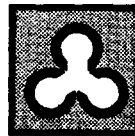


# ANNUAL REPORT

FOR THE YEAR ENDED 31ST MARCH 2007

Report  junction.com



**Group  
Cheviot**

## CHEVIOT COMPANY LIMITED

**CHEVIOT COMPANY LIMITED****CHAIRMAN (EMERITUS)**

B. D. KANORIA

**BOARD OF DIRECTORS**H. V. KANORIA - *Chairman and Managing Director, Chief Executive Officer*

P. K. BHATTACHARJEE

N. NAYAR

S. DHANDHANIA

P. K. KHAITAN

N. K. KEJRIWAL - *Wholetime Director***VICE PRESIDENT,  
CHIEF FINANCIAL OFFICER**

D. K. MOHTA

**COMPANY SECRETARY**

A. K. CHANDAK

Report  junction.com**AUDITORS**

JAIN &amp; CO.

*Chartered Accountants***BANKERS**

STATE BANK OF INDIA

**REGISTERED OFFICE**

24, PARK STREET

MAGMA HOUSE (9TH FLOOR)

KOLKATA - 700 016

**WORKS**

19, MEHTA ROAD, BADEKALINAGAR

BUDGE-BUDGE

24-PARGANAS (SOUTH) - 700 137

WEST BENGAL

**SECTOR II**

FALTA SPECIAL ECONOMIC ZONE

FALTA, 24-PARGANAS (SOUTH) - 743 504

WEST BENGAL

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**CHEVIOT COMPANY LIMITED****NOTICE****TO THE MEMBERS**

Notice is hereby given that the Annual General Meeting of the Members of Cheviot Company Limited will be held at The Sitaram Seksaria Auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017 on Tuesday, the 26th June, 2007 at 11.00 a.m. to transact the following business :

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2007 and the Reports of the Board of Directors and Auditors thereon.
2. To note the Interim Dividend paid for the financial year ended 31st March, 2007.
3. To appoint a Director in place of Mr. S. Dhandhanian, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint M/s Jain & Co., Chartered Accountants, as the Auditors of the Company on a remuneration to be mutually agreed upon with the Board of Directors.
5. To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION :  
 "RESOLVED THAT Mr. P. K. Khaitan, in respect of whom the Company has received Notice in writing, along with a deposit of Rs.500, from a member of the Company proposing him as candidate for the office of Director under the provisions of Section 257 of the Companies Act, 1956 and who is eligible for such appointment, be and is hereby appointed a Director of the Company."
6. To consider and, if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION :  
 "RESOLVED THAT, subject to the provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and subject to such other approvals as may be necessary, the consent of the Company be and is hereby granted to the Board of Directors of the Company to voluntarily delist the Ordinary Shares of the Company from The Calcutta Stock Exchange Association Limited.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things that may be necessary to give effect to the above Special Resolution".

Registered Office :  
 24, Park Street,  
 Magma House, (9th Floor)  
 Kolkata - 700 016  
 Dated : 26th April, 2007

By Order of the Board,  
 CHEVIOT COMPANY LIMITED  
 A. K. CHANDAK  
 Company Secretary

**NOTES:**

1. **The Register of Members and the Share Transfer Register of the Company will remain closed from Friday 22nd June, 2007 to Tuesday 26th June, 2007 (both days inclusive).**
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Proxy in order to be effective, must be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
3. Members are requested to bring the attendance slip along with their copy of Annual Report with them at the meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Dividend which remain unpaid/unclaimed over a period of seven years will have to be transferred by the Company to "Investor Education and Protection Fund" of the Central Government under Sections 205A & 205C of the Companies Act, 1956. Accordingly, all unpaid/unclaimed amounts in respects of dividends paid by the Company for the financial year ended 31st March, 1999 have been transferred to the said fund. Unpaid/unclaimed Interim dividend in respect of financial year ended 31st March, 2000 and dividend for the financial year ended 31st March, 2001 will become due for transfer during May, 2007 and August, 2008 respectively. Shareholders are advised to encash the unpaid dividend warrants before transfer to the above referred Fund. Members shall not be able to claim in respect of their unpaid/unclaimed dividend from the said fund.

## CHEVIOT COMPANY LIMITED

## NOTICE (Contd.)

6. Securities and Exchange Board of India (SEBI) has made it mandatory for all the Companies to use the bank accounts details furnished by the Depositories for distributing dividends through Electronic Clearing Service (ECS) to the investors wherever ECS and bank details are available. Members are advised to avail ECS facility whereby the dividend will be directly credited electronically to their respective Bank Accounts. Members holding the Company's shares in dematerialized mode are requested to provide ECS particulars to their respective Depository Participants, if they have not done so already. Members holding the Company's shares in physical form who have not opted for ECS are requested to provide their ECS particulars in the enclosed '**ECS Mandate Form**' and forward the same duly filled in and signed to the Company's Registrar and Share Transfer Agent at the earliest to avail this facility.
7. Members holding shares in physical form are requested to intimate change in their registered address and bank particulars to the Company's Registrar and Share Transfer Agent and the members holding their shares in electronic form are requested to provide this information to their Depository Participants immediately.
8. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Company at least 10 (Ten) days in advance of the meeting i.e. by 16th June, 2007, so that proper information can be made available at the meeting.
9. Members who hold shares in dematerialized form are requested to bring their Client ID and DP numbers for quick identification while recording attendance at the meeting.
10. Pursuant to the provisions of Section 109A of the Companies Act, 1956, members are entitled to make a nomination and are requested to send their request in Form 2B to the Registrar and Share Transfer Agent.
11. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order or names are requested to send the share certificates to the Company's Registrar and Share Transfer Agents, M/s Maheshwari Datamatics Private Limited, for consolidation into a single folio.
12. Notes on Directors seeking appointment/re-appointment at the ensuing Annual General Meeting :
  - a) Mr. S. Dhandhanian, aged 52 years is a Director of the Company since 05.06.2003. Mr. Dhandhanian is an Industrialist with vast experience and has been associated with several companies. Mr. Dhandhanian also holds directorship of the Board of Directors of the following Companies :  
Other Directorship :  
1. R. D. Tea Ltd., 2. R. D. Fan Ltd., 3. R. D. Estates & Resources Ltd., 4. Rubber Reclaim Co. of India Ltd., 5. Sterlite Projects Ltd., 6. Polar Pharma India Ltd., 7. Dhandhanian Electronics Ltd., 8. Dynaflo Private Ltd., 9. Dhandhanian Brothers Pvt. Ltd., 10. R. D. Plantations Pvt. Ltd.  
Number of Shares held in the Company : Nil
  - b) Mr. P. K. Khaitan, aged 54 years, has been appointed a Director of the Company with effect from 23.09.2006. Mr. Khaitan, by qualification is an Attorney-at-Law and has been practicing as an Advocate since last 27 years. His areas of expertise include commercial & corporate laws, joint venture, foreign collaboration, foreign investment, litigation, arbitration, real estate property etc. Mr. Khaitan also holds directorship and membership of the committee of the Board of Directors of the following Companies :  
Other Directorship :  
1. Rungamatttee Tea & Industries Ltd., 2. Cheviot Agro Industries Ltd., 3. Manjushree Plantations Ltd., 4. Williamson Magor & Co. Ltd., 5. Woodside Parks Ltd., 6. Kilburn Engineering Ltd., 7. Khaitan & Co. Consulting Ltd., 8. Khaitan Consultants Ltd., 9. R.V. Investment & Dealers Ltd., 10. Ramkrishna Forgings Ltd., 11. Power Cell Battery India Ltd., 12. SCM Investment & Trading Company Ltd., 13. Sutej Industries Ltd., 14. Time Leverage Instruments Pvt. Ltd., 15. Dalmia Securities Pvt. Ltd.  
Membership of the Committee of the Board of other Companies :  
1. Manjushree Plantation Ltd., (Audit Committee), 2. Williamson Magor & Co. Ltd., (Audit Committee, Shareholders Grievance Committee & Remuneration Committee).  
Chairman - Shareholders Grievance Committee - Manjushree Plantations Ltd.  
Chairman - Remuneration Committee & Shareholders/Investors Grievance Committee – Kilburn Engineering Ltd.  
Number of Shares held in the Company : Nil
13. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed.

**CHEVIOT COMPANY LIMITED****NOTICE (Contd.)****ANNEXURE TO NOTICE****Explanatory Statement as required under Section 173(2) of the Companies Act, 1956****ITEM No. 5**

Mr. P. K. Khaitan (Mr. Khaitan), who was appointed as an additional Director of the Company effective 23rd September, 2006, holds office up to the date of forthcoming Annual General Meeting of the Company as provided under Article 95 of the Articles of Association of the Company but is eligible for appointment. In terms of Section 257 of the Companies Act, 1956, the Company has received Notice in writing along with a deposit of Rs. 500, from a member signifying his intention to propose the candidature of Mr. Khaitan for the office of Director and Mr. Khaitan has consented to act as such, if appointed.

The Directors recommend the appointment of Mr. Khaitan. Except Mr. Khaitan, no Director of the Company has any interest or concern in the proposed ordinary resolution.

**ITEM No. 6**

The provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 inter alia provide that there shall not be any compulsion for the existing companies to remain listed on any stock exchange merely because it is a regional stock exchange. The companies can de-list from any stock exchange after complying with the said guidelines. It is observed that trading in the ordinary shares of the Company takes place only in the Bombay Stock Exchange Ltd (BSE). There has been no trading for the last two years in The Calcutta Stock Exchange Association Limited (CSEA). With the extensive connectivity of the BSE, the investors have access to dealings in the ordinary shares of the Company across the country. In the light of the above and as a part of cost reduction measures, it is proposed to voluntarily de-list the ordinary shares of the Company from CSEA. The Board of Directors of the Company are of the view that the proposed delisting of ordinary shares of the Company from CSEA will not adversely affect the interest of the investors as the Company's shares will continue to be listed at BSE.

As the aforesaid voluntary delisting from CSEA requires members consent by way of a Special Resolution, the Board recommends passing of the Special Resolution as set out at item no. 6 of the notice.

None of the Directors of the Company is interested in the resolution.

Registered Office :  
24, Park Street,  
Magma House, (9th Floor)  
Kolkata - 700 016  
Dated : 26th April, 2007

By Order of the Board,  
CHEVIOT COMPANY LIMITED  
A. K. CHANDAK  
Company Secretary

**CHEVIOT COMPANY LIMITED****DIRECTORS' REPORT****TO THE MEMBERS**

Your Directors have pleasure in presenting their Annual Report and Audited Accounts of the Company for the year ended 31st March, 2007.

Amount in Rs. Lakhs

**FINANCIAL RESULTS**

Year ended March 31	2007	2006
The working results after charging depreciation show a gross profit of	2665.75	2774.78
From which have been deducted :		
Provision for taxation	443.75	493.00
Provision for deferred tax	(66.17)	(79.96)
Provision for fringe benefit tax	6.60	7.60
Taxation for earlier years (net)	—	(0.98)
Resulting in profit after taxation of	2281.57	2355.12
Balance brought forward from previous year	229.47	217.28
Making a total of	2511.04	2572.40
Which has been appropriated by the Directors as under :		
Interim dividend paid	360.90	—
Proposed dividend	—	300.75
Corporate dividend tax	50.62	42.18
Transfer to General Reserve	1700.00	2000.00
Balance to be carried forward	399.52	229.47
	2511.04	2572.40

**DIVIDEND**

Your Directors consider that the Interim dividend of 80% paid for the year ended 31st March, 2007 is reasonable and therefore do not recommend a final dividend for the year.

**ISSUE OF BONUS SHARES**

During the year under review, the Company issued 15,03,750 Ordinary Shares of the face value of Rs. 10 each as fully paid up Bonus Shares in the proportion of one new ordinary share for every two existing ordinary shares in accordance with resolution passed at the Annual General Meeting held on 8th August, 2006. Accordingly, a sum of Rs. 150.38 lacs has been transferred to Share Capital account on allotment of fully paid bonus shares to the holders of the ordinary shares on the record date of 12th September, 2006 by capitalization of General Reserve Account.

**OPERATIONS**

The production during the year under review was 35,967 M.Tonnes as compared to 41,191 M.Tonnes in the previous year. The loss in production was due to 63 days long industry wide strike from 5th January, 2007 to 8th March, 2007. Consequently, the profitability of the Company was affected due to adverse impact of loss of working. Besides, the bottom line was also affected due to non enhancement in the upper limit of External Market Assistance [EMA] beyond Rs. 20 lakhs per beneficiary per annum for the year 2006-07 as against Rs. 125 lakhs per beneficiary per annum for the previous year.

It is, however, a matter of satisfaction that the drop in profitability as a result of aforesaid loss of working coupled with steep increase in prices of raw jute was largely arrested on account of better sales realization and increase in other income by prudent treasury management which otherwise would have been very sharp. The performance of the Company under the parameters of Sales, profitability and earnings per share during the year under review can be regarded satisfactory as compared to previous year :

	Current year	Previous year
Sales (Rs. in Lakhs)	15496.21	16094.80
Profit after Taxation (Rs. in Lakhs)	2281.57	2355.12
Earnings per share of Rs. 10 each (Rs.)	50.58	52.21



**CHEVIOT COMPANY LIMITED****DIRECTORS' REPORT (Contd.)****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****a) Industry structure and developments**

The year under review witnessed dilution of Jute Packaging Materials (Compulsory use of Packing Commodities) Act, 1987 [JPMA] by the Hon'ble High Court at Gujarat by 25% in sugar and 20% in food grains from 100% in the both the products. Industry has, however, challenged the above dilution, which is sub judice. It is unfortunate that JPMA, which was enacted in the interests of Jute farmer families has become a subject matter of litigation and frequent changes in its policy and direction.

Upward revision in the limits of EMA for the year 2006-07 from the existing Rs. 20 lakhs per beneficiary per annum in respect of items other than foodgrade jute bags and extension of EMA Scheme beyond 31.3.2007 is awaited by the Industry.

We also look forward for increase in limit of the subsidy on yearly basis by the government under Acquisition of Machinery and Plants (Capital Subsidy) Scheme for Jute Industry recently came into effect from 1st March, 2007 under the Mini Mission IV of the Jute Technology Mission.

**b) Opportunities and Threats / Risk and concerns**

Following are the major areas of risks and concerns for the Jute Industry -

- Continuous increase in wage cost on account of upward revision in dearness allowance and non implementation of productivity linked wages ;
- Hardening of Rupee against major foreign currencies causing adverse impact on export earnings;
- Setting up of new jute mills in India with more competitive strength in costs than the existing units in operation;
- Dilution of JPMA and on going litigation creating uncertainty;
- Fierce competition from Bangladesh putting pressure on Indian jute goods in world market;

**c) Segment-wise or product-wise performance**

The Company continues to operate through two business segments namely, a) Jute Goods and b) Captive Power Generation. However, captive power generation is not a reportable segment in terms of the criterion laid down in paragraph 27 of the AS-17 as the results/assets of this segment are not more than the threshold limit of 10% of the total segment results/assets.

The following disclosure under Geographical segment has, however, been considered :

	Current Year [Rs in lakhs]		Previous Year [Rs in lakhs]	
	Within India	Outside India	Within India	Outside India
□ Sales	3723.79	11772.42	4945.27	11149.53
□ Carrying amount of Segment assets	20110.08	—	17841.07	—
□ Capital expenditure	284.80	—	645.86	—

**d) Outlook**

Raw jute situation is showing improvement in the form of declining trend in prices and easy availability. However, Jute Industry is passing through a difficult situation with demand of Jute goods in domestic markets being subdued. On the export front too, there has been pressure on margins due to rupee appreciation against foreign currencies.

In order to overcome such adverse conditions, concerted efforts are being made to control costs in all possible areas. In the prevailing market conditions, the outlook for the current year can be considered satisfactory.

**e) Internal control systems and their adequacy**

There is a proper system of internal control comprising supervision, procedures, policies and internal audit. The Audit committee of the Board review and update the system from time to time and take suitable steps to implement the recommendations of Internal Auditor.

**f) Discussion on financial performance with respect to operational performance**

Financial performance during the year having been affected due to strike, the same is not comparable with that of previous year. The following are the significant areas of financial performance :

- Sale of jute goods was Rs. 15496.21 lakhs during the year as compared to Rs. 16094.80 lakhs during previous year;
- Profit before taxation was Rs. 2665.75 lakhs as against Rs. 2774.78 lakhs in previous year. Decline in profitability was largely due to industry wide strike. The aforesaid profit of previous year, however, includes an amount of Rs. 208.86 lakhs being the income pertaining to earlier year, which accrued during the previous year;

**DIRECTORS' REPORT (Contd.)**

- Interest expenses are lower at Rs.8.05 lakhs during the year as against Rs. 10.55 lakhs in previous year. The reduction in interest cost is mainly due to better financial management;
  - Inventories have increased by Rs. 249.02 lakhs being Rs. 2279.04 lakhs as at 31.3.2007 as against Rs. 2030.02 lakhs as at 31.3.2006. The increase in inventory is partly due to higher inventory of raw material/finished stocks and partly due to higher average rates of stocks;
  - Profit on sale of Investments has contributed to the bottom line by Rs. 261.46 lakhs (net). Surplus cash generated from operations is deployed in mutual funds and shares of other bodies corporate after proper research and expert advice;
  - The Company has invested Rs. 284.79 lakhs in fixed assets during the year from internal generations.
- g) Material developments in Human Resources/Industrial Relations front, including number of people employed
- The Industry wide 63 days long strike as mentioned above was finally settled after protracted discussions by way of execution of tripartite settlement dated 08.03.2007 which inter alia provides to make payment of dearness allowance to the eligible workmen on increased 257 points of consumer price index. Industrial relations were affected during the period of strike.
- The Company continues to impart in house training to the workers employed at new scale of pay to bring all round improvement in their working and knowledge. The Company also continues its various staff welfare schemes. As on 31.03.2007, the Company had 3863 employees on its rolls.
- h) Cautionary statement
- Statement made in this section of the report is based on the prevailing position in the jute industry and market conditions. Actual results might differ from what we perceive with regard to Company's outlook and performance.

**CORPORATE GOVERNANCE DISCLOSURE**

As required under clause 49 of the Listing Agreement with the Stock Exchanges, a detailed report on the Corporate Governance alongwith a certificate from the statutory auditors certifying compliance to the conditions of Corporate Governance by the Company with the Stock Exchanges is set out in the Annexure to this report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, your Directors make the following statement to the best of their knowledge and belief that :

- i. in the preparation of annual accounts, the Company has followed all the applicable accounting standards for the year under review;
- ii. they have made judgements and estimates that are reasonable and prudent and have selected such accounting policies and applied them consistently to give true and fair view of the state of affairs of the Company for the year ended 31st March, 2007 and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis.

**PARTICULARS OF CONSERVATION OF ENERGY ETC.**

Particulars with respect to conservation of energy, technology absorption, foreign exchange earnings & outgo, pursuant to Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 for the year ended 31st March, 2007 are annexed and form an integral part of this report.

**PERSONNEL**

The details of employee drawing remuneration in excess of the monetary ceiling prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, during the financial year 2006-2007 is annexed to this report.

**DIRECTORS**

Mr. H. Khaitan tendered his resignation from the Board. The Board accepted with regrets his resignation with effect from 23rd September, 2006 and place on record their appreciation of the valuable contribution made by him during his tenure.



**CHEVIOT COMPANY LIMITED****DIRECTORS' REPORT (Contd.)**

The Board has appointed Mr. P. K. Khaitan (Mr. Khaitan) as additional Director of the Company effective 23rd September, 2006. Mr. Khaitan holds office upto the date of the forthcoming Annual General Meeting of the Company as provided under Article 95 of the Articles of Association of the Company but eligible for appointment.

Notice in writing together with requisite deposit under Section 257 of the Companies Act, 1956 has been received from a member of the Company expressing his intention to propose the appointment of Mr. Khaitan as Director of the Company. The Board recommends his appointment.

Mr. S. Dhandhanian retires from the Board by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Brief particulars of the directors seeking appointment/re-appointment have been given in the Notice convening Annual General Meeting.

**AUDITORS**

The statutory auditors, M/s Jain & Co., Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting of the Company and offer themselves for re-appointment. The Company has received a certificate from the above Auditors to the effect that re-appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956. The Audit Committee and the Board recommends the re-appointment of M/s Jain & Co., Chartered Accountants as Auditors of the Company.

Pursuant to provisions of Section 233B of the Companies Act, 1956, Messers D. Radhakrishnan & Co., Cost Accountants have been appointed, subject to requisite approval of the Central Government, to conduct an audit of the Cost Accounts maintained by the Company for the year ending 31st March, 2008.

**ACKNOWLEDGEMENT**

The Directors express their appreciation for the continued co-operation and support extended by Export Import Bank of India, State Bank of India, the Company's business associates and the employees at all levels.

Your Directors also wish to place on record their appreciation of the continued support extended by the Shareholders and Investors, which has always been a source of strength for the Company.

Kolkata, 26th April, 2007

**On behalf of the Board**

**H. V. KANORIA**

*Chairman and Managing Director,  
Chief Executive Officer*

## CHEVIOT COMPANY LIMITED

## ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2007

## REPORT ON CORPORATE GOVERNANCE

[Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges]

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

The Company's philosophy on corporate governance aims at attaining sustained growth, increase in shareholders value, highest level of transparency, disclosure by motivation and involvement of human capital. Such philosophy continues to focus on product and service quality and to enhance customer's satisfaction.

## 2. Board of Directors

## a) Composition

The Board of Directors consist of six directors of whom one is promoter director (Chairman and Managing Director), one is Wholtime Director and four are independent non-executive directors. During the year Shri H. Khaitan has resigned from the directorship of the Company and Shri P. K. Khaitan has been appointed as an additional director.

During the year under review, the Company paid legal & professional charges amounting to Rs.2.07 lakhs to M/s Khaitan & Co. and Rs. 0.10 lakhs to M/s Khaitan Consultants Limited, being the firms in which Mr. H. Khaitan & Mr. P. K. Khaitan, non executive directors of the Company are interested. The Board does not consider the said firms association with the Company of a material nature so as to affect the independence of judgment by Mr. H. Khaitan and Mr. P. K. Khaitan as Directors of the Company.

## b) Details of attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM) with particulars of their other Directorships and Chairmanships/Memberships of Board/Committees.

Name of the Directors	Position	Attendance Particulars		No. of other directorships and other committee memberships/chairmanships held		
		Board Meetings	Last AGM held on [8.8.2006]	Directorships #	Committee Memberships	Committee Chairmanships
Mr. H. V. Kanoria	Chairman and Managing Director, Chief Executive Officer (Promoter Director)	8	Yes	6	Nil	Nil
Mr. P. K. Bhattacharjee	Independent Non-Executive	9	Yes	8	Nil	Nil
Mr. N. Nayar	Independent Non-Executive	8	Yes	11	Nil	Nil
Mr. H. Khaitan*	Independent Non-Executive	0	No	19	7	Nil
Mr. N. K. Kejriwal	Wholtime Director	8	No	Nil	Nil	Nil
Mr. S. Dhandhanja	Independent Non-Executive	7	Yes	10	Nil	Nil
Mr. P. K. Khaitan**	Independent Non-Executive	2	N.A.	15	4	3

# Includes Alternate Directorship and Directorship in Private Limited Companies.

\* Resigned effective from 23.09.2006

\*\* Appointed as an additional director with effect from 23.09.2006

## c) Number of Board Meetings held and dates on which held

Nine Board Meetings were held during the year ended 31st March, 2007 viz. on 16th May, 2006, 16th June, 2006 (two meetings), 26th July, 2006, 08th August, 2006, 23rd September, 2006, 30th October, 2006, 31st January, 2007 and 14th March, 2007.

## d) Brief Details of Directors seeking appointment/re-appointment

The brief details of director retiring by rotation and seeking re-appointment and additional director seeking appointment u/s 257 of the Companies Act, 1956, are appended to the Notice convening the Annual General Meeting.