

**34<sup>th</sup>**  
**Annual Report**  
**2013 - 2014**



**CHOKHANI**  
**INTERNATIONAL LIMITED**

**BOARD OF DIRECTORS**

Mr. Jagdish Chokhani  
Mr. Satendra Singh  
Mr. Naresh Kumar Tulshan

*Chairman & Managing Director*  
*Director*  
*Director*

**Company Secretary**

Mr. Varuna Basist

**BANKERS**

Indian Bank

**AUDITORS**

M/s. Doogar & Associates  
Chartered Accountants,  
13, Community Centre, East of Kailash,  
New Delhi-110 065

**REGISTERED OFFICE**

D-3/2, Okhla Industrial Area, Phase-II,  
New Delhi-110 020

**REGISTRARS & SHARE TRANSFER AGENTS**

Beetal Financial & Computer Services (P) Ltd.  
Beetal House, 3rd Floor,  
99, Madangir, Near Dada Harsukh Das Mandir  
New Delhi-110 062



CIN: L51109DL1980PLC010428

**NOTICE**

Notice is hereby given that the 34th Annual General Meeting of Chokhani International Limited will be held on Tuesday the 30th day of September, 2014 at 1, DSIDC Complex, Okhla Industrial Area, Phase-I, New Delhi-110020 at 10:30 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To consider, approve and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account for the period ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Satendra Singh (holding DIN: 00349554) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the Provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and other rules framed thereunder, as mentioned from time to time M/s B K Shroff & Co. , Chartered Accountant , New Delhi (Firm registration No. 302166E) be and is hereby appointed as Auditor of the Company in place of M/s. Doogar & Associates, the retiring statutory Auditor, to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, at such remuneration as shall be fixed by the Board of Directors of the Company in mutual consultation with the Auditors."

**By the order of the Board of Directors  
For Chokhani International Limited**

Place : New Delhi  
Date : 30-07-2014

**Varsha Jain**  
Company Secretary  
Membership No. A26040

**Notes:**

1. ***A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. In order to be effective, the proxy form duly completed and signed should be deposited at the Registered Office of the Company at least 48 hours before the commencement of the Annual General Meeting.***
2. Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
3. The Register of Members and Shares transfer Books of the Company will be closed from 21st September, 2014 to 30th September, 2014 (both days inclusive). Members are requested to communicate change of address, if any.
4. Members who hold shares in dematerialized 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.

5. Brief resume of Directors re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
6. Members are also requested to register and update their e-mail address with the Company in order to receive various documents through electronic mode.
7. 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.
8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered office of the Company on all working days, during business hours up to the date of the Meeting.
9. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Saturday 20th September, 2014, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. **The e-voting period will commence at 9.00 a.m. on 21st September, 2014, and will end at 5.00 p.m. on, 23rd September, 2014.** The Company has appointed Mr. Vishal Lochan of M/s Vishal & Associates, Company Secretaries in whole time practice, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

**PROCEDURE FOR E-VOTING**

- I. The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting for AGM. The instruction for receiving E-voting are as under:-

**In case of members receiving e-mail:**

- i. Log on to the e-voting website : [www.e-votingindia.com](http://www.e-votingindia.com)
- ii. Click on "Shareholders" tab.
- iii. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"



- iii. Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then existing password is to be used.
- vii. If you are a first time user follow the steps given below:

#### For Members holding shares in Demat Form and Physical Form

PAN*	Enter your 10 digit alpha-numeric *PAN implies issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN requested to use the first two letters name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then you enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. a. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option. "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the changed



password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) **The voting period begins at 9.00 a.m. on Sunday, 21st September, 2014 and will end at 5.00 p.m. on Wednesday, 23rd September, 2014.** During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th September, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- II. The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company.
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
11. Members holding shares in physical form are requested to forward all applications for transfers and all other shares-related correspondence (including

intimation for change of address) to the Share Transfer Agents of the Company.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Beetal Financial 7 Computer Services P Ltd. (the RTA).

**Explanatory Statement Pursuant to section 102(1) of the Companies Act, 2013**

**ITEM NO. 3**

The Company had received Special Notice dated 29th July, 2014 under Section 140(4) read with 115 of the Companies Act, 2013 from Mrs. Kavita Chokhani, in his capacity as a Member of the Company recommending appointment of M/s. B. K. Shroff & Co. Chartered Accountants, New Delhi as Statutory Auditors in place of M/s. Doogar & Associates, Chartered Accountants, New Delhi, the retiring Statutory Auditors.

In view of the same, the Board at its meeting held on 30th July 2014, on the recommendation of Audit Committee, proposed the appointment of M/S B.K. Shroff & Co., (FRN 302166E), Chartered Accountants, New Delhi, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General until the conclusion of next Annual General Meeting. The Company has received a certificate from the proposed Auditors to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made thereunder, as may be applicable.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, the resolution set out at Item No. 3 of the Notice. The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

**By the order of the Board of Directors  
For Chokhani International Limited**

Place : New Delhi  
Date : 30-07-2014

**Varsha Jain**  
Company Secretary  
Membership No. A26040



## DIRECTORS' REPORT

The Directors present the 34th Annual Report and the Audited Accounts for the financial year ended 31st March, 2014.

### FINANCIAL PERFORMANCE

Particulars	(Rs in Lakhs)	
	<u>31.3.2014</u>	<u>31.3.2013</u>
Total Revenue	38.09	3.39
Profit / (Loss) before Tax	(3.56)	(84.40)
Profit / (Loss) after Tax	(3.56)	(84.40)

### OPERATIONS :

During the year under review, there were no operations. The recovery suit filed by the lead Institution i.e. ICICI Bank Ltd., is still pending before the Debt Recovery Tribunal, Mumbai.

Counter claim of Rs.210 crores filed by the Company against ICICI Bank Ltd., in respect of the value of assets as handed over to the Receiver appointed by the Hon'ble Mumbai High Court is still pending before Debt Recovery Tribunal, Mumbai. The ICICI Bank Limited filed an Appeal. However Debt Recovery Appellate Tribunal, Mumbai has dismissed said appeal of ICICI Bank Limited, and allowed the Company to move its counter claim.

Pending decision in the matter of company's claim on ICICI (Lead Bank) amounting to Rs.210 crores, on account of their loss and negligence which resulted in a total loss of company's most valuable assets which had a value more than sufficient to meet the claims of all secured and/or unsecured creditors. By failing to carry out timely maintenance despite reminders from the Court Receiver, High Court, Mumbai and others the financial institutions allowed dissipation and ultimate destruction of the two dry docks and other imported & indigenous machineries. Therefore the cost of fixed assets (net of relevant revaluation reserve) less depreciation provided till the date of disposal and value of inventories aggregating to Rs.48.81 crores as intimated by DRT Receiver has been deducted from secured loans. In view of above, the management is of the considered opinion that no amount whatsoever is due and payable to the Financial Institutions.

Amount due and payable to Financial Institutions i.e. ICICI, IDBI and IFCI in terms of loan agreements

executed by the Company with them were secured by way of first mortgage by deposit of title deeds with the lead institution of all immoveable properties, both present and future, and first charge by way of hypothecation of two Floating Dry Docks of 14000 M.T. and 2400 M.T. lifting capacity and all the other movable assets (save and except book debts) including movable machinery, machinery spares, tools and accessories present and future, which have since been disposed of by DRT Receiver during the preceding years.

### DIVIDEND:

In view of the existing financial status, Board is not in a position to recommend any dividend for the financial year 2013-2014.

### FIXED DEPOSITS:

Since your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 from the public, no information need to be furnished in respect of deposits.

### DIRECTORS:

Shri Satendra Singh, Director (DIN 01289658) is to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Brief resume of the above retiring Director, nature of his expertise in specific functional areas and names of companies in which he holds the other directorships, as required by clause 49 of the Listing Agreement with the stock exchanges, are given in the section on Corporate Governance elsewhere in this Annual Report.

### AUDITORS:

M/s. Doogar & Associates, Chartered Accountants, Auditors of the Company are retiring at the conclusion of the 34th Annual General Meeting. And special Notice has been received from the Kavita Chokhani, as a member of the Company proposing a resolution at the forthcoming Annual general Meeting for the appointment of B K Shroff & Co., New Delhi, Statutory Auditor of the Company in place of M/s Doogar & Associates.

A resolution proposing appointment of M/s B.K. Shroff & Co. (FRN 302166E ) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 forms part of the



Notice. The Company has received a Certificate from the proposed Auditors to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

M/s Doogar & Associates, Chartered Accountant, New Delhi, over many years, have Successfully met the challenge that the size and scale of The Company Company's operations pose auditors and have maintained the highest level of governance, rigour and quality of their Audit. The Board place on record its appreciation for the services rendered by the M/s Doogar & Associates as a Statutory Auditor of the Company.

#### **AUDITORS' REPORT:**

Auditors' Report annexed to the Balance Sheet and the Profit and Loss Account are self-explanatory. However, the Board discussed the qualifications raised by the Auditors in their Reports and noted the same along with the explanations provided by the management as annexed to this Report.

#### **LISTING OF SECURITIES:**

Presently Securities of the Company are listed on the Bombay Stock Exchange (BSE).

#### **SHARE TRANSFER SYSTEM:**

The Company's shares are in Demat Form with Central Depository Services (India) Ltd.

Company has appointed "Beetal Financial & Computer Services (P) Limited" as its Registrar and Share Transfer Agents. Transfer of shares is approved by the Shareholders / Investors Grievance Committee of Directors which meets at a regular interval.

#### **PARTICULARS OF EMPLOYEES:**

During the year under review, Company has no employee who is in receipt of remuneration in excess as provided under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975

#### **CORPORATE GOVERNANCE CLAUSE 49 OF THE LISTING AGREEMENT:**

In compliance with Clause 49 of the Listing Agreement with the Stock Exchange, a report on Corporate Governance along with certificate regarding compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement

and Management Discussion and Analysis are annexed as a part of Annual Report.

#### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUT GO:**

Information as required by Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is set out in the annexure and forms part of this Report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, it is hereby confirmed:-

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2014 the applicable accounting standards have been followed along with proper explanations relating to material departure;
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the profit and loss of the Company for the year under review;
- (iii) That the Directors had 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; and
- (iv) That the Directors had prepared the accounts for the financial year ended 31st March, 2014 on a going concern basis except to the extent as noted in the Auditors' Report.

#### **ACKNOWLEDGMENT :**

Board places on record its deep appreciation for the services of the Executives & Staff of the Company.

**For and on behalf of the Board**

Place : New Delhi  
Date : 30/07/2014

**Jagdish Chokhani**  
Chairman  
DIN- 00304040



**ANNEXURE - TO DIRECTORS' REPORT :**

1. Particulars required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 for the year ended on 31st March, 2014.

**A. Conservation of Energy**

Pursuant to DRT Mumbai's directions all the ship repairing assets of the Company have been sold off. There are no more ship repair operations. Therefore, no measures to conserve the energy are required to be undertaken.

**B. Technology absorption, adoption & innovation**

N.A. (in view of (A) above)

**C. Foreign Exchange Earnings & outgo**

	Current Year (2013-14)	Previous Year (2012-13)
Earnings	NIL	NIL
Outgo	NIL	NIL

**2. Information regarding Technology imported during the last five years:**

NIL

**ADDENDUM TO DIRECTORS' REPORT**

Sl. No. of Auditors' Report	Qualification/Observation in the Auditors' Report	Reply/remarks
(i)	<i>Non-Confirmation/reconciliation of certain debit/credit balances, which on final confirmation/reconciliation may affect certain financial disclosures, and has also resulted in the balances being as per books of accounts only. (Refer to note no.24)</i>	The Board noted that most of the balances under the head Term Loans, Loans & Advances, Deposits, Sundry Debtors, Sundry Creditors for Materials and Sub-contractors, remained unconfirmed till the Balance Sheet date.
(ii)	<i>The company's ship repairing operations remained suspended since June 1998. The company has suffered continued losses including in the current year and erosion of equity due to many pending litigation with Govt. / Autonomous bodies &amp; financial institutions and there is substantial doubt that the company will be able to continue as a going concern. Non-adjustment in the compilation of financial statements consequent to company no longer remaining a going concern, in the absence of adequate necessary data for compilation on an alternative basis, the accounts are continued to be prepared on a going concern basis. (Refer note no.25)</i>	The Board noted the said observation/qualification. This could not be addressed since the matter is sub-judice.

Place: New Delhi

Date: 30/07/2014

On behalf of the Board

**Jagdish Chokhani**

Chairman

DIN 00304040





## CORPORATE GOVERNANCE

### CORPORATE PHILOSOPHY

The Company believes in the values of transparency, professional accountability and equity in its dealing with the shareholders, lenders, government, employees and every individual who comes in contact with the Company. Company is committed to achieve the high standard of Corporate Governance.

The company is in compliance with most of the requirement prescribed on Corporate Governance.

### (A) BOARD OF DIRECTORS

The Board of Directors is headed by Executive Chairman. Board is comprised of Shri Jagdish Chokhani (Chairman and Managing Director), Shri Satendra Singh, and Shri N. K. Tulshan, Independent Directors.

During the year under review 4 Board Meetings were held on 23.05.2013, 31.07.2013, 31.10.2013 and 30.01.2014. The details of composition of Board, other Directorship and Committee Chairmanship/Membership of the Members of the Board and their attendance at the Board Meeting and Annual General Meeting of the Company are as under:

S. No.	Name	Category	Attendance		No. of Directorship and Membership/Chairmanship		
			No. of Board Meetings attended	AGM	Other Directorship	Committee Membership	Committee Chairmanship
1.	Sh. Jagdish Chokhani	Promoter/ Executive Chairman	4	Present	—	2	—
2.	Sh. Satendra Singh	Independent Director	4	Present	2	4	1
3.	Shri N. K. Tulshan	Independent Director	4	Present	1	4	1

Independent Directors do not have any pecuniary relationship or transaction with the Company or with the management that may affect their judgment in any manner. The Company endeavors to place all statutory and other material information before the Board to render it to discharge its responsibilities of strategic supervision of the Company as trustee of shareholders. The Board reviews on periodical basis the compliances status of all laws applicable to the Company as well as the steps taken by the Company to rectify instances of non-compliances, if any.

### (B) AUDIT COMMITTEE

Pursuant to Clause 49 of the Listing Agreement, the Company has constituted an Audit Committee. The Audit Committee of the Company consists of Shri Jagdish Chokhani (Promoter/Executive Director), Shri Satendra Singh (Chairman, Audit Committee & Non-Executive Independent Director) and Shri N. K. Tulshan (Non-Executive Independent Director), having expertise in accounting & financial management.

During the year 2013-14, the Committee met on 23.05.2013, 31.07.2013, 31.10.2013 and 30.01.2014.

The functions of the Audit Committee of the Board include the following:

- ☐ Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ☐ Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.



- ☐ Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- ☐ Reviewing, with the management, the annual financial statements before submission of the same to the Board for approval, with particular reference to:-
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' report in terms of sub-section 2AA of Section 217 of the Companies Act, 1956;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments, if any, made in the financial statements arising out of audit findings;
  - Compliance with Listing Agreement and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Qualifications, if any, in the draft audit report; and
  - Reviewing, with the management, the quarterly financial statements before submission of the same to the Board for approval.
- ☐ Reviewing, with the management, performance of Statutory Auditors and adequacy of the internal control systems.
- ☐ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- ☐ Discussions with management and/or internal auditors, if any, of any significant findings and follow up thereon.
- ☐ Reviewing the findings of any internal investigations into matters where there is suspected fraud or irregularity.
- ☐ Discussions with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
- ☐ To look into the reasons for substantial defaults, if any, in making payments to the specified category of creditors etc.
- ☐ Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**The Audit Committee is empowered, pursuant to its terms of reference, to:**

- ☐ Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- ☐ Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

**(C) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE**

The Board of Directors of the Company has constituted Shareholders'/Investors' Grievance Committee comprising one executive and two independent directors. The present members of the Committee are Shri N. K. Tulshan (Chairman), Shri Jagdish Chokhani and Shri Satendra Singh (Members).

The Committee inter-alia oversees and reviews matters pertaining to share transfer. The Committee looks into redressal of shareholders' complaints like transfer of shares, non-receipt of Annual Report etc. received from investors in co-ordination with the Company's Registrar and Transfer Agent. The Committee has met 09 times during the year i.e. on 29.04.2013, 23.05.2013, 29.06.2013, 31.07.2013, 30.09.2013, 31.12.2013, 30.01.2013, 28.02.2013, and 29.03.2014.

Status of complaints received during the period ended 31st March, 2014 is as under-

No. of Complaints received - 8  
 No. of Complaints replied - 8  
 No. of Complaints pending - NIL