - 2011**



**Bengal Tea & Fabrics Ltd.**



## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	<b>Mr. Adarsh Kanoria</b> <i>Chairman &amp; Managing Director</i> <b>Mr. Abhijit Datta</b> <b>Mr. Dharendra Kumar</b>	<b>Mr. Radhe Shyam Saraogi</b> <i>Whole-time Director</i> <b>Mr. Golam Momen</b> <b>Mr. Samveg A Lalbhai</b>
<b>COMPANY SECRETARY</b>	<b>Mr. P. K. Saw</b>	
<b>AUDITORS</b>	<b>M/s. Jain &amp; Co.,</b> <i>Chartered Accountants</i>	
<b>BRANCH AUDITORS</b>	<b>M/s. Sorab S. Engineer &amp; Co.,</b> <i>Chartered Accountants</i>	
<b>COST AUDITORS</b>	<b>M/s. N. D. Birla &amp; Co.,</b> <i>Cost Accountants</i>	
<b>BANKERS</b>	State Bank of India Punjab National Bank Bank of India IDBI Bank	
<b>TEA DIVISION</b>	<b>Ananda Tea Estate</b> P.O. Pathalipam 787 056 Dist. North Lakhimpur (Assam)	
<b>TEXTILE DIVISION</b>	<b>Asarwa Mills</b> Asarwa Road, Ahmedabad 380 016 (Gujarat)	
<b>REGISTERED OFFICE</b>	45, Shakespeare Sarani 4th Floor, Century Towers, Kolkata 700 017, India Telefax Nos. : 91 33 2283-6416/17 E-mail : investor@bengaltea.com Website : www.bengaltea.com	
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	<b>C. B. Management Services (P) Ltd.</b> P-22, Bondel Road, Kolkata 700 019 Telephone : 91 33 4011 6716/17/23/28, 2280 6692-94 E-mail : rta@cbmsl.com	

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## NOTICE

### TO THE MEMBERS

NOTICE is hereby given that the 28th Annual General Meeting of the Members of **Bengal Tea & Fabrics Limited** will be held at "Kalakunj", 48, Shakespeare Sarani, Kolkata 700 017 on Saturday the 6th day of August, 2011 at 10.30 A.M. to transact the following business: -

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2011 and the Reports of the Directors' and Auditors' thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Golam Momen, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors in place of retiring Auditors, from the conclusion of the 28th Annual General Meeting until the conclusion of the 29th Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution :  
"RESOLVED that in substitution of earlier resolutions, if any, the consent of the Company be and is hereby accorded to the Board of Directors contributing and/or subscribing from time to time to any national, charitable, benevolent, public or general and other funds not directly relating to the business of the Company or the welfare of its employees up to an aggregate amount of ₹ 1,00,00,000/- (Rupees One Crore only) in any financial year as may be considered proper by the Board of Directors notwithstanding that such amount in any financial year may exceed ₹ 50,000/- or five percent of the average net profits of the Company, as determined in accordance with the provisions of Section 349 and 350 of the Companies Act, 1956, during the three financial years immediately preceding, whichever is greater."

*Registered Office :*

45, Shakespeare Sarani

Kolkata 700 017

Dated, the 7th day of May, 2011

By Order of the Board

P. K. SAW

*Company Secretary*

### NOTES :

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of the member and the 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.**
2. The Register of Members of the Company shall remain closed from 30th day of July, 2011 to 6th day of August, 2011 (both days inclusive).
3. Members holding shares in dematerialized form are requested to bring their supporting evidence in respect of their Client ID & DP Nos. for easier identification of the attendance at the meeting.



## NOTICE (Contd.)

4. Members desirous of getting any information on the accounts or operations of the Company are requested to forward their queries to the Company at least seven working days prior to the meeting so that the required information may be readily available at the meeting.
5. **Members still possessing the share certificates issued prior to 25th July, 1998 are requested to surrender the said share certificates for the reduced shareholdings as only the new share certificates are eligible for demat.**
6. To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company provides the facility of payment of dividend through NEFT. Members desirous of availing this facility are requested to contact the Company's Registrar and Transfer Agents.
7. The brief profile of the Directors seeking appointment/re-appointment including relevant particulars relating to them are furnished in the Corporate Governance Report forming part of the Annual Report, as required under Clause 49(IV)(G) of the Listing Agreement.
8. **Since Department of Posts has recently discontinued the postal facility under "Certificate of Posting" vide their Circular dated 23.02.2011, Members are requested to register their email address, if any, with the Company to facilitate the Company to send notice/documents through email, vide Circular No. 17/2011 dated 21.04.2011, issued by the Ministry of Corporate Affairs, Government of India. Members may also register their email address by visiting Website namely "www.cbmsl.com/green.php" of our Registrar.**
9. **Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item Nos. 5 of the Notice is as under :**

### In respect of Item No.5

Your Company is authorized, by shareholders at its meeting held on 6th November, 1987, to contribute to charitable and other funds not directly related to the business of the Company or welfare of its employees in excess of ₹ 50,000 or 5% of the Company's average net profits of the Company, as determined in accordance with the provisions of Section 349 and 350 of the Companies Act, 1956, during the three financial years immediately preceding, whichever is greater, provided that the aggregate amount of such contribution shall not exceed ₹ 35,00,000 (Rupees Thirty Five Lacs only) in any financial year. Looking towards the Corporate Social Responsibility of Company, it is desired to increase the limit from ₹ 35,00,000 (Rupees Thirty Five Lacs only) to ₹ 1,00,00,000 (Rupees One Crore only) in any financial year to subscribe to charitable and other funds not directly relating to the business. The consent of the members is sought by the proposed resolution in pursuant to Section 293(1)(e) of the Companies Act, 1956.

None of the Directors of your Company is interested, either directly or indirectly in the said resolution and your Directors recommend the adoption of the proposed resolution in the national/public interest.

*Registered Office :*

45, Shakespeare Sarani

Kolkata 700 017

Dated, the 7th day of May, 2011

By Order of the Board

P. K. SAW

*Company Secretary*



## DIRECTORS' REPORT

*Dear Members,*

The Directors of the Company present their 28th Annual Report and Audited Accounts for the year ended 31st March, 2011.

### FINANCIAL RESULTS

The financial results for the year ended 31st March, 2011 and the corresponding figures for the last year are as under :

	(Rupees in Lacs)	
	2010-2011	2009-2010
<b>Profit before Interest, Depreciation and Tax</b>	<b>2584.29</b>	2581.71
Less : Interest & Finance Charges	<b>567.83</b>	525.55
Depreciation	<b>872.88</b>	921.47
<b>Profit after Interest &amp; Depreciation</b>	<b>1143.58</b>	1134.69
Less : Provision for Current Taxes (Net of MAT Credit Entitlement)	<b>127.00</b>	148.24
Short/Excess Provision for Taxation for earlier year	<b>0.11</b>	(5.32)
Provision for Deferred Tax	<b>204.49</b>	192.22
<b>Profit after Tax</b>	<b>811.98</b>	799.55
Add : Balance Brought Forward from Last Account	<b>896.55</b>	305.05
Less : Transferred to General Reserve	<b>100.00</b>	50.00
Less: Proposed Dividend & Tax thereon	<b>157.00</b>	158.05
Credit balance carried to Balance Sheet	<b>1451.53</b>	896.55

### DIVIDEND

Your Directors are pleased to recommend a payment of Dividend of Re. 1.50 (One rupee and fifty paise only) per Equity Share for the year ended 31st March, 2011.

### OPERATIONS

#### Tea Division

The overall performance of the Tea Industry during the calendar year 2010 has been mixed with crop remaining marginally lower and price realization also lower except for quality CTC Teas, which remained firm.

During the year under review, the Company achieved production of 21.20 lac kgs of Black Tea as compared to 20.95 lac kgs in the previous year. Although the production of own crop is marginally lower due to replanting operations but increased purchase of Green leaf led to higher production. The Company has still continued with its policy of uprooting old areas for Replantation. The sales realization has improved by about 3%. This has been possible due to your Company's continuous thrust on improved and better field practices.

In the current season, all India production upto February 2011 has been lower by 7.40 million kgs compared to corresponding previous year and also production of Tea in Kenya and Sri Lanka remained lower. Exports upto end of February, 2011 is lower by 2.77 million kgs as compared to corresponding previous period. However, sales realization per kg of tea is higher for North Indian Tea due to improved demand.

Considering the above scenario, the performance of tea division seems satisfactory.

#### Textile Division

During the year under review, the performance of Textile Division was satisfactory. The Textile Industry in India is slowly coming out of the after effects of global economic slowdown and is expected to stabilize and grow in future. The investment climate in the textile industry has improved significantly in the first half of 2010. Markets are reviving across the board.

Cotton production of India, the world's second biggest cotton producer, expected at 32 million bales in 2010-11. Prices of cotton which were running at around ₹ 28000 per candy at the opening of the season has increased to as high as ₹ 62000 per candy and currently at around ₹ 50000 per candy. Buoyed by the higher prices farmers are expected to sow more area under cotton cultivation and India is likely to achieve a record cotton output of 35 million bales in the Season 2011-12.

The increase in prices of raw material was passed on to the consumers and the prices of yarn and fabrics also increased in tandem and margins were favorable. However, from 1st December, 2010 the Government had put the export of cotton yarn in negative list and export for 2010-2011 was restricted to 720 million kgs resulting in accumulation of huge stocks with the spinning mills. Now, from 1st April, 2011 the export of cotton yarn has again shifted to OGL and the mills expect to rake in the margins stuck in the accumulated stocks.



## DIRECTORS' REPORT (Contd.)

Unfortunately, a fire broke out in the spinning section of the textile unit in the month of September, 2010. Although the same was covered under the insurance, there was loss of production during the initial period and financial loss to the tune of Rs. 19.91 lacs, which has been provided in the accounts for the year under consideration.

### MODERNISATION AND PROSPECTS

The constant endeavor of this division is to give due importance to modernization and keep watch over the latest technological developments thereby increasing its production of quality yarn/fabric at a reduced cost. The Company initiated a need based modernization plan of ₹ 1550 lacs in the year under review, which is nearing completion. The TUF scheme which was in abeyance has again been reinstated recently and the Company is ready with a project of about ₹ 2600 lacs under Capex programs during the current fiscal. On completion of the above projects, the Company will replace 21 TOYOTA Air Jet Looms with old 28 Air Jet Looms, replace 6 Auto Coners, about 24000 Spindles (incl. 17000 with Auto Doffing Spindles), 6 nos. Speed Frames and some processing machineries. This will result in value addition, higher production and reduction in cost.

Considering the above, the outlook for the Division appears to be optimistic.

### CORPORATE GOVERNANCE

In compliance with Clause 49 of the Listing Agreement, the Management Discussion & Analysis Report and Report on Corporate Governance are attached herewith marked as **Annexures - "A" and "B"** respectively.

### DIRECTORS' RESPONSIBILITY STATEMENT

The Directors hereby confirm :

- (i) That the Company had followed the applicable accounting standards in the preparation of the annual accounts for the year ended 31st March, 2011;
- (ii) That the Directors have made judgments and estimates that are reasonable and prudent and have selected accounting policies and applied them consistently to give true and fair view of the state of affairs of the Company as at 31st March, 2011 and its profit for the year ended on that date;
- (iii) That the Company has a proper and adequate system of internal control to ensure that all assets are safeguarded against losses and the system is capable of detecting fraud and other irregularities;
- (iv) That the annual accounts placed before you have been prepared on a going concern basis.

### FIXED DEPOSITS

As on 31st March, 2011, no amount is payable towards the fixed deposits accepted from public and matured for repayment.

### DIRECTORS

Mr. Golam Momen, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself, for re-appointment.

### AUDITORS

Messrs Jain & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the 28th Annual General Meeting and being eligible, expressed their willingness to continue, if so appointed.

### PERSONNEL

The Company operates in labour intensive business and the relations with the personnel generally remained cordial throughout the year.

The Board expresses its appreciation for the contribution of the employees at all levels. During the year under review no employee was in receipt of remuneration requiring disclosure under the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended by Companies (Particulars of Employees) Amendment Rules, 2011.

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

A statement showing additional information on conservation of energy, technology absorption and foreign exchange earnings and outgo, as required pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is attached herewith marked as **Annexure - "C"**.

### ACKNOWLEDGEMENT

The Directors appreciate the co-operation and timely assistance extended by Banks and all other associates and look forward to continued fruitful association with all business partners of the Company.

For and on behalf of the Board

Kolkata

ADARSH KANORIA

Dated, the 7th day of May, 2011

Chairman



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

ANNEXURE - "A"

(Forming part of the Directors' Report for the financial year ended 31st March, 2011)

### TEXTILE DIVISION

**Industrial Structure and Developments :** Indian Textile Industry contributes about 14 percent to the Industrial Production and constitutes 4% of the GDP and 17% of the total export earnings. India has the potential to increase its Textile and Apparel share in World Trade from current level of 4.5% to 8% by 2020. This is mainly because of higher retail penetration in the domestic market, easy availability of cotton, and healthy export demand of yarn.

**Opportunities and Threats :** Cotton, the main raw material, is expecting a bumper crop as prices were very high during the previous year. It is expected that the prices will come down in spite of threat of higher export. Also the recently announced revised TUF Scheme will encourage investments and modernization to this sector. Appreciation of Indian rupee, change in government policy and availability of skilled labour are the major threats to the Industry.

**Product-wise Performance :** The production as well as the sales of yarn & cloth has decreased mainly due to outbreak of fire in the spinning section resulting in partial loss of production from September, 2010 to February, 2011 and discarding of 28 Air Jet Looms, which will be replaced with 21 TOYOTA Air Jet Looms in the current year. The average realization of yarn & cloth has improved significantly and also commensurate with the increased cotton price. The gist of performance of the textile products of the Company, during the financial year 2010-2011 is as under :

	Cloth			Yarn		
	Production (Lac Mtrs.)	Sales (Lac Mtrs.)	Average Realisation (Rs. Per Mtr.)	Production (Lac Kgs.)	Sales (Lac Kgs.)	Average Realisation (Rs. Per Kg.)
2010-11	97.24	103.30	61.23	38.44	33.88	191.44
2009-10	134.47	134.50	39.47	42.53	42.76	133.68
Change	(-) 27.69%	(-) 23.20%	(+) 55.13%	(-) 9.62%	(-) 20.77%	(+) 43.21%

**Outlook :** The outlook for the Indian textile industry is stable in 2011, despite appreciation of the value of the rupee against the U.S. dollar and a consequent dip in garment exports. Robust domestic demand for fabric and apparel, driven by India's increasing purchasing power, organized retail penetration and demographics, will keep demand for textile products growing. The Outlook of the Division is expected to be positive due to increasing value addition and modernization resulting in better quality and lower cost.

**Risk and Concerns :** The increase in the cotton prices, the appreciation of rupee, adverse changes in regulations (impacting raw materials or end-product prices) are the major areas of concern for the Textile Industry.

**Discussion on the Financial Performance with respect to the Operational Performance :** The division has shown improvement in performance by making a net profit of Rs. 53 lacs as against net loss of Rs. 56 lacs in the previous year. This is due to higher outsourcing demand of yarn, cloth and cost control measures initiated by the Company.

### TEA DIVISION

**Industry Structure & Developments :** The financial year 2010-11 has brought in mixed fortunes for the Tea Industry. In terms of crop production and export, it was lower than the corresponding previous year with only marginal improvement in the average sales realization.

**Opportunities & Threats :** The continuous promotional efforts and better marketing and brand building initiatives taken jointly by the Government/Tea Board including hunt for newer export markets, providing incentives in the form of subsidies etc, are likely to benefit the Industry in the long term.





## MANAGEMENT DISCUSSION & ANALYSIS REPORT (Contd.)

The higher increase in the cost of production is making Indian Teas uncompetitive in the International market. The increase in the production of green tea leaf by the small tea growers and mushrooming of bought-leaf factories is posing a serious threat to the organized Tea sector.

**Product-wise Performance :** During the year under review, the production of Green Tea leaves of Ananda Tea Estate was 68.68 lac kgs as compared to previous year of 69.75 lac kgs. The Company has improved the overall Tea production with the exploitation of outsourced green tea leaves, which stand higher during the year at 24.60 lac kgs in comparison to 22.16 lac kgs during the previous year. During the current year also, strong demand for teas persisted and the average realization of the tea sold by the Company was about 3% higher as compared to the previous year. The gist of performance of the division during the financial year 2010-2011 is as under :

Black Tea			
	Production (Lac Kgs.)	Sales (Lac Kgs.)	Average Realisation (Rs. Per Kg.)
2010-11	21.20	21.28	153.30
2009-10	20.95	20.97	148.84
Change (%)	(+) 1.19%	(+) 1.48%	(+) 3.00%

**Outlook :** The crop of the major producing countries viz. Kenya, Sri Lanka and India is ranging lower as compared to previous year which should have positive effect on the price realization of tea.

**Risks & Concerns :** Besides climatic conditions, global production, the strategy of bought leaf factories and import of cheaper tea for re-export may also affect the fate of the Tea Industry.

**Discussion on Financial Performance with respect to Operational Performance :** The Company's steady progress in making quality tea and better product mix has resulted into achieving satisfactory profitability. Considering the overall scenario of the Industry for quality tea, the performance of the Division appears to be satisfactory.

**Internal Control Systems and their Adequacy :** The Company has laid down guidelines procedures and policies for better management control, which are periodically tested and supplemented by an extensive internal audit program. Significant findings are placed before the Audit Committee of the Board and the corrective measures are recommended for implementation. In the opinion of the management, the existing internal checks & controls are adequate.

**Information regarding Human Resources/Industrial Relations :** The relationships with the employees at both the divisions were cordial throughout the year. Tea and Textile Industry are labour intensive and hence the human factor in this relationship is important. The Company did not suffer from any major disruption as your Company has favorable working environment that motivates performance; customer focus and innovation and adheres to the highest degree of quality and integrity among employees. The total numbers of manpower employed by the Textile and Tea Division as on 31st March, 2011 were 764 & 1389, respectively.

**Cautionary Statement :** The forward-looking statements and the views expressed in the Management Discussion and Analysis Report are based on certain assumptions. The actual results may differ materially from those stated therein. The Company would not be held liable, in any manner, if the future turns out to be quite different, even materially.

For and on behalf of the Board

Kolkata  
Dated, the 7th day of May, 2011

ADARSH KANORIA  
Chairman





## REPORT ON CORPORATE GOVERNANCE

ANNEXURE - "B"

(Forming part of Directors' Report for the financial year ended 31st March, 2011)

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

The Company follows the theme of changing in tune with times to continue the race without any major hurdle and attempts to cover all aspects of reporting in transparent and fair manner keeping the basic principles of good corporate governance.

### 2. BOARD OF DIRECTORS

#### Composition, Attendance & Information of other Directorships/Committee Memberships

The Board of Directors comprises of six members consisting of four independent non-executive directors having experience in business, finance etc. The attendance during the financial year 2010-2011 and composition of the Board of Directors is as under :

Name of the Directors	Category	No. of other Directorships*	No. of other Board Committee(s)** in which he is		Attendance at last AGM held on 31.7.2010	Attendance at Board Meetings
			Member	Chairman		
Mr. Adarsh Kanoria	Promoter-Executive	4	—	—	Yes	5
Mr. Radhe Shyam Saraogi	Executive	—	—	—	Yes	2
Mr. Golam Momen	Independent-Non-Executive	14	14	1	Yes	3
Mr. Dharendra Kumar	Independent-Non-Executive	10	3	—	Yes	4
Mr. Samveg A. Lalbhai	Independent-Non-Executive	10	2	2	No	2
Mr. Abhijit Datta	Independent-Non-Executive	7	3	—	Yes	3

\* Also includes directorships other than Public Limited Companies.

\*\* Also includes committees other than Audit & Shareholders/Investors Grievance Committees.

#### Meetings

During the Financial Year 2010-2011, the Board of Directors met 5 (five) times on the following dates: 14.05.2010, 31.07.2010, 02.11.2010, 11.11.2010 and 03.02.2011.

#### Information about the Directors seeking appoint/re-appointment

**Mr. Golam Momen**, a Bachelor of Arts, aged about 78 years, retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Mr. Momen is a renowned veteran personality in the Tea Industry having vast knowledge and experience in tea plantation. Mr. Momen, a Non-Executive Independent Director, is on the Board of the Company since 05.12.1987 and holds 750 Equity Shares of the Company. Mr. Momen is not related with any of the Director on the Board.

Mr. Momen also holds the Directorships/Committee Memberships of the following other companies :

Sl. No.	Name of the Company	Committee Membership
1.	Apeejay Tea Limited	(i) Audit Committee (ii) Share sub-division Committee
2.	Baghmari Tea Company Limited	—
3.	DIGJAM Limited	(i) Audit Committee (ii) Remuneration Committee
4.	Dover Tea (Private) Limited	—
5.	Empire & Singlo Tea Limited	(i) Remuneration Committee
6.	Harrisons Malayalam Limited	(i) Remuneration Committee
7.	Kanco Enterprises Limited	(i) Audit Committee (ii) Share Transfer Committee



## REPORT ON CORPORATE GOVERNANCE (Contd.)

		(iii) Shareholders/Investors Grievance Committee (iv) Remuneration Committee
8.	Scottish Assam (India) Limited	(i) Audit Committee
9.	White Cliff Holdings (Private) Limited	—
10.	White Cliff Properties (Private) Limited	—
11.	White Cliff Tea (Private) Limited	—
12.	Williamson Magor & Company Limited	(i) Shareholders/Investors Grievance Committee
13.	Apeejay Surendra Corporate Services Ltd.	(i) Remuneration Committee
14.	Kanco Tea & Industries Ltd.	(i) Remuneration Committee

### 3. AUDIT COMMITTEE

The Audit Committee comprises of 4 (four) non-executive Directors of whom the Chairman and other members are independent Directors. The Committee has been meeting at regular intervals. The Chairman and the members of the Audit Committee have in-depth knowledge in the areas of Finance and Accounts.

#### Terms of Reference

The role and power of the Audit Committee includes :

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation in respect of appointment, re-appointment and removal of statutory and internal auditors, fixation of audit fees and approval for payment for any other services rendered by statutory & internal auditors.
3. Review of the quarterly and annual financial statements before submission to the Board.
4. Review and discussions with statutory and internal auditors, in respect of the internal control/audit systems, internal audit reports, management letters of internal control, weaknesses, adequacy of internal control systems and improvement therein.
5. Review of findings/observations of the internal auditors into matters of irregularity or suspected fraud and reporting the matter to the Board.
6. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, creditors and shareholders (in case of non-payment of declared dividend).
7. To seek information from any employee, access to records of the Company and investigate any activity relating to financial matters.
8. To seek outside legal and/or professional advice.
9. Pre-audit and post-audit discussions with statutory auditors to ascertain the nature, scope and any specific area of concern.
10. Review of management discussion and analysis of financial condition and results of operations and statements of related party transactions.

#### Composition, Meetings & Attendance

Name of the Members	Category	No. of Meetings attended	Dates on which Meetings held
Mr. Abhijit Datta - Chairman	Independent & Non Executive	3	14.05.2010
Mr. Golam Momen	- do -	3	31.07.2010
Mr. Dharendra Kumar	- do -	4	02.11.2010
Mr. Samveg A. Lalbhai	- do -	1	03.02.2011

The Company Secretary acts as the Secretary to the Committee. The Managing Director, Statutory Auditors and Internal Auditors are invited for the meetings.

### 4. REMUNERATION COMMITTEE

#### Terms of Reference

Remuneration Committee has been constituted to approve and determine the policy of the Company on specific remuneration packages for the Executive Directors. The terms and conditions governing the appointment/remuneration of the Executive Directors are approved first by the Remuneration Committee and then the same are considered by the Board of Directors and finally placed for the approval of the Shareholders.