

# **Cable Corporation of India Limited**

**47th ANNUAL REPORT AND ACCOUNTS**

**Report  Junction.com**

**2003-2004**

## Board of Directors

### Directors

Mrs. N. H. Khatau (*Chairperson*)  
Mr. A. S. Supanekar (*Nominee - UTI*)  
Mr. S. K. Pai (*Nominee - IDBI*)  
Mr. G. D. Bhingarkar (*Wholetime Director*)  
Mrs. N. B. Pasta

## Chief Executive

Mr. Hiten A. Khatau

## President

Mr. P. Nadig

## Company Secretary

Mr. A. T. Khemchandani

## Registered Office

Laxmi Building, 4th Floor,  
6, Shoorji Vallabhdas Marg,  
Ballard Estate, Mumbai - 400 001. INDIA  
Tel : 2266 6764 / 67 Fax : 022-2263 2694  
Secretarial Dept: e-mail: sec@cablecorporation.com  
Marketing: e-mail: mk@cablecorporation.com  
Website Address: <http://www.cablecorporation.com>

## Works

Dattapada Road, Borivali (East),  
Mumbai - 400 066.  
Tel : 2870 2341 Fax: 28549948  
Plot No. F-3/1, MIDC, Sinnar Industrial Area,  
(Malegaon), Dist. Nashik - 422 103.  
Tel : 95-2551-230328/9 / 230392 Fax : 95-2551-230038

## Regional Offices

### Western Region

Dattapada Road, Borivali (East), Mumbai - 400 066.  
Tel : 2870 2341 Fax : 28543288  
e-mail : cciwr@cablecorporation.com

### Northern Region

Milap Niketan, 2nd Floor,  
8-A Bahadur Shah Zafar Marg,  
Post Box No. 7111, New Delhi - 110 002.  
Tel : 5150 9010 Fax : 011-51509014  
e-mail : ccinr@cablecorporation.com

### Eastern Region

34, Allenby Road, 2nd floor, II-A, Kolkata - 700 020.  
Tel : 2454 2671/73/74 Fax : 033-2474 7592  
e-mail : ccier@cablecorporation.com

### Southern Region

Temple Towers, Wing No. 1, Fourth Floor,  
476 Anna Salai, Chennai - 600 035.  
Tel : 2434 3217 / 5389 Fax : 044-24345150  
e-mail : ccisr@cablecorporation.com

## Bankers

State Bank of India  
United Bank of India  
State Bank of Patiala

## Auditors

Sorab S. Engineer & Co.,  
Chartered Accountants

## Solicitors

Kanga & Co.

## Cost Auditor

A. V. Ramana Rao

## Registrars & Transfer Agents

M/s. Intime Spectrum Registry Ltd.  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai - 400 078.

### Collection Centre at :

202, Daver House, 1st Floor,  
Near Central Camera,  
Dr. D. N. Road, Fort,  
Mumbai - 400 001.  
Tel : 22694127

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## Board of Directors

### Directors

Mrs. N. H. Khatau (*Chairperson*)  
Mr. A. S. Supanekar (*Nominee - UTI*)  
Mr. S. K. Pai (*Nominee - IDBI*)  
Mr. G. D. Bhingarkar (*Wholetime Director*)  
Mrs. N. B. Pasta

## Chief Executive

Mr. Hiten A. Khatau

## President

Mr. P. Nadig

## Company Secretary

Mr. A. T. Khemchandani

## Registered Office

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## Solicitors

Kanga & Co.

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A. V. Ramana Rao

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# Cable Corporation of India Ltd.

Registered Office:  
Laxmi Building, 4th Floor, 6, Shoorji Vallabhdas Marg,  
Ballard Estate, Mumbai - 400 001.

## PROXY FORM 47TH ANNUAL GENERAL MEETING, 25TH SEPTEMBER, 2004

Reg. Folio No. .... DP ID No.\* ..... Client ID No.\* .....

\*Applicable for Member holding Shares in electronic form.

I/We ..... of .....

being a Member/Members of the abovenamed Company, hereby appoint .....

of ..... or failing him .....

of ..... as my/our proxy to vote for me/us on my/our behalf

at the FORTY-SEVENTH ANNUAL GENERAL MEETING of the Company, to be held on 25TH SEPTEMBER, 2004 and at any adjournment thereof.

Signed this ..... day of ..... 2004.

Signature .....

Affix  
30 ps.  
Revenue  
Stamp

Note :

This form in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

..... (Tear Here) .....

# Cable Corporation of India Ltd.

Registered Office:  
Laxmi Building, 4th Floor, 6, Shoorji Vallabhdas Marg,  
Ballard Estate, Mumbai - 400 001.

## ATTENDANCE SLIP 47TH ANNUAL GENERAL MEETING, 25TH SEPTEMBER, 2004

Reg. Folio No. .... DP ID No.\* ..... Client ID No.\* .....

\*Applicable for Member holding Shares in electronic form.

I certify that I am a registered Member/Proxy for registered member of the Company.

I hereby record my presence at the FORTY-SEVENTH ANNUAL GENERAL MEETING of the Company at Sheth Goculdas Tejpal Auditorium, Tejpal Road, August Kranti Marg, Mumbai 400 007 at 11.30 a.m. on Saturday, 25th September, 2004.

Member's/Proxy's name in BLOCK Letters

Member's/Proxy's Signature

Note:

Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.

## CABLE CORPORATION OF INDIA LIMITED

### NOTICE

#### 47th ANNUAL GENERAL MEETING

NOTICE is hereby given that the Forty – Seventh Annual General Meeting of the Members of CABLE CORPORATION OF INDIA LIMITED will be held at Sheth Goculdas Tejpal Auditorium, Tejpal Road, August Kranti Marg, Mumbai - 400 007, on Saturday, 25<sup>th</sup> September, 2004 at 11.30 a.m., to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended 31st March, 2004, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. N. B. Pasta, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Sorab S. Engineer & Co., retiring Auditors are eligible for re-appointment.

By Order of the Board  
For Cable Corporation of India Ltd.

A.T. Khemchandani  
Company Secretary

Mumbai, July 30, 2004

#### NOTES

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (b) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 14<sup>th</sup> September, 2004 to Saturday, 25<sup>th</sup> September, 2004 (both days inclusive) for the purpose of annual book closure.
- (c) Members are requested to notify any change in their address to the Company's Registrars and Transfer Agents, M/s. Intime Spectrum Registry Ltd., (Unit: Cable Corporation of India Ltd.) at C-13, Pannalal Silk Mills Compound, Bhandup (West), Mumbai 400 078 or to their respective Depository Participants in case shares are held in dematerialised form.
- (d) Pursuant to the provisions of Section 205 A of the Companies Act, 1956, any amount of dividend not claimed for a period of seven years is required to be transferred to the " Investor Education and Protection Fund " (I E P F) established by the Central Government. Accordingly, the unclaimed dividend amount pertaining to the year 1996-97 will be transferred to the IEPF in the 2<sup>nd</sup> week of October, 2004. Hence, the Shareholders who have, so far, not encashed their Dividend Warrants for the year 1996-97 may immediately approach the Company or its Registrars & Transfer Agents for revalidation of their Dividend Warrants or submit their claim to the Company immediately quoting their folio numbers etc. As per the amended provisions, once the amount of unclaimed dividend is transferred to the said Fund, no claim shall lie against the said Fund or the Company. The Company has already transferred the unclaimed dividend for the year ended 31<sup>st</sup> March, 1996 to IEPF.
- (e) Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in Physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
- (f) As per the provisions of the Companies Act, 1956 facility for making nominations is available for Members, Debenture holders and Fixed Deposit holders in respect of the Shares, Debentures and Deposits held by them. The members may take advantage of this amendment.
- (g) The information or details pertaining to the Director retiring by rotation and being eligible for re-appointment at the ensuing Annual General Meeting are furnished in the Corporate Governance Section which forms part of this Annual Report.

Mumbai, July 30, 2004  
Registered Office:  
Laxmi Building, 4th Floor  
6, Shoorji Vallabhdas Marg  
Ballard Estate  
Mumbai 400 001.

By Order of the Board  
For Cable Corporation of India Limited

A. T. Khemchandani  
Company Secretary

# Directors' Report

Your Directors present the Forty - Seventh Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2004.

## PROFIT / LOSS AND APPROPRIATIONS

	(Rs. in lakhs)	
	Current Year (12 months)	Previous Year (6 months)
Profit / (Loss) after Extraordinary items & before Tax	(356.12)	468.24
Less: Deferred Tax Adjustment	846.00	1104.42
Add : Excess/(Short) provision of Income Tax of earlier years	(7.07)	18.50
Add: Income Tax refund of earlier years	152.04	—
Profit / (Loss) for the year	(1057.15)	(617.68)
Balance brought forward from previous year	(617.68)	—
Balance carried to Balance Sheet	(1674.83)	(617.68)

## OPERATIONS

During the year under review, the non-availability of adequate working capital facilities affected the turnover and the performance of your Company. The efforts of the Company to inject long term funds from the sale of its surplus land at Borivli, also did not materialise in view of the non-release of the charge by IDBI / UTI. State Bank of India has initiated the financial restructuring through the CDR Cell, which is in the final stages of completion.

## DIVIDEND

In view of the loss from operations, your Directors do not recommend any dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2004.

## CURRENT YEAR'S OUTLOOK AND FUTURE PROSPECTS

In view of the reforms in the power sector initiated by the Government, there is an increase in demand for Power Cables. The Company has a healthy order book position which will translate in improved performance, both in terms of turnover & profitability. The Company has also tied up finance for executing Turnkey Contracts for EHV cables.

## ISSUE OF EQUITY SHARES

The Company has in two tranches, during the year ending on 31-3-2004 and shortly thereafter, allotted 28,16,550 Equity Shares consequent upon exercise of right attached to the detachable Warrants issued alongwith 16% Secured Redeemable Partly Convertible Debentures of Rs.140/- each vide Prospectus dated 17<sup>th</sup> January, 1996.

## INDUSTRIAL RELATIONS

The Industrial relations at both the Units viz. Borivali and Nashik have been generally peaceful.

## FIXED DEPOSITS

The Company is generally complying with the repayment of instalments of Fixed Deposits, except delay in some cases.

## DIRECTORS

Mrs. N. B. Pasta retires by rotation and being eligible, offers herself for re-appointment.

## TRADING IN SECURITIES

The trading in the equity shares of the Company continues to be suspended at the Mumbai Stock Exchange. The Company is making efforts to obtain Stock Exchange approval for recommencement of trading during the current year.

## DELISTING

In accordance with the approval granted by the shareholders, the Company applied for delisting of its securities from the Stock Exchanges at Ahmedabad and Delhi. The Delhi Stock Exchange has informed that it will consider the delisting request of the Company only after the re-commencement of trading in the securities of the Company on the Bombay Stock Exchange.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of

affairs of the Company at the end of the financial year and of the loss of the Company for that year;

- that they 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 for preventing and detecting fraud and other irregularities;

- that they have prepared the annual accounts on a going concern basis.

## CORPORATE GOVERNANCE

Management Discussion and Analysis Report as required under the Listing Agreement with the Stock Exchanges and forming part of this Report is annexed.

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's auditors regarding compliance of conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement is annexed thereto.

## AUDITORS

M/s. Sorab S Engineer & Co., Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

## OTHER INFORMATION

There are no employees drawing the remuneration as prescribed under



Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

Information as per 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 and forming part of this Report is annexed.

### AUDITORS' REPORT

The Notes to the Accounts referred to in the Auditors' Report are self-

explanatory and therefore do not call for any further comments.

### ACKNOWLEDGEMENTS

Your Directors desire to record their sincere appreciation of the efforts put in by all the officers and other loyal employees of the Company.

The Directors take this opportunity to thank the Financial Institutions, Solicitors, Debenture Trustees and the Company's Bankers for their invaluable guidance and support.

The Directors also convey their gratitude to all the Shareholders, Debenture-

holders, Warrantholders and Fixed Deposit holders for their continued support, especially in what has been another difficult year for the Company.

On behalf of the Board of Directors

**MRS. N.H. KHATAU**  
Chairperson

Mumbai,  
Dated : 30th July, 2004

## Annexure to Directors' Report

Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

### A. CONSERVATION OF ENERGY

- (a) Energy conservation measures taken :
  - Use of capacitors to keep power factor above 0.94 resulting in saving in power cost.
  - Maximum demand reduction to save on energy cost.
  - Load rationalisation to reduce fuel cost in Boilers.
- (b) Additional investment and proposal :
  - Use of baby boilers for specific processes.
- (c) Impact of various measures on cost of production:
  - Energy conservation measures implemented had marginal effect on overall energy bills and cost of production.
- (d) Total energy consumption and energy consumption per unit of production as per form 'A' of the annexure in respect of industries specified in the schedule : The requirement of giving details under this sub-head does not apply to the Company.

### B. TECHNICAL ABSORPTION

- (e) Efforts made in technology absorption as per form 'B' are as under :  
Form for Disclosure of Particulars with respect to absorption :  
Research & Development (R&D) :
- (i) Specific areas in which R&D is carried out by the Company :  
Research and Development activities in areas of Cable Technology, analytical research and product development are being carried out by the Company.
- (ii) Benefits derived as a result of the above R&D :
  - Development of various cables catering to specific requirements for Naval and mining operations.
  - Rationalisation in process technology related to extrusion and cross linking process.
  - Development of tooling for insulation and sheathing for EHV Cables.
- (iii) Future plan of action :
  - In future, R&D activities will be directed in reducing the material cost of cables.
- (iv) Expenditure on R&D :
 

	(Rs.'000)
(a) Capital :	1493
(b) Recurring :	1493
(c) Total :	0.22 %
(d) Total R&D expenditure as a percentage of the total turnover:	

#### Technology Absorption, Adaptation and Innovation :

- (i) Efforts, in brief made towards technology absorption, adaptation and innovation.
- (ii) Benefits derived as a result of the above.

#### Efforts / Projects

##### Development Related:

- (i) Development of various cables catering to specific requirements for naval and mining operations.
- (ii) Rationalisation in process technology related to extrusion and cross linking process.
- (iii) Development of curative system to suit specific application and process.

##### Manufacturing Related:

Development of Tooling for sheathing and Insulation for an order received from M/s.BHEL for 1200 sq. mm. 230 KV.

##### Energy Savings:

Use of capacitors at Nashik works has ensured that power factor is kept above 0.94 which has resulted in savings in electricity bills.

In case of imported technology ( imported during the last 5 years reckoned from the beginning of the financial year ) :

#### Benefits Derived

Product Development

Process Technology

Product Development

Product Development

Decreased Power Cost

Not applicable

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The company continues to explore new avenues for export of its cables. Information with regard to foreign exchange earnings and outgo is contained in the notes to the accounts, under Schedule 9, Items 13 and 12, respectively.

# Management Discussion and Analysis

## 1. Overall Review

The Company is engaged in the business of manufacture and sale of Power Cables, Projects for laying cables and turnkey solutions and trading products.

## 2. Industry Structure and Development

The period under review continued to be difficult for the Power Cable Industry. The new Electricity Act, 2003 along with the Accelerated Power Development & Reforms Program (APDRP) is likely to hasten the pace of reforms in the power sector in terms of power generation and modernization of power distribution network in the country. The reforms in the Transmission & Distribution sector has resulted in large enquiries in the EHV segment. The industrial recovery, infrastructure investments and the setting up of new projects along with the capacity addition in the core sectors augurs well for the demand of power cables.

## 3. Opportunities & Threats

The provision of Electricity Act, 2003 enables Power Generating companies to sell directly to the consumers and has even allowed trading of power, which would enable investments to grow phenomenally. The government has set a target of "Power for all by 2012", which would require additional 1,00,000 mw power. This will help boost the demand for power cables.

The industry continues to face competition from cheaper imports due to a severe reduction in customs duty from 25% to 10% on import of capital goods for power projects. Effective taxes on domestic production continues to be higher leading to an uneven playing field. The large installed capacity in India, especially in low voltage segment, also poses a threat.

## 4. Outlook

The demand for power cables is looking up. The company is in the final stage of restructuring its debts and injecting long-term working capital to enable it to meet the increase in demand for power cables.

The company is well poised to take advantage of executing turnkey projects for EHV cables in a large measure.

## 5. Risks and Concerns

The unorganized sector has a strong presence in power cable industry. These manufacturers pose severe competition. The increasing trend in the prices of major raw material like aluminum, copper, steel wire and XLPE compound is a cause for concern. The delay in financial restructuring or slow down of reforms in the power sector will also affect the Company's performance.

## 6. Adequacy of Internal Controls

The Company has an appropriate system of internal controls to ensure all assets are safeguarded and protected and the transactions are authorised, recorded and reported correctly. The internal control system is under review by management, with proper guidelines and procedures to strengthen them further.

## 7. Quality

The Company's Quality Policy is to sustain and enhance company's reputation for product quality at competitive prices in national and international markets and to meet customer's expectations.

The Company's brand image is perceived to be the leader in the Power Cable industry.

The Company is in process of upgrading its quality management system to ISO 9001:2000.

## 8. Financial Performance with respect to Operational Performance

The Company has posted a loss after extra ordinary items & before Tax of Rs. 3.56 crores. The Company also booked surplus on conversion of land into stock in trade of Rs. 21.25 crores, since the Memorandum of Intent for grant of Development Rights had been entered into with a buyer. The operational performance resulted in a loss of Rs. 23.78 crores during the year. Capacity utilization has been poor due to severe shortage of working capital during the year.

There are no materially significant related party transactions entered into by the Company with its promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

## 9. Development in Human Resources / Industrial Relations

The Human Resources management and training is given due importance in the Company.

Industrial relations at both Borivili and Nashik Unit have been generally satisfactory.

## 10. Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors.



# Report on Corporate Governance

## 1. Company's Philosophy on Code of Governance

The philosophy of the Company is to enhance the long term economic value of the Company, its shareholders, customers and the society at large by adopting better corporate practices in fair and transparent manner.

## 2. Board of Directors

### a) Composition of the Board as on 31<sup>st</sup> March, 2004.

The Board of Directors comprises of Five Directors. Apart from the Whole-time Director, all the other four Directors are Non- Executive Directors of which three are independent Directors. The number of independent Directors is more than one-third of total strength of the Board. IDBI and UTI have each nominated one Director on the Board.

### b) During the period under review, five Board Meetings were held – on 30<sup>th</sup> June, 2003, 31<sup>st</sup> July, 2003, 31<sup>st</sup> October, 2003, 10<sup>th</sup> December, 2003, and 2<sup>nd</sup> February, 2004.

The time gap between any two consecutive meetings is not more than 4 months. The last Annual General Meeting was held on 27<sup>th</sup> September, 2003.

Attendance of each Director at the Board Meetings and the last Annual General Meeting :

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM
Mrs. N. H. Khatau	Chairperson - NED Not Independent	4	YES
Mr. A. S. Supanekar	NED/ Independent – Nominee of UTI	4	NO
Mr. S. K. Pai	NED/ Independent - Nominee of IDBI	4	NO
Mr. G. D. Bhingarkar	Executive WTD/ Not Independent	4	YES
Mrs. N.B. Pasta	NED/Independent	5	YES

NED - Non-Executive Director

WTD - Wholtime Director

Number of other Directorships and Chairmanship / Memberships of Committees of each Director

Name of Director	No. of Directorships in other Boards*	Committee Positions	
		Member	Chairman
Mrs. N.H. Khatau	Nil	Nil	Nil
Mr. A.S. Supanekar	5	Nil	Nil
Mr. S.K. Pai	1	1	Nil
Mr. G.D. Bhingarkar	Nil	Nil	Nil
Mrs. N. B. Pasta	1	Nil	Nil

\* Directorships in Private Companies are excluded.

As required by the Companies Act, 1956 and Clause 49 of the Listing Agreement, none of the Directors hold directorships in more than 15 public companies, memberships of Board Committees ( Audit / Shareholders Grievance and Remuneration Committees) in excess of 10 and Chairmanship of Board Committees as aforesaid in excess of 5.

### c. Brief Resume and other information in respect of the Director seeking re- appointment at the ensuing Annual General Meeting.

Mrs. N.B. Pasta, aged about 52 years, is a Commerce graduate and a Chartered Accountant. She joined the Board of Directors of the Company in May, 2002. She has over 21 years of experience in the field of finance and taxation matters. She is a Director of Khatau Exim Ltd., a public limited Company.

## 3. Committees

### I. Audit Committee

The Audit Committee re-constituted with effect from 16<sup>th</sup> July, 2003 comprises of Mrs. N.B. Pasta (Non Executive Independent Director), Mr. A.S. Supanekar (Non Executive Independent Director) and Mrs. N. H. Khatau (Non Executive Director). The terms of reference of the Audit Committee are as stipulated in Clause 49 of the Listing Agreement and under Section 292 A of the Companies Act, 1956. During the period under review, two Audit Committee Meetings were held i.e. on 31<sup>st</sup> July, 2003 and 2<sup>nd</sup> February, 2004.

### II. Shareholders Grievances and Transfer Committee

1) The Shareholders Grievances and Transfer Committee comprises of Mrs. N. H. Khatau as Chairperson and Mr. G. D. Bhingarkar as a member. The Committee approves the share transfers, transmissions and issue of duplicate share certificates and also reviews the overall complaints received from investors. During the period under review, 263 complaints were received from the shareholders / debentureholders and out of that none were pending for redressal as certified by M/s Intime Spectrum Registry Ltd., the Registrar & Transfer Agents of the Company.

2) Compliance Officer : Mr. A. T. Khemchandani, Company Secretary.

### III. Remuneration Committee

The Remuneration Committee comprising of all independent Non-Executive Directors, viz. Mrs. N. B. Pasta, (Chairperson), Mr. A. S. Supanekar and Mr. S. K. Pai was constituted on 21<sup>st</sup> April, 2004.

Presently the Company does not pay any remuneration to Non-Executive Directors other than sitting fees of Rs.5000/- for attending each Meeting of the Board / Committee.

#### Remuneration to Directors

Name	Salary & allowances	Contribution to P.F./ Super-annuation	Perquisites	In Rupees	
				Sitting Fees	Total
Mr. G. D.Bhingarkar **	8,85,779	60,990	1,24,705	—	10,71,474
Mrs. N. H. Khatau	—	—	—	30,000	30,000
Mr. A. S. Supanekar	—	—	—	35,000	35,000
Mr. S. K. Pai *	—	—	—	20,000	20,000
Mrs. N.B. Pasta	—	—	—	40,000	40,000

\* Sitting fees are directly paid to IDBI, being nominee of IDBI.

\*\* Subject to the approval of the Central Government.

The Notice period for termination of the appointment of Whole- time Director by either side is three months or the Company paying three months salary in lieu of notice.

#### IV. Asset Sale Committee

The Asset Sale Committee comprises of Mrs. N.H. Khatau, Mrs. N. B. Pasta and Mr. A S. Supanekar. The Committee was formed to advise and recommend to the Board the proposals for commercial development of the Company's property and also to monitor the progress of the projects entrusted to the developers as approved by the Board.

#### V Share Allotment Committee - Warrant Conversion

The Board of Directors of the Company constituted the 'Share Allotment Committee - Warrant Conversion' comprising of Mrs. N. B. Pasta (Chairperson) and Mr. A. S. Supanekar. The Committee met twice i.e. on 30<sup>th</sup> March, 2004 and 5<sup>th</sup> April, 2004 for the purpose of allotment of equity shares to the Warrant holders who exercised their right for allotment of equity shares.

#### Means of Communication

Quarterly and Annual results are published in one English daily newspaper (Free Press Journal) and one Marathi newspaper (Navshakti) published from Mumbai. So far, the Company has not displayed the results on its website. During the period under review, the Company has not made any presentation to the institutional investors or analysts.

Management Discussion and Analysis is a part of the annual report.

#### General Body Meetings

The details of the Annual General Meetings (AGM) held in the last three years are as under:

AGM	Date of AGM	Relevant financial year	Time of Meeting	Venue
44 <sup>th</sup>	6 <sup>th</sup> March, 2002	2000-2001 (18 months)	12.15 p.m.	Sir Sitaram and Lady Shantabai Patkar Convocation Hall of S.N.D.T. Womens University, 1 Nathibai Thackersey Road, Mumbai - 400 020
45 <sup>th</sup>	13 <sup>th</sup> March, 2003	2001-2002	12.15 p.m.	Sir Sitaram and Lady Shantabai Patkar Convocation Hall of S.N.D.T. Womens University, 1 Nathibai Thackersey Road, Mumbai -400 020
46 <sup>th</sup>	27 <sup>th</sup> September, 2003	2002-2003 (6 months)	11.15 a.m.	Sheth Goculdas Tejpal Auditorium, Tejpal Road, August Kranti Marg, Mumbai -400 007

No special resolutions were put through Postal Ballot last year.

#### Disclosures

A. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

The Board has received disclosures from Directors and key managerial personnel relating to material financial and commercial transactions where they and / or their relatives have personal interest and have ascertained that there are no materially significant related party transactions which have potential conflict with the interests of the Company at large.

B. During the last three years no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on matters related to capital markets except that the trading in the securities of the Company has been suspended by BSE (w.e.f. 24-12-2001) and Delhi Stock Exchange ( w.e.f. 6-5-2002).

#### General Shareholder Information

Annual General Meeting Date, Time and Venue	25 <sup>th</sup> September, 2004 at 11.30 a.m. at Sheth Goculdas Tejpal Auditorium, Tejpal Road, August Kranti Marg, Mumbai - 400 007
Financial Calendar (Tentative)	Results for the quarter ending: June 30, 2004 - last week of July, 2004 September 30, 2004 - last week of October, 2004 December 31, 2004 - last week of January, 2005 Results for the year ending: March 31, 2005 - June 2005 Annual General Meeting - September, 2005
Date of Book Closure	14th September, 2004 to 25th September, 2004 (both days inclusive)
Dividend Payment date	Not Applicable
Listing on Stock Exchanges	The Stock Exchanges at Mumbai, Delhi and Ahmedabad.