Chemfab Alkalis Limited

BOARD OF DIRECTORS

Dr C H Krishnamurthi Rao - Chairman
Mr Suresh Krishnamurthi Rao - Vice Chairman
Mr C S Ramesh
Mr T Ramabadhran
Mr J Venkataraman
Mr N Ganga Ram

VICE PRESIDENT - FINANCE

Mr Nitin S Cowlagi

COMPANY SECRETARY

Mr K Mohamed Ibrahim

AUDITORS

M/s Deloitte Haskins & Sells
ASV N Ramana Tower, 52, Venkatnarayana Road,
T.Nagar, Chennai-600 017

BANKERS TO THE COMPANY

State Bank of India
The Lakshmi Vilas Bank Limited
AXIS Bank Limited
Bank of Baroda

REGISTERED OFFICE

'Team House',GST Salai,Vandalur,Chennai-600 048.
Phone : 0091-44-22750323 / 24, Fax : 0091-44-22750860
Email : chemfabalkalis@drraoholdings.com
website : www.chemfabalkalis.com

FACTORY

Chlor-Alkali Division
'Gnanananda Place', Kalapet, Puducherry 605 014
Phone : 0091-413-2655111, Fax : 0091-413-2655125
E-mail : chemfabalkalis@drraoholdings.com

Salt Division

Kanthadu Village, Tindivanam Taluk, Villupuram District

Chennai Marketing Office
1st Floor, Majestic Towers, Old No.1-A, New No.101,
HD Raja Street, Eldams Road, Chennai-600 018
Phone : 0091-44-42031444, Fax : 0091-44 24347959
Email: chemfabmktg@drraoholdings.com

Membrane Hitec Division
'Team House', GST Salai, Vandalur, Chennai-600 048.
Phone : 0091-44 22750323, Fax: 0091-44-22750860
Email: membrane@drraoholdings.com

Dr Rao Holdings Pte Ltd
371 Beach Road, #22-07 Key Point, Singapore 199 597
Phone: 0065-67745994, Fax : 0065-67745997
Email: drhkrao@pacific.net.sg

CHAIRMAN'S STATEMENT - 2009-10

For the first time in its 25-year old history, CHEMFAB is presenting Chairman's Statement only in the Company website. This is an eco-friendly and cost-saving initiative.

Resilient Economy

The Indian Economy has shown remarkable resilience and has almost bounced back from the after-effects of the recent global melt-down. The Finance Minister has stated in his Budget that GDP growth for 2009-10 is estimated at 7.2% and higher. The manufacturing sector has grown 18.5% in December 2009 which is the highest to be recorded in two decades. This is not to say that there are no concerns: annual inflation has climbed to a high of 9.8% in February 2010 and food inflation at 18.5% is worrisome. It is hoped that the Central Government and the Reserve Bank of India will address these concerns most effectively.

Chlor-Alkali Industry

The performance of the Chlor-Alkali industry to which your Company belongs is dependent upon the following.

a. Consistent power supply from grid by Puducherry Government

b. Reasonable power tariff.

In the year alone, there is an increase by nearly 40 paise per unit - a steep 14% hike - meaning increase in the direct cost resulting in a clean loss of more than Rs. 4 crores annually, at the present level of operations.

c. Good domestic market.

The dumping of imported products makes it a tough market.

Company Performance

The set-back in the profitability of the Company is mainly due to the power problems faced by it during the first three quarters of the year under review. The extent of power supplied by the Puducherry Electricity Department was totally inadequate in relation to the Company's requirements and the quality of power was also far from satisfactory, leading to significant production loss. But it improved in last quarter and hope will sustain, due to the efforts of local Government in trying to get more Central allotments.

Possible gas supplies in future is another hope, our proposal of Power plant is cleared by the Government.

During the year, the Company had to take the painful decision to close down its Chlorates Division as it could not operate the Division at economic levels for want of requisite power as also due to labour non-cooperation.

In light of the above, your Company is planning various steps to strengthen our marketing set-up and efforts and also closely review and monitor operational costs under various heads with a view to bringing about as much economy as possible, by implementing innovations and cutting costs.

Results

You would note in spite of problems, your Company has made a reasonable profit and wiped out all debts to the Banks.

IT demand

During the year, the Company has received the demand from the Income Tax Department amounting to Rs.211 Lakhs. This demand is due to reopening of the assessment years 2004-05, 2005-06, 2006-07, which were already assessed and tax paid. The Department on reopening the assessments, disallowed the expenditure which are purely revenue in nature, incurred on replacement of membranes, recoating charges and other attendant expenses on these two areas. Earlier, the Department had accepted the company's stand and issued original order allowing this expenditure as revenue expenditure, but based on the revenue audit, they have reopened the assessment and had made this demand. The assessment for the year 2007-08, was also done by the Income tax department, on the same basis.

It is a Chlor-industry practice to treat the expenditure on replacement of membranes and recoating charges of anodes as capital expenditure, but for the income tax purpose, it is charged as revenue expenditure which is also well recognized under the statute. Your company, for the past 6 years, has been following the method of capitalizing this expenditure for the accounting purpose and writing-off of the entire expenditure incurred on these two areas for the income tax purpose.

Treating expenditure on replacement of membrane and recoating of anodes / cathodes as revenue expenditure are on the basis that these replacement / refurbishment expenditure lasts only for a limited period of 4 or 5 years and have to be necessarily replaced / refurbished, on a continuous basis. Therefore, we are advised, the Department's contention is not right in disallowing this as revenue expenditure and treating them as capital expenditure.

The Company is taking appropriate measures to take this on appeal; however, in the mean time, I would like to draw the attention of the Government and The Ministry of Finance

a. to come out with a clear guideline to the Department, to avoid long drawn litigations between the department and the companies.

b. consistent policy to be followed by all IT offices in the country; so all in the same industry are treated alike.

c. There should be a single decision authority above which no appeal should be entertained, and decision to be awarded within a reasonable time bound limit, so the Government gets it revenues on time and Industry do not lose time in legal battle and end up with huge interest and penalty payments and un-necessary contingent liabilities hanging around.

Dividend

As you are aware, the Company declared 100% dividend for the year ended 31st March 2007. Thereafter, dividend for the subsequent two years, 2007-08 and 2008-09 was deferred as it was considered more desirable to conserve resources and utilize them for bringing down working capital drawings and thereby interest costs, which was achieved.

The Company was established in 1985 and the year ended 31st March 2010 marks its Silver Jubilee Year. This is a significant milestone in the annals of the Company. In this context, I am happy to announce that, subject to your approval, the Company proposes to pay a dividend of 50% for the Silver Jubilee Year.

Expansion

The Company's present installed capacity of Caustic Soda is 42,000 MT per annum and of Chlorine (co-product) is 37,000 MT per annum. We have planned expansion of the Caustic Soda capacity to 70,000 MT per annum (corresponding to 200 TPD) and of Chlorine to 61,600 MT per annum. The environmental clearance for the proposed capacity enhancements has been obtained from the Ministry of Environment and Forests, New Delhi, in August 2007. However, we are yet to get NOC from the Puducherry Government for undertaking the proposed capacity expansion and also for setting up (i) a captive 25 MW power plant and (ii) a 1000 m3/day desalination plant. Our request for the NOC is pending with the Puducherry Government for over 4 long years now. Your Company has appealed for quicker approval of the NOC to Puducherry Government which is under consideration.

The future of the Company largely depends upon getting adequate power supply from the Electricity Department for the present operations as well as for the expansion of capacities as planned. We are determined to succeed in this regard and we will pursue the matter with Government more vigorously and hope that Government will clear our proposals once they realize the extent to which benefits will accrue to the Union Territory. **With the Union Ministry of Environment and Forests, coming out with new norms for environmental clearances, we hope the Puducherry Government, will clear our proposals for expansion and Power Plant, quickly without delay.**

Acknowledgements

I wish to record my deep appreciation of the support received from the Governmental agencies, banks, institutions, our customers, associates and of the confidence reposed in the Company by its shareholders. I must also acknowledge the dedicated work put in by CALmates at all levels.

Place : Chennai — Dr. C.H.Krishnamurthi Rao
Date : 7th April 2010 — Chairman

CHEMFAB ALKALIS LIMITED

(Regd. Office: 'Team House', GST Salai, Vandalur, Chennai - 600 048.)

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Members of the Company will be held on Friday, the 7th May, 2010 at 8.30 AM at the Registered Office of the Company at 'Team House', GST Salai, Vandalur, Chennai - 600 048 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares
3. To appoint a Director in the place of Mr. Suresh Krishnamurthi Rao, who retires by rotation and being eligible, offers himself for re-appointment
4. To appoint a Director in the place of Mr. C S Ramesh, who retires by rotation and being eligible, offers himself for re-appointment
5. To appoint Auditors and to fix their remuneration, and in this regard, to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the retiring Auditors, M/s Deloitte Haskins & Sells be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors."

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT Mr. N Ganga Ram be and is hereby appointed as a Director of the Company liable to retire by rotation."

By Order of the Board of Directors

Place: Chennai — K.Mohamed Ibrahim

Date : 7th April 2010 — Company Secretary

Notes :

1. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Annual General Meeting, is annexed.
2. A MEMBER OF THE COMPANY, WHO IS 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.
3. Instrument of Proxies, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the time fixed for holding the Annual General Meeting. A Form of Proxy is enclosed.
4. In terms of Article 33(f) of the Articles of Association of the Company. Mr. Suresh Krishnamurthi Rao and Mr. C.S. Ramesh, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Brief resume of these Directors, nature of their expertise in specific functional areas and names of the companies in which they hold directorship and membership of Board Committees as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges are given in the Report on Corporate Governance.
5. Members are requested to produce the Attendance Slip, sent along with the Annual Report, duly signed as per the specimen signature recorded with the Company for admission to the Meeting.
6. Members, who hold shares in dematerialised form, are requested to bring their Client ID and DP ID Nos. for easier verification of attendance at the Meeting.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from 1st May, 2010 to 7th May, 2010 (both days inclusive) for determining the names of the Members eligible for dividend on Equity Shares, if declared at the Meeting.
8. Members holding shares in physical form are requested to intimate immediately, changes, if any, in their registered addresses, Bank Mandate and Status, quoting their Folio Numbers, to the Share Transfer Agents of the Company, M/s Cameo Corporate ServicesLimited, "Subramanian Building", No.1, Club House Road, Chennai - 600002
9. Members holding shares in physical form, in their own interest, are advised to dematerialize the shares to avail of the benefits of electronic holding/trading.
10. Members are requested to note that any dividend which remains unencashed for a period of Seven years will get transferred to Investors Education and Protection Fund in terms of section 205C of the Companies Act, 1956
11. Members who have not encashed their dividend warrants declared for the year ended 31st March 2003 and for any financial year thereafter may contact the Company immediately for revalidation of their dividend warrants.

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

ITEM NO. 6

Mr. N Ganga Ram was co-opted as an Additional Director of the Company with effect from the 4th July, 2009. In accordance with the provisions of Section 260 of the Companies Act, 1956, Mr. N Ganga Ram would vacate his office on the date of the ensuing Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose the appointment of Mr. N Ganga Ram as a Director of the Company at this Annual General Meeting.

Mr. N Ganga Ram has wide experience in banking and corporate finance. He has been on the Boards of several companies and it will be in the interest of the Company to appoint him as a Director. Accordingly, the Ordinary Resolution under Item No.6 of the Notice is submitted for the approval of the Members.

None of the Directors of the Company, except Mr. N Ganga Ram, is concerned or interested in the Resolution.

By Order of the Board of Directors

Place: Chennai — K.Mohamed Ibrahim

Date: 7th April 2010 — Company Secretary

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Seventh Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

Particulars	Current Year 31-03-2010 Rs. in lakhs	Previous Year 31-03-2009 Rs. in lakhs
Profit before Interest and Depreciation	1,886	2,201
Less: Interest	33	88
Profit Before Depreciation	1,853	2,113
Less: Depreciation	797	917
Profits before Tax	1,056	1,196
Tax	402	280
Deferred Tax Liability	- 68	132
Net Profits after Tax	722	784
Balance brought forward from previous year	4,627	3,843
Balance available for disposal which the Directors appropriate as follows:	5,349	4,627
Proposed Dividend	229	-
Dividend Tax	39	-
General Reserve	75	-
Balance to be carried forward	5,006	4,627

The operations of the Chlorates Division turned unviable due to frequent power problems and labour unrest. Hence, the Chlorates Division had to be closed down permanently from 3rd June 2009. The items of Plant and Machinery of this Division to the extent possible have been relocated to other Divisions of the Company and the remaining assets are being disposed at the best possible price.

The Salt Division produced 64,904 MT of Industrial Grade Salt. The performance of the Membrane Hitec Division and the Health Products Division are satisfactory.

SHIFTING OF THE REGISTERED OFFICE

During the year under review, the Registered Office of the Company was shifted from the Union Territory of Puducherry to the State of Tamilnadu, after obtaining the required confirmation from Chennai Bench of the Company Law Board. With effect from 23rd July, 2009, the Registered Office of the Company is functioning at Team House, GST Salai, Vandalur, Chennai 600048.

DIVIDEND

The year ended 31st March 2010 is the Silver Jubilee Year of the Company. The Directors recommend a dividend of Rs. 2.50 per Equity Share of Rs.5/- each (50 %), absorbing a sum of Rs. 229.29 Lakhs.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings : Rs.73,36,362 /-

Outgo : Rs. 3,99,26,094 /-

POWER AND FUEL CONSUMPTION

PARTICULARS		CURRENT YEAR 31ST MARCH, 2010	PREVIOUS YEAR 31ST MARCH, 2009
ALKALI PRODUCTS	I. ELECTRICITY		
	PURCHASED:		
	- UNITS	9,50,48,600	8,63,78,050
	- TOTAL AMOUNT / Rs. in Lakhs	2,936	2,656
	RATE PER UNIT [GROSS] Rs.	3.09	3/-
	CONSUMPTION PER TONNE OF ELECTROCHEMICAL PRODUCTION - KWH/AC	2,736	2,814
	II. FURNACE OIL		
	[a] PURCHASED:		
	- Quantity [KL]	657	508
	- Total Amount / Rs.in Lakhs	160	117
	- Average Rate per KL / Rs.	24,385	23,084
	[b] CONSUMPTION:		
	- Furnace Oil [KL]	653	498
	- Amount / Rs.in Lakhs	157	116
	- Amount per KL / Rs.	24,037	23,316
CHLORATES	I. ELECTRICITY		
	PURCHASED:		
	- Units	58,070	87,54,286
	- Total Amount / Rs.in Lakhs	14	260
	Rate / Unit [Gross] Rs.	N.A.	2.97
	Consumption per Tonne of Sodium Chlorate Production KWH/AC	N.A.	5,988
	II. HUSK		
	[a] PURCHASED:		
	- Quantity [MT]	-	1,411
	- Total Amount / Rs.in Lakhs	-	29
	Average rate per MT/ Rs.	-	2,085
	[b] CONSUMPTION:		
	- Husk [MT]	-	1,401
	- Amount / Rs.in Lakhs	-	29
	- Amount per MT / Rs.	-	2,084

FIXED DEPOSITS

The Company has not accepted any deposits from the public.

DIRECTORS

The following Directors retire by rotation at the ensuing Annual General Meeting.

1. Mr. Suresh Krishnamurthi Rao
2. Mr. C S Ramesh

Your Directors co-opted Mr. N Ganga Ram as an Additional Director on the 4th July, 2009. Under the provisions of Section 260 of the Companies Act, 1956, Mr. N Ganga Ram would vacate his Office at the ensuing Annual General Meeting. However, a Notice under Section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose the appointment of Mr. N Ganga Ram as a Director of the Company at the Annual General Meeting.

Mr. Umaid Singh Baid, Director of the Company attained heavenly abode, on 26th May, 2009 in his home city of Kolkatta. The Chairman, during the Board Meeting held on 4th July 2009, referred to the sad demise of Mr. Baid and observed that Mr. Baid was appointed as a Director in April 2008 and during the short span of one year as Director, Mr. Baid had made significant contribution towards the Company's growth. The Board placed on record, its sincere gratitude to Mr. Baid.

AUDITORS

The present Auditors of the Company, M/s. Deloitte Haskins & Sells, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

COST AUDITOR

The Company has re-appointed Mr. V Kalyanaraman, Cost Accountant, as the Cost Auditor of the Company for the year 2010-11, subject to the approval of the Central Government.

PERSONNEL

The Company has no employees, attracting the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

The Board of Directors wishes to express its appreciation of the contribution made by the employees at all levels to the operations of the Company during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 [2AA] of the Companies Act, 1956, the Board of Directors hereby confirm -

(i) that the Annual Accounts had been prepared in line with the accounting standards and proper explanations have been given wherever there has been material departures.

(ii) that 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 the affairs of the Company at the end of the Financial Year and of the Profit of the Company for the year.

(iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) that the Directors had prepared the Annual Accounts on a going concern basis.

RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND CONSERVATION OF ENERGY

CAL R & D: The Company has an in-house Research Development Department, where the main areas of focus are, Energy Conservation, Process Upgradation and Environmental Preservation. The recognition of the Company's in-house R & D facilities by the Ministry of Science and Technology, Department of Scientific and Industrial Research, Government of India, is valid up to 31.03.2010. The application for renewal has already been made.

CAL has a sophisticated laboratory qualified by DuPont, USA for the analysis of chlorakali brine. Brine from various chloralkali industry in India are being analysed at CAL- QA Laboratory.

The Membrane Hitec Division is carrying out the research activities to provide innovative and eco-friendly solutions to industrial and domestic customers' requirements of water and effluent treatment.

CORPORATE GOVERNANCE

The Company has been scrupulously following the Corporate Governance norms prescribed by the Securities and Exchange Board of India [SEBI]. The Report on the status of the Compliance of Corporate Governance Guidelines of SEBI, is enclosed as an Annexure to this Report.

SECRETARIAL COMPLIANCE CERTIFICATE

The Compliance Certificate issued by a Practicing Company Secretary is attached.

INDUSTRIAL RELATIONS

Overall, industrial relations at the Chlor Alkali Division remained cordial during the year under review.

Consequent to the closure of the Chlorates Division, the final dues of the workers of the Division along with the compensation, were fully paid.

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao	C S Ramesh
Director	Director

Place : Chennai
Date : 7th April, 2010

K.Rajagopalan
Company Secretary
FCS No.1622
CP No.3812

Plot No.2,
Shah Avenue Extension I
Rajakilpakkam,
Chennai - 600 073

Registration Number
of the Company : 18-72409 (CIN L24297TN1983PLC072409)
Nominal Capital : Rs.21,14,00,000
Paid up Capital : Rs. 4,58,58,485

COMPLIANCE CERTIFICATE

To
The Members of
Chemfab Alkalis Limited
Chennai -600 048.

I have examined the Registers, Records, Books and Papers of Chemfab Alkalis Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31st March, 2010.

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its Officers and Agents, I certify that in respect of and during the aforesaid Financial Year:

1. The Company has kept and maintained all Registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the Rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the Forms and Returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies, as prescribed under the Act and the Rules made thereunder.
3. The Company, being a Public Company, has the minimum prescribed Paid-up Capital.
4. The Board of Directors duly met 5 (Five) times on 02.04.2009, 04.07.2009, 07.10.2009, 07.01.2010 and 10.03.2010 in respect of which Meetings, proper notices were given and the proceedings were properly recorded and signed, including the Five Circular Resolutions dated 20.04.2009(1), 28.05.2009(2), 23.07.2009(1) and 14.12.2009(1) passed, in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 26.04.2009 to 30.04.2009, both days inclusive and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the Financial Year ended on 31.03.2009 was held on 30.04.2009, after giving due notice to the Members of the Company and the Resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held. However, the Company conducted two Postal Ballots under Section 192A of the Act read with Section 17 and Sections 198, 309(4) and 310 of the Act, the results of which were announced on 30.04.2009 and 03.02.2010, respectively. The Minutes of the events leading to the passsing of the Resolutions through these Postal Ballots have been duly recorded in the Minutes Book.
8. The Company has not advanced any loan(s) to its Directors and/or persons or firms or companies referred to in the Section 295 of the Act.
9. The Company has not entered into any contract pursuant to the provisions of Section 297 of the Act.
10. The Company has made the necessary entries in the Register maintained under Section 301 of the Act, in respect of the transactions attracting the provisions of Section 299 of the Act.
11. The Company did not make any appointments that would attract the provisions of Section 314 of the Act.
12. The duly constituted Committee of the Board of Directors has approved the issue of duplicate Share Certificates.
13. The Company has:
    i. delivered all the Certificates on lodgment thereof for transfer/transmission in accordance with the provisions of the Act. There was no allotment of Shares.
    ii. not declared any Dividend
    iii. transferred the amounts in unpaid/unclaimed dividend account, which have remained unpaid/unclaimed for a period of seven years, to the Investor Education and Protection Fund, as per the provision of the Act;
    iv. duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of Directors, including an Additional Director, has been duly made.
15. The Company is a Board Managed Company and has no Managing Director or Wholetime Director or Manager.
16. The Company has not appointed any Sole-selling Agent.
17. The Company has obtained the necessary approval from the Central Government under Section 233B of the Act, in respect of the appointment of the Cost Auditor. The Company has made an application to the Central Goverment under Section 309(4) of the Act and the approval is still awaited.
18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the Rules made thereunder.

19. The Company has not issued any shares/debentures/other securities.
20. The Company has not bought back any shares.
21. The Company has not issued any Preference Shares or Debentures and hence the question of redeeming them does not arise.
22. There was no need for the Company to keep in abeyance the rights to Dividend, Rights Shares and Bonus Shares pending registration of transfer of shares.
23. The Company has not invited/accepted any Fixed Deposits under the provisions of Sections 58A read with the Companies (Acceptance of Deposits) Rules, 1975.
24. The amounts borrowed by the Company from Banks and others during the Financial Year ended 31st March, 2010, are within the borrowing limits of the Company and that necessary Resolution as per section 293(1)(d) of the Act has been passed in a duly convened General Meeting.
25. The Company has not made any fresh Investment/ Loan or given any Guarantee.
26. The Company has altered the provisions of the Memorandum with respect to the situation of its Registered Office from the Union Territory of Puducherry to the State of Tamil Nadu after obtaining the confirmation from the Southern Regional Bench of the Company Law Board vide its Order dated 21st July, 2009.
27. The Company has not altered the provisions of the Memorandum with respect to its Objects.
28. The Company has not altered the provisions of the Memorandum with respect to its Name.
29. The Company has not altered the provisions of the Memorandum with respect to its Share Capital.
30. The Company has not altered its Articles of Association.
31. No prosecution has been initiated against the Company.
32. The Company has not received any security deposit from its employees that would attract the provisions of Section 417(1) of the Act.
33. Section 418 of the Act, with regard to the remittance of Provident Fund contribution, is not applicable to the Company.

Signature : Sd/-
Name of the Company Secretary : K.Rajagopalan

Place : Chennai
Date : 7th April, 2010.

Annexure A

Registers as maintained by the Company

1. Register of Members under Section 150 of the Act.
2. Register of Directors, etc. under Section 303 of the Act.
3. Register of Directors' Shareholdings under Section 307 of the Act.
4. Minutes Book of the Board Meetings under Section 193 of the Act.
5. Minutes Book of the General Meetings under Section 193 of the Act.
6. Register of Contracts under Section 301 of the Act.
7. Register of Charges under Section 143 of the Act.
8. Register of Investments, Loans and Guarantees under Section 372A of the Act.
9. Register of Share Transfer/Transmission.
10. Register of Duplicate Share Certificates.
11. Register of Investments not held in the name of the Company under Section 49 of the Act.

Signature : Sd/-
Name of the Company Secretary : K.Rajagopalan

Place : Chennai
Date : 7th April, 2010