

21st Annual Report 2007-2008



PHOENIX INTERNATIONAL LIMITED



PHOENIX INTERNATIONAL LIMITED

BOARD OF DIRECTORS

Mr. Arun Kumar Sinha, Director
 Mr. Narendra Aggarwal, Director
 Mr. Narender Makkar, Whole Time Director
 Mr. P.M. Alexander, Additional Director

COMPANY SECRETARY

Mr. Narender Makkar

AUDITORS

M/s Gupta Mahesh & Associates
 816, Suneja Tower -II
 District Center, Janak Puri
 New Delhi-110 058

REGISTRAR & TRANSFER AGENT

Mas Services Pvt. Ltd.,
 AB-4, Safadarjang Enclave,
 New Delhi-110 029

REGISTERED OFFICE

3rd Floor, Gopala Tower
 25, Rajendra Place,
 New Delhi-110 008

Works

Heseem Palace
 No77/70A, Thiruneermalai Main Road,
 Nagalkeni, Chromepet,
 Chennai, Pin- 600044,
 Tamil Nadu, India

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PHOENIX INTERNATIONAL LIMITED



NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF PHOENIX INTERNATIONAL LIMITED WILL BE HELD ON TUESDAY THE 30TH SEPTEMBER, 2008 AT 09.30 A.M. AT M.P.C.U. SHAH AUDITORIUM, 2ND RAJ NIWAS MARG, NEW DELHI – 110 054 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31.03.2008 and Profit and Loss Account for the year ended on that date and Auditors and Directors' report thereon
2. To appoint a Director in place of Mr. Arun Kumar Sinha, who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider, and if thought fit, to pass with or without modification(s) if any, the following resolution as an ordinary resolution:
RESOLVED THAT Shri Paruvatharayil Mathai Alexander be and is hereby appointed as Director of the Company, whose period of office shall be liable to retire by rotation."
4. To consider, and if thought fit, to pass with or without modification(s) if any, the following resolution as an ordinary resolution:
RESOLVED THAT M/s R K M & Associates, Chartered Accountants of New Delhi, be and are here by appointed as the Auditors of the Company to hold the office of Auditors from the date of this Meeting to the conclusion of the next Annual General Meeting of the Company on such remuneration and out of pocket expenses as may be decided by the Board.

Report Junction

for and on behalf of the Board of Directors
PHOENIX INTERNATIONAL LIMITED

Place : New Delhi
Date : 30-08-2008

Narender Makkar
Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The instrument appointing a proxy must be lodged at the registered office of the company at least 48 hours prior to the time of meeting.
2. The register of members and share transfer books of the company will remain closed on 30/09/2008.
3. Members holding shares in physical form are requested to notify any changes in their address (es) immediately to the company at its Registered Office at 3rd Floor, Gopala Tower, 25, Rajendra Place, New Delhi – 110 008 and those who are holding in the electronic mode are requested to send the intimation for change of address(es) to their Depository participant(s).
4. All documents referred to in the accompanying notice and explanatory statements are available for inspection at the registered office of the company on all working days between 10.30 a.m. to 4.00 p.m. up to the date of this Annual General Meeting.
5. Shareholders seeking any information with regard to account are requested to write to the company at least 10 days before the date of Annual General Meeting, so as to enable the management to keep the information ready.
6. Pursuant to the provision of Section 205A of the Companies Act, 1956, as amended, the dividend(s) which remain un-paid or un-claimed for a period of Seven years has to be transferred to "Investor Education and Protection Fund" of the Central Government. Members who have not encashed the dividend warrant(s) for the financial year ended 31.03.2000 (for which the dividend was declared), are requested to send the un-encashed dividend warrant(s) to the company at its registered office at 3rd Floor, Gopala Tower, 25 Rajendra Place, New Delhi – 110 008.
7. Explanatory Statement relating to special business is annexed to this notice as required under Section 173 (2) of the Companies Act, 1956



PHOENIX INTERNATIONAL LIMITED

ANNEXURE TO THE NOTICE

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

Item No. 3

Shri Paruvatharayil Mathai Alexander was appointed by the Board as an Additional Director in the category of non-executive independent director of the company w.e.f. 30th August, 2008 to hold office till the date of the ensuing Annual General Meeting. As per the provisions of section 260 of the Company Act, 1956, the Additional Director ceases to be Director of the Company on the date this Annual General Meeting. In accordance with the provision of section 257 of the Companies Act, 1956 Shri Paruvatharayil Mathai Alexander has offered himself to be appointed as Director and Board of Directors of the Company has also proposed him as a Director of the Company liable to retire by rotation. He has given notice for the appointment as Director of the Company. The Board recommends for the appointment of Shri Paruvatharayil Mathai Alexander and proposes to pass the resolution as set out in item No. 3 of the Notice as an Ordinary Resolution.

Except, Shri Paruvatharayil Mathai Alexander, none of the directors of the Company are interested or concerned in the resolution.

Item No. 4

M/s Gupta Mahesh & Associates, Chartered Accountants, the existing auditors of the company has resigned from the office of Auditor of the Company. Board considered the resignation letter submitted by existing Auditors who have expressed their unwillingness for re-appointment at annual general meeting and who has to vacate their office at the conclusion this annual general meeting.

In terms of the provision of section 225 of the Companies Act, the appointment of Auditors in place of existing Auditors of the Company requires the approval of General Meeting by way of Ordinary Resolution. Therefore, the Board recommended to pass necessary resolution by way of ordinary resolution to appoint M/s RKM & Associates, Chartered Accountants of New Delhi as Auditor, who has submitted their consent & eligibility letter in terms of section 224(1B) of the Companies Act, 1956.

The Board recommends for the appointment of M/s RKM & Associates, Chartered Accountants, to hold office of the Auditors of the Company till the conclusion of the next Annual General Meeting on the remuneration as may be fixed by the Board and proposes to pass the resolution as set out in item No. 4 of the Notice as an Ordinary Resolution.

A copy of the resignation tendered by the Auditors and eligibility letter as referred elsewhere are available for inspection of the members till the date of the meeting during business hours.

None of the director of the Company is concerned or interested in the proposed resolution.

INFORMATION AS PER CLAUSE 49 (VI) OF THE LISTING AGREEMENT FOR ITEM 2, OF THE NOTICE FOR APPOINTMENT OF MR V. B. OBEROI AS DIRECTOR OF THE COMPANY:

Item No. 2

Name of Director	:	Mr. Arun Kumar Sinha
Date of Birth	:	03/09/1954
Date of appointment	:	30/12/2005
Expertise in Specific Functional Area	:	Supreme Court Cases
Qualification	:	BSc., L.L.B., DLL.

Mr. Arun Kumar Sinha is a Director in the following Companies:

1. Phoenix Real Time Services Limited
2. Savare Trade Enterprises Limited
3. Yellow Valley Leasing & Finance Limited

Mr. Arun Kumar Sinha is a Member of Committee in following Companies:

1. Phoenix Real Time Services Limited (Audit Committee)

He does not hold any share in the Company.

Item No. 3

Name of the Director	:	Mr. Paruvatharayil Mathai Alexander
Date of Birth	:	14.11.1954
Date of appointment	:	30.08.2008
Expertise in Specific Functional area	:	Foot Wear manufacturing
Qualification	:	B.Com

Mr. Paruvatharayil Mathai Alexander is a Director in the following Companies:

1. Phoenix Industries Limited
2. Phoenix Real Time Services Limited
3. Yellow Valley Leasing & Finance Limited
4. Savare Trade Enterprises Limited
5. Phoenix Capital Services Limited
6. Phoenix Hydrocarbons Limited
7. Phoenix Footwear Private Limited
8. Multidot Entertainment Limited
9. Phoenix Power Development Corporation Limited
10. Sasson Agencies (P) Limited
11. Phoenix Cement Limited
12. Phoenix International Finance Limited
13. Phoenix Land Development Limited

Mr. Paruvatharayil Mathai Alexander is a member of Committee in the following Companies:

1. Phoenix Industries Limited (Audit Committee).
2. Phoenix Real Time Services Limited (Audit Committee).
3. Phoenix Cement Limited (Audit Committee).

He does not hold any Share in the Company.



PHOENIX INTERNATIONAL LIMITED

DIRECTOR'S REPORT

Dear Shareholder,

The Directors of your company present the 21st Annual Report along with the Audited Statement of Accounts of the Company for the year ended 31st March 2008.

FINANCIAL RESULTS

	YEARENDED 31.03.2008	(Rs. In Lacs) Year Ended 31.03.2007
Sales & Other Income	1999.99	1,841.24
Profit / (Loss) before depreciation	307.32	282.86
Less: Depreciation	148.66	145.44
Profit / (loss) after Depreciation but before Extra Ordinary Items	158.66	137.41
Add: Extra Ordinary Items	1609.95	1,110.55
Profit / (loss) after Extra Ordinary Items -but before Tax	1768.61	1,247.96
Less: Prov. For Wealth Tax/Fringe benefit Tax	19.75	16.98
Profit / (Loss) After Tax	1748.86	1,230.98

OPERATIONAL PERFORMANCE / FUTURE PLANS

The Company has carried out shoes related activities at its unit at Chennai during the financial year under review. The Company achieved turnover of Rs. 1999.99 Lacs during the current year as compared to Rs. 1841.24 Lacs during previous year.

The Company is in process of widening the base of manufacturing and export.

During the year under review, the company has entered into Lease Agreement for lease of part of its Property situated at A-37, Sector - 60, Noida, (Uttar Pradesh) to M/s Triveni Media Limited.

FIXED DEPOSITS

The Company has not accepted or invited deposits from public covered under the provision of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975.

DIVIDEND

To implement the plans and to expand the business activities, your Directors do not recommend any dividend for the year ended 31.03.2008.

PARTICULARS OF EMPLOYEES

During the year under review, the Company had no employees in respect of whom information's as per Section 217 (2A) of the Companies Act, 1956 is required to be given in the directors report.

DIRECTORS

During the year under review, one of our Directors, Mr. V. B. Oberoi (aged 84 years) expired on 14.07.2008. He was associated with the company for long time and the company had benefited from his reach experience and vacuum has been created due to his sudden demise. The Board places on record its deep appreciation of the contribution made by Mr. V. B. Oberoi in the progress of the Company during his tenure as Director of the Company.

Mr. Paruvatharayil Mathai Alexander is appointed as Additional Director. Additional Director ceases to be a Director at the commencement of the Annual General Meeting. In accordance with the provisions of Section 257 of the Companies Act, 1956, the Board proposed to re-appoint him as Director of the company.

Mr. Arun Kumar Sinha, Director of the Company retires by rotation and being eligible offer himself for re-appointment.

DIRECTOR'S RESPONSIBILITY

To the best of their knowledge and belief and according to information and explanation obtained by them, your Directors make the following statement in terms of Section 217 (2AA) of the Companies Act, 1956.

- That in preparation of Annual Accounts for the year ended March 31, 2008 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.



PHOENIX INTERNATIONAL LIMITED

- b) That selected accounting policies were applied consistently and the Directors have made judgment 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 31st March, 2008 and of the Profit of the Company for the year ended on that date.
- c) That proper and sufficient care has been taken 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 for preventing and detecting fraud and other irregularities.
- d) That the Annual Accounts for the year ended March 31, 2008 have been prepared on a going concern basis.

AUDITORS

M/s Gupta Mahesh & Associates, Chartered Accountants, the existing auditors of the company has resigned from the office of Auditor of the Company. Board considered the resignation letter submitted by existing Auditors who have expressed their unwillingness for re-appointment at annual general meeting and who has to vacate their office at the conclusion this annual general meeting.

Board also recommended to pass ordinary resolution at annual general meeting for the appointment of M/s RKM & Associates, Chartered Accountants of New Delhi as Statutory Auditor, who has submitted their consent & eligibility letter in terms of section 224(1B) of the Companies Act, 1956.

SUBSIDIARY COMPANIES

Statement regarding subsidiary companies pursuant to provision of Section 212 of the Companies Act, 1956 forming part of the Balance Sheet is attached.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Annexure "A" to this report gives information in respect of Conservation of Energy, Technology Absorption and Foreign Exchange earning and outgo, required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 and forms a part of the Directors Report.

CORPORATE GOVERNANCE

Your company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. Over and above the statutory requirements, your Company has implemented several best corporate governance practices.

Report on Corporate Governance stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges forms part of the Annual Report.

Certification from Chairman and Director and Certificate from the Auditors of the Company, M/s Gupta Mahesh & Co., Chartered Accountants confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49, are annexed to that Report.

ACKNOWLEDGMENT

Your Directors place on record their appreciation for the assistance and support extended by all Government Authorities, Financial Institution, Banks, Solicitors and Shareholders of the Company. Your Directors express their appreciation for the dedicated and sincere service rendered by employees of the Company.

for and on behalf of the Board
PHOENIX INTERNATIONAL LIMITED

Place: New Delhi
Date : 30.08.2008

Narender Makkar
Director

Arun Kumar Sinha
Director


PHOENIX INTERNATIONAL LIMITED
ANNEXURE "A" FORMING PART OF THE DIRECTOR'S REPORT

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Director's) Rules 1988 in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo.

	Current Year	Previous Period
A. CONSERVATION OF ENERGY		
1. (a) Energy conservation measures undertaken	Nil	Nil
(b) Proposed energy conservation measures	Nil	Nil
2. Impact of measures on reduction of energy consumption and consequent impact on the cost of production of goods	Nil	Nil
3. The details of energy consumption:	Nil	Nil
(a) Power and Fuel consumption	Nil	Nil
(b) Consumption per unit of production		
B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION		
1. Specific area in which R & D was carried out by the Company	Nil	Nil
2. Benefits derived as a result of the above R&D		
3. Future plan of Action	Nil	Nil
4. Expenditure on R & D	Nil	Nil
C. FOREIGN EXCHANGE EARNING & OUTGO		
(a) Activities relating to exports: Initiatives taken to increase exports: Development of new export methods for products and services and export plans		
The Foreign exchange earning through exports were Rs. 858.07 lacs during the year to UK. The efforts to broaden the export base to other countries are continuing.		
(b) The foreign Exchange Earning & Outgo during the period are as under:		
Foreign Exchange Earning	858.07 lacs	525.41 lacs
Foreign Exchange Outgo	657.25 lacs	866.69 lacs

CHAIRMAN AND WHOLE TIME DIRECTOR CERTIFICATION

We, Arun Kumar Sinha, Chairman, and Narender Makkar, Director certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2008, and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee:-
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: New Delhi
Date : 30.08.2008

Narender Makkar
Director

Arun Kumar Sinha
Chairman



PHOENIX INTERNATIONAL LIMITED

REPORT ON CORPORATE GOVERNANCE

(1) Company's Philosophy

The Phoenix International Limited believes that efficient Corporate Governance requires a clear understanding of the respective roles of the Board and of the Senior Management and their relationships with others in the corporate structure. The relationships of the Board and the Management shall be characterized by sincerity; their relationships with employees shall be characterized by fairness; their relationship with the communities in which they operate shall be characterized by good citizenship; and their relationships with Government shall be characterized by commitment to compliance.

We believe that the essence of Corporate Governance lies in the phrase "Your Company". It is "Your Company" because it belongs to you – the shareholders. The Chairman and Directors are "Your" fiduciaries and trustees. Their objective is to take the business forward to maximize "Your" long-term values.

The Phoenix International Limited is committed to meet the highest standards of corporate governance and disclosures. Phoenix International Limited belongs to a group, which has a reputation for integrity, fair play and sound business practices. Phoenix International Limited believes that corporate governance is not just about complying with a set of norms and regulations but is an article of faith and an integral part of core value.

A brief report on Corporate Governance for the year ended on 31st March 2008 is given below:

(2) Board of Directors

(A) Composition and Category of Directors

The Board of Directors comprises of 4 Directors at the year end, which includes one executive director and three non-executive directors.

The composition of Board of Directors, their attendance at Board Meetings during the year ended on 31st March 2008, the last Annual General Meeting and their Directorships/Committee Memberships in other Companies as on 31st March 2008 are as follows:

(B) Details of Meeting of Board of Directors held during the year ended on 31.03.2008

Name of the Directors	Category	No. of Board Meeting Attended	Attendance at last AGM	No. of other Directorships in other Companies	As Member in Committees of other Companies	As Chairman in Committees of Other Companies
Mr. V.B. Oberoi*	Non-Executive & Independent Director	7	N.A.	13*	3	3
Mr. Narendra Aggarwal	Non Executive and Independent Director	7	Yes	10***	3	Nil
Mr. Narender Makkar	Executive Director	7	Yes	13****	1	Nil
Mr. Arun K. Sinha	Non Executive and Independent Director	8	Yes	3	1	Nil

* Out of them 2 Directorships are in Private Limited Companies
Mr. V.B. Oberoi (aged 84 years) expired on 14.07.2008

** Out of them 4 Directorships are in Private Limited Companies

*** Out of them 2 Directorships are in Private Limited Companies

None of the Directors on the Board is a member on more than 10 Committee and Chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement with the Stock Exchanges) across the Companies in which he is a Director.

(C) Details of Meetings of Board of Directors held during the year

Date	No of Directors Present
11.04.2007	4
30.04.2007	4
30.06.2007	4
30.07.2007	4
19.09.2007	4
27.10.2007	4
31.01.2008	4

The maximum time gap between any two meetings did not exceed four calendar months.



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Information to the Board

The Company holds at least four board meeting(s) in a year with at least one meeting in each quarter to review the quarterly financial results. The maximum gap between two board meetings is not more than four months. Agenda papers are circulated to the Board members well in advance. In addition to the specific matters which are taken at the Board meetings, the following information is also placed before the Board for its review:

- * Annual Operating Plans and Capital budget and any updates in connection therewith
- * Minutes of the meetings of the Audit Committee and all other committees of the Board
- * Terms of reference of the Committee of the Board
- * Statutory Compliance Certificate
- * Information on appointment and resignation of Senior Officers of the Company
- * Show cause, Demand, prosecution notices and penalty notices of material importance.
- * Any material default in financial obligations to and by the company or substantial non recovery for sale of goods by the company.
- * Non compliance of any regulatory, Statutory or listing requirements and Shareholders service such as non payment of dividend, delay in share transfer
- * Sale of a material nature, of investments and / or assets which are not in the normal course of business.
- * Any issue involving possible public or product liability claims of a substantial nature, including any judgment or order which may have passed strictures on the conduct of the company

(D) Details of Directors seeking re-appointment at the ensuing Annual General Meeting

In respect of Directors seeking appointment or re-appointment, the relevant information, like brief resume of the Directors, nature of their expertise in specific, functional areas and names of the Companies in which they hold Directorship and Membership of any Committee of the Board is given as annexure to this report.

3. Audit Committee

(A) Constitution

The Audit Committee of the Board was constituted in the year 2000-01. The following were the members of the Committee during the year 2007-2008.

- | | | |
|-----|-----------------------|----------------------|
| (A) | Mr. V.B. Oberoi* | Independent Director |
| (B) | Mr. Narendra Aggarwal | Independent Director |
| (C) | Mr. Arun K. Sinha | Independent Director |

Mr. Narender Makkar, Company Secretary, is the Secretary of the committee.

*Mr. V.B. Oberoi (aged 84 years) expired on 14.07.2008

(B) TERMS OF REFERENCE

Keeping in view the provisions of Section 292 A of the Companies Act, 1956 and matters specified under clause 49 of the Listing Agreement with stock exchanges, terms of reference are as under;

- (1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (2) Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:-
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Qualifications in the draft audit report
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- (6) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- (7) Reviewing, the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (8) Discussion with internal auditors any significant findings and follow up there on.
- (9) Reviewing, the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.



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- (10) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (11) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- (12) To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- (13) Carrying out any other function as required.

(C) Meeting and Attendance during the year

Five meetings of the Committee were held during the year on 30.04.2007, 30.06.2007, 30.07.2007, 27.10.2007 & 30.01.2008. The attendance particulars are as follows:

Name of the Chairman /Member	Meeting	
	Held	Attended
Mr. V.B. Oberoi*	5	5
Mr. Narendra Aggarwal	5	5
Mr. Arun K.Sinha	5	5

*Mr. V.B. Oberoi (aged 84 years) expired on 14.07.2008

(4) Remuneration to Directors

The Company has a Remuneration Committee which comprises of three members Mr. V.B. Oberoi, Mr. Arun K. Sinha and Mr. Narendra Aggarwal. Mr. Narender Makkar, Company Secretary, acts as Secretary of the Committee.

The functioning and terms of reference of the Committee are as prescribed under the Listing Agreement with the Stock Exchanges. It determines the Company's policy on all elements of remuneration packages of directors and employees of the Company.

Terms of Reference:

Two meeting of the Remuneration Committee were held during the year. Attendance at meeting during the year is as under;

DIRECTOR	NO. OF MEETINGS ATTENDED
1. Mr. V.B. Oberoi*	2
2. Mr. Arun K.Sinha	2
3. Mr. Narendra Aggarwal	2

*Mr. V.B. Oberoi (aged 84 years) expired on 14.07.2008

Remuneration to Directors

Remuneration to Directors for the year 2007-2008.

a) Name	Designation	All elements of Remuneration package i.e. Salary benefits bonus, pension etc
1. Mr. Narender Makkar	Director & Company Secretary	7,97,088
b) Name	Particulars	Sitting Fees
Mr. V.B. Oberoi Mr. Arun K.Sinha	Non Executive Directors	48,000/-
Total		48,000/-

- Notes: (a) The Whole Time Director is appointed for a period of 5 years with effect from 01/10/2005.
(b) Presently the company does not have a scheme for grant of stock options to its employees.

(5) Share Transfer and Shareholders' /Investors' Grievance Committee

The Company has structured a system of reviewing the Shareholders'/Investors' Grievance at every Board Meeting. However, a Committee was constituted in the financial year 2001 with a specific authority to look into the Investors'/ Shareholders' Grievance. The following were the members of the Committee during the year.

- | | |
|---------------------------|----------------------|
| (A) Mr. V.B. Oberoi* | Independent Director |
| (B) Mr. Narendra Aggarwal | Independent Director |
| (C) Mr. Arun K.Sinha | Independent Director |