

Contents

Corporate Information	2
Notice	3
Directors' Report	6
Management Discussion and Analysis	14
Corporate Governance Report	19
Declaration of the Managing Director & CEO	28
Secretarial Auditors' Certificate on Corporate Governance	28
Company Secretary's Responsibility Statement	29
Auditors' Report	30
Balance Sheet	34
Profit & Loss Account	35
Cash Flow Statement	36
Schedules & Notes on Accounts	37
Balance Sheet Abstract and Company's General Business Profile	52
Information under Section 212 of the Companies Act, 1956 related to Subsidiary Company	53
Consolidated Financial Statements	
Auditors' Report	54
Consolidated Accounts	56

Annual General Meeting on Tuesday,
June 27, 2006 at 2.30 p.m. at Bhartiya
Vidya Bhavan Auditorium, BVB
Hyderabad Kendra
No. 5-9-1105, Basheerbagh-King Koti
Road, Hyderabad-500029

CMC Limited

Thirtieth annual report 2005 - 2006

CORPORATE INFORMATION

Board of Directors

Mr S Ramadorai (Chairman)
Mr R Ramanan (Managing Director & CEO)
Mr Ishaat Hussain
Dr KRS Murthy
Mr Surendra Singh
Mr C B Bhav
Mr Shardul Shroff

Management Team

Mr R Ramanan (Managing Director & CEO)
Mr J K Gupta (CFO)
Mr Prasad Rangnekar (Head of Operations)
Mr Prabhat Mittra (Global Head - CS & ITES)
Mr Uday Bhobe (Global Head - SI, E&T)
Mr Saibal Ghosh (VP & National Sales Head)
Mr S V Ramanan (Head-HR & Corp. Communications)
Mr Vivek Agarwal (Company Secretary & Head – Legal)

Statutory Auditors

M/s S.B. Billimoria & Co.
Chartered Accountants

Secretarial Auditors

Chandrasekaran Associates
Company Secretaries

Registered Office

CMC Centre
Old Mumbai Highway
Gachibowli, Hyderabad-500032
Tel. : 040-23000401 (10 lines)
Fax : 040-23000509

Corporate Office

PTI Building, 5th Floor
4, Sansad Marg
New Delhi-110001
Tel. : 011-23736151 (8 lines)
Fax : 011-23736159

Principal Bankers

Canara Bank
State Bank of Bikaner & Jaipur
ICICI Bank

Audit Committee

Dr KRS Murthy
Mr Surendra Singh
Mr C B Bhav

Share Transfer-cum-Shareholders Grievance Committee

Mr Surendra Singh
Mr R Ramanan
Mr Shardul Shroff
Mr Vivek Agarwal

Remuneration Committee

Dr KRS Murthy
Mr S Ramadorai
Mr C B Bhav
Mr Surendra Singh

Ethics and Compliance Committee

Mr Surendra Singh
Mr R Ramanan
Mr Shardul Shroff
Mr Vivek Agarwal

Registrars & Share Transfer Agents

M/s Karvy Computershare Private Limited
Karvy House, 46, Avenue 4, Street No 1
Banjara Hills, Hyderabad 500 034

Stock Exchanges where Company's Securities are listed

The Stock Exchange, Mumbai
National Stock Exchange of India Ltd.
The Calcutta Stock Exchange Ass. Ltd.

Web site

www.cmcltd.com



NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of CMC Limited will be held on Tuesday, June 27, 2006 at 2.30 P.M. at Bhartiya Vidya Bhavan Auditorium, BVB Hyderabad Kendra No. 5-9-1105 Basheerbagh-King Koti Road, Hyderabad – 500 029, Andhra Pradesh, to transact the following:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2006 and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. S. Ramadorai, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ishaat Hussain, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“RESOLVED that pursuant to Sections 198, 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956 (the Act), read with Schedule XIII of the Act, the Company hereby approves of the re-appointment and terms of remuneration of Mr. R. Ramanan, Managing Director & CEO of the Company for a period of three years from December 13, 2006, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting with liberty to the Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Directors and Mr. R. Ramanan.”
“RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

Mumbai
April 25, 2006

Registered Office:

CMC Centre
Old Mumbai Highway, Gachibowli
Hyderabad-500 032

BY ORDER OF THE BOARD
For CMC LIMITED

VIVEK AGARWAL

COMPANY SECRETARY & HEAD - LEGAL

Notes:

1. **A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote at the meeting instead of himself and the Proxy need not be a Member of the Company. The Proxy Form must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.**
2. The relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 setting out the material facts in respect of the business under item no. 6 and the relevant details of item nos. 3 & 4 above pursuant to Clause-49 of the listing agreement are annexed hereto.
3. Members who hold shares in dematerialised form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.
4. For the convenience of the Members, attendance slip is enclosed elsewhere in the Annual Report. Members/Proxy Holders/Authorised Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue. Proxy/Authorised Representatives of a Member should state on the attendance slip as 'Proxy' or 'Authorised Representative' as the case may be.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, June 21, 2006 to Tuesday, June 27, 2006 (both days inclusive).
6. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid at par after June 27, 2006 to (i) 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 Company on or before June 20, 2006; (ii) 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) Ltd. (CDSL) as at the end of business hours on June 20, 2006.
7. In accordance with SEBI's directions vide their Circular No. DCC/FITT/Cir-3/2001 dated October 15, 2001, arrangements have been made to credit your dividend amount directly to your bank account through the Electronic Clearing Service (ECS).
In case you hold shares in physical form, please furnish your bank details in the ECS Mandate Form enclosed separately together with a xerox copy of your cheque leaf and return to our Registrars, Karvy Computershare Private Limited on or before June 20, 2006. The said details in respect of the shares held in electronic form should be sent to your respective Depository Participant and not to the Registrar as the Registrar is obliged to use only the data provided by the Depository while making payment of dividend.
8. Pursuant to provisions of Section 205A(5) of the Companies Act, 1956, dividends which remain unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund established by the Central Government. Shareholders who have not encashed their dividend warrant(s) so far are requested to

CMC Limited

Thirtieth annual report 2005 - 2006

- make their claim to the Registrar & Share Transfer Agents of the Company. The Company has been periodically reminding the shareholders concerned to claim their dividend from the Company.
9. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them. 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 Registrar & Share Transfer Agents of the Company.
 10. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 6:

At the Annual General Meeting held on August 30, 2004, the members of the Company had approved of the appointment and terms of remuneration of Mr. R. Ramanan as Managing Director & CEO of the Company for a period of three years from December 13, 2003.

The Board at its meeting held on April 15, 2006, re-appointed Mr. R. Ramanan as Managing Director & CEO for a period of three years from December 13, 2006, subject to the approval of the Shareholders.

Mr R Ramanan, aged 48 years, is a B. Tech.(Electrical Engg.) from IIT Mumbai with more than 25 years of rich working experience. He is a member of the Computer Society of India, the IEEE Computer Society, USA, and IEEE Communications, USA. He has been a keynote speaker at seminars on data communications in Switzerland, Geneva, France, the UK and India, and has written many papers on communications and networking for major international conferences.

He has held several key positions in Tata Consultancy Services (TCS). Starting his career as a Software Engineer in July 1981, he has been a Project Leader, a Group Leader and an Overseas Regional Manager representing TCS in USA. He is also Chairman of CMC Americas Inc. He was deputed to CMC by the holding company as Dy. Managing Director & COO on October 16, 2001 and elevated to the post of Managing Director & CEO on December 13, 2003.

The main terms and conditions relating to the re-appointment of Mr. R. Ramanan, as Managing Director & CEO (MD & CEO), are as follows:

- (1) Period – From December 13, 2006 to December 12, 2009.
- (2) Nature of Duties -
The MD & CEO shall carry out such duties as may be entrusted to him, subject to the supervision and control of the Board of Directors and he shall also perform such other duties and services as shall from time to time be entrusted to him by the Board of Directors.
- (3) A. Remuneration : Basic salary upto a maximum of Rs. 2,50,000 per month. The annual increments which will be effective 1st April each year, will be decided by the Board and will be merit based and take into account the Company's performance. In addition to basic salary payable, MD & CEO shall also be entitled to benefits, perquisites and allowances as determined by the Board of Directors from time to time and incentive remuneration and/or Commission based on certain performance criteria to be laid down by the Board.
B. Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the MD & CEO, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites, allowances and incentive remuneration as specified above.
- (4) The terms and conditions of the said appointments may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to managing and whole-time directors in accordance with Schedule XIII to the Act, or any amendments made hereinafter in this regard.
- (5) The agreement between the Company and Mr. R. Ramanan as the MD & CEO may be terminated by either party giving the other party six months' notice or the Company paying six months' remuneration in lieu thereof.
- (6) If at any time the MD & CEO ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the MD & CEO.
- (7) If at any time the Managing Director & CEO ceases to be MD & CEO of the Company for any cause whatsoever, he shall cease to be a Director of the Company.
- (8) If at any time the MD & CEO ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be a Director of the Company.

In compliance with the provisions of Section 309 read with Schedule XIII of the Act, terms of the remuneration specified above are now being placed before the Members in General Meeting for their approval.

Mr. R. Ramanan is concerned or interested in Item No. 6 of the Notice.

This may be treated as an abstract of the draft agreement between the Company and Mr. R. Ramanan as MD & CEO pursuant to the provisions of the Section 302 of the Act.

The Resolution regarding the re-appointment of the MD & CEO at Item No. 6 is commended for acceptance by the Members.

Mumbai
April 25, 2006

BY ORDER OF THE BOARD
For CMC LIMITED
VIVEK AGARWAL
COMPANY SECRETARY & HEAD - LEGAL



DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING REAPPOINTMENT
(In Pursuance of Clause 49 of the Listing Agreement)

Name	Mr S Ramadorai	Mr Ishaat Hussain
Date of Birth	6.10.1944	2.9.1947
Date of Appointment	16.10.2001	16.10.2001
Qualifications	B.Sc. (Physics) B.E. (Elec. & Tel.) M.Sc. (Computer) University of California, USA	B.A. (Economics) Chartered Accountant, England & Wales
Expertise in specific functional areas	Business Management and specialized in Information Technology	Business Management and Finance
Chairman/ Director of other Companies	Tata Industries Limited Tata Elxsi Limited – Vice Chairman Tata Technologies Limited - Chairman WTI Advanced Technology Limited Aviation Software Development Consultancy India Limited Innova TV Inc. (USA) Hindustan Lever Limited Nicholas Piramal India Limited TCS Iberoamerica S. A. (Uruguay) Tata Solutions Centre S.A. (Uruguay) Tata Consultancy Services De Espana S.A. (Spain) Tata Consultancy Services Do Brasil S.A. (Brazil) Tata Consultancy Services Chile S.A. (Chile) Conscripti (pty) Limited (South Africa) Tata Consultancy Services Limited - Managing Director Tata Teleservices Limited VSNL Singapore Pte. Ltd. C-Edge Technologies Limited Comicon S.A. Sisteco S.A. Syscrom S.A.	Tata Sons Limited Tata Steel Limited Titan Industries Limited Voltas Limited – Chairman Tata Inc. Tata Teleservices Limited Idea Cellular Limited Tata Industries Limited Tata AIG General Insurance Co. Ltd. Tata AIG Life Insurance Co. Limited Videsh Sanchar Nigam Limited Tata Sky Ltd. – Chairman Tata Refractories Ltd.
Chairman/ Member of Committees of the Board of Companies of which he is a Director	Tata Technologies Ltd. Audit - Chairman Tata Elxsi (India) Limited Audit Hindustan Lever Limited Audit Tata Consultancy Services Limited Shareholders / Investor Grievance	Tata Steel Limited Audit Investors' Grievance – Chairman Tata Industries Limited Audit – Chairman Titan Industries Limited Audit Tata Trustee Co. Pvt. Ltd. Audit Tata Teleservices Ltd. Audit – Chairman Videsh Sanchar Nigam Ltd. Audit

Mumbai
April 25, 2006

BY ORDER OF THE BOARD
For CMC LIMITED

VIVEK AGARWAL
COMPANY SECRETARY & HEAD - LEGAL

DIRECTORS' REPORT

TO THE MEMBERS OF CMC LIMITED

Your Directors have pleasure in presenting the Thirtieth Annual Report and the Audited Statement of Accounts for the year ended March 31, 2006.

1. FINANCIAL RESULTS

(Rs. in Crores)

Particulars	2005-06	2004-05
Income from Sales and Services	828.79	775.67
Other Income	28.97	6.80
Total Income	857.76	782.47
Operating Expenses	784.71	736.14
Profit before Depreciation, Interest and Tax	73.05	46.33
Depreciation	9.10	9.16
Interest	3.84	4.22
Profit before Tax	60.11	32.95
Provision for Taxation (incl. deferred Income Tax)	16.00	9.89
Profit after Tax	44.11	23.06
Add: Profit brought forward from previous year	143.90	130.93
Amount available for appropriations	188.01	153.99
Appropriations		
Proposed Dividend	7.58	6.82
Tax on Proposed Dividend	1.06	0.96
Transfer to General Reserve	4.41	2.31
Balance carried to Balance Sheet	174.96	143.90
	188.01	153.99

1.1 OPERATING RESULTS

During the year, your Company earned total revenue of Rs. 857.76 crores compared with Rs. 782.47 crores during the past year, registering a growth of 9.6%. The revenue from Sales and Services at Rs. 828.79 crores registered a growth of 6.9% compared with Rs. 775.67 crores earned in the last year, mainly on account of 64% growth in IT Enabled Services, 39% growth in Education & Training, 4.6% growth in Customer Services and 2.7% growth in Systems Integration businesses.

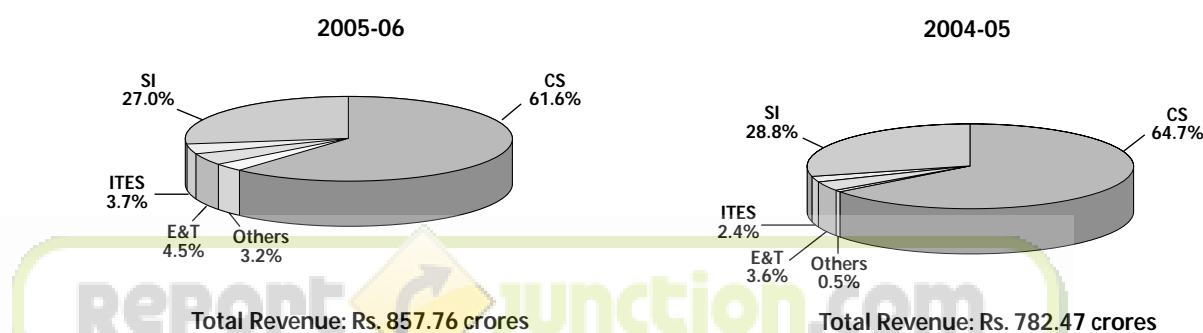


The profit before tax at Rs. 60.11 crores registered an increase of 82.4% over the previous year mainly on account of increase of Rs. 22.17 crores in other income. Other income increased primarily on account of sale of surplus residential properties during the year. The Company made a provision of tax of Rs. 16.00 crores, inclusive of Fringe Benefit Tax amounting to Rs. 1.73 crores, which is a new tax introduced during 2005-06. The profit after tax stood at Rs. 44.11 crores registering an increase of 91.30% over the previous year.

2. DIVIDEND

Your Directors recommend payment of dividend at 50% of paid-up equity share capital for the year ended March 31, 2006.

3. BUSINESS OPERATIONS



3.1 Customer Services (CS)

Customer Services Strategic Business Unit (SBU) undertakes all activities related to IT infrastructure including infrastructure architecture, design and consulting services; turnkey systems integration of large network and data center infrastructures including supply of associated equipment and software; on-site and remote facilities management of multi-location infrastructures of domestic and international clients. The CS SBU earned revenue of Rs. 528.47 crores during the year compared to Rs. 506.70 crores earned during the previous year, registering an increase of 4.30% over the previous year. The CS SBU has seen a healthy change in business mix from predominance of low-margin supply & build projects to increasingly larger share of revenues coming from high-margin managed services, program management and consulting engagements. With strong pan India presence, a large national workforce with versatile infrastructure skills and unparalleled field experience and closer alignment with Tata Consultancy Services Ltd. (TCS) infrastructure, total outsourcing and solutions practices, the CS SBU continues to be a major player in the infrastructure business. Some of the wins in the domestic market include architecture, program management and total infrastructure outsourcing of diverse set of clients, a large container terminal in Mumbai, three large public sector banks with nationwide presence, and a state wide area network. The SBU also had major successes in offshore managed services for several international clients in the banking, finance and insurance sectors.

3.2 Systems Integration (SI)

The SI SBU undertakes the activities of solution deployment that includes software development, software maintenance and support, turnkey project implementation and systems consultancy. The SI SBU earned revenue of Rs. 231.74 crores during the year compared with Rs. 225.68 crores earned in the previous year,

registering an increase of 2.7%. The growth in the revenue of SI SBU was primarily driven by strong growth in the international markets. Embedded Systems continued to be a strong performer doubling its revenue during the year. The SI SBU has become one of the leading embedded systems service provider from India to some of the Fortune 100 Companies worldwide. In the domestic market, the SI SBU continues to be an important player in general insurance sector, securities sector, e-Governance space and also added few key private sector customers in its fold.

3.3 IT Enabled Services (ITES)

The ITES Strategic Business Unit (SBU) undertakes business process outsourcing services including total front-office/back-office outsourcing; office records digitization and document management; examination results and recruitment management; legacy data migration management; inbound call center services with specific business domain expertise and on-demand software services. The ITES SBU earned revenue of Rs. 31.48 crores during the year compared to Rs. 19.18 crores earned in the previous year registering an increase of 64.1%. The engagements include outsourcing of complaints handling of a large overseas utility company and execution of the multi-discipline and complex MCA 21 e-Governance project of Ministry of Company Affairs along with TCS. The ITES SBU has also made a foray into the fast-growing software-as-a-service market through alliance with Webex.

3.4 Education & Training (E&T)

E&T SBU of the Company offers courses on information technology including professional courses, career development programs through its own and franchisee centers. After having made an impressive turnaround in the year 2004-2005, E&T SBU continued to achieve good growth with a revenue of Rs. 38.24 crores compared to Rs. 28.12 crores earned in the previous year, registering an increase of 36.0%. E&T SBU while benefited from the general upsurge in the E&T market also consolidated its base in the corporate sector.

3.5 International Operations

The Company increased its International component in the above SBUs accounting for Rs. 188.52 crores during the year as compared to Rs. 179.32 crores earned in the previous year. The growth in international revenue was driven primarily by Embedded Systems, which almost doubled during the year.

4. SUBSIDIARY COMPANY

Your Company has a wholly owned subsidiary CMC Americas Inc. in USA. Copies of the Balance Sheet, Profit & Loss Account and Report of the Auditors of the Subsidiary Company have not been attached as per approval granted by the Central Government under Section 212(8) of the Companies Act, 1956. As per Accounting Standard 21 issued by the Institute of Chartered Accountants of India, the Consolidated Financial Statements have been presented which include the financial information of its Subsidiary.

The Annual Accounts of the Subsidiary Company and related detailed information will be made available to the shareholders of the Company seeking such information at any point of time. The Annual Accounts of the Subsidiary Company are also kept for inspection by any investors at the Registered Office of your Company.

5. FIXED DEPOSIT

During the year, the Company has not accepted any fixed deposits under Section 58A of the Companies Act, 1956.

6. LISTING

The equity shares of the Company are listed with The Stock Exchange, Mumbai, National Stock Exchange and Calcutta Stock Exchange. There are no arrears on account of payment of listing fees to the Stock Exchanges.

7. DIRECTORS

Mr S Ramadorai and Mr Ishaat Hussain are retiring by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-election.

Mr R Ramanan's tenure as Managing Director & CEO expires on December 12, 2006. The Board of Directors has recommended his re-appointment for a further period of three years.

8. COMMUNITY DEVELOPMENT

The Company promotes active participation among staff members in activities related to community services with emphasis on volunteering their services. As part of this, the Company promoted various activities related to helping the under privileged and the physically challenged people. Some of the programs, which were initiated, viz. conducting free medical diagnostics in old age homes, educating the underprivileged children, supporting street children. A sports day was organized for handicapped children, which was conducted with active support and help of NGOs. A free medical check-up of handicapped children and their family was also conducted. The Company would further strengthen its community service initiatives for improving the quality of life of identified key communities in conjunction and in line with the TATA Group activities.

9. BUSINESS EXCELLENCE AND QUALITY INITIATIVES

Your Company continued its journey in the TBEM process (Tata Business Excellence Model) and Company went through the external assessment process for the second time with better results. A number of initiatives were launched in order to strengthen business processes.

With the achievement of CMM level 5 certification in Kolkata and Delhi during the year, all centers of CMC are now covered under level 5 certified. Process for obtaining CMMI certification has been initiated and the same is expected to result in acquiring the same by the end of this financial year.

10. CORPORATE GOVERNANCE

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the report on Management Discussion and Analysis, Corporate Governance as well as the Secretarial Auditors' Certificate regarding compliance of conditions of Corporate Governance form a part of the Annual Report.

11. TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 in respect of energy conservation, technology absorption and foreign exchange earnings and outgo is given in Annexure-I to this Report.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors based on the information and representations received from the operating management confirm that:

- i) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed with no material departures;
- ii) 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 as on March 31, 2006 and of the profit of the Company for that period;
- iii) The Directors had taken proper and sufficient care to the best of their knowledge and ability 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; and
- iv) The Directors had prepared the Annual Accounts on a 'going concern' basis.

13. AUDITORS

M/s S B Billimoria & Co., the Statutory Auditors of the Company, hold office until the ensuing Annual General Meeting. The said Auditors have under Section 224(1-B) of the Companies Act, 1956, furnished the certificate regarding their eligibility for re-appointment.

14. PARTICULARS OF STAFF

Information as required under section 217 (2A) of the companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended, regarding particulars of employees drawing remuneration of Rs. 24 lacs per annum or Rs. 2 lacs per month, as the case may be is set out in the Annexure – II to this report. The Ministry of Company Affairs has recently amended the Companies (Particulars of Employees) Rules, 1975 to the effect that the particulars of the employees of the Companies engaged in Information Technology Sector, posted and working outside India, not being directors or their relatives, need not be included in the statement but, such particulars shall be furnished to the Registrar of Companies. Accordingly, the statement included in this report does not contain the particulars of employees who are posted and working outside India.

15. ACKNOWLEDGEMENTS

The Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers and bankers for the continued support given by them to the Company and their confidence reposed in the management.

For and on behalf of the Board

Mumbai
April 25, 2006

S RAMADORAI
Chairman