



DUNLOP INDIA LIMITED

R H Y T H M I N M O T I O N



**ANNUAL
REPORT
2013-14**

**BOARD OF DIRECTORS**

Mr. Mohan Lall Chauhan
Mr. Dipak Das
Mrs. Baishali Roy
Mr. Ashok Kumar Agarwal

CHIEF FINANCIAL OFFICER

Mr. Soumitra Ghose

COMPANY SECRETARY

Mr. K. L. Sharma

REGISTERED OFFICE

Flat No. 1, Front Side, 5th Floor
9, Syed Amir Ali Avenue
Kolkata - 700 017
Telephone : (033) 22894747
Fax : (033) 22893433
E-mail : kanhaiya.sharma@ruiagroup.co.in
Web-site : www.dunlop.co.in

BANKERS

Central Bank of India
United Bank of India

REGISTRAR AND SHARE TRANSFER AGENT

CB Management Services (P) Limited
P-22, Bondel Road, Kolkata - 700 019
Telephone : (033) 22806692 / 6693 / 6694 / 2486
(033) 40116700
Fax : (033) 22870263
E-mail : rta@cbmsl.com

AUDITORS

M/S. GORA & CO.,
Chartered Accountants, Kolkata

SOLICITORS

M/S. L. P. AGARWALLA & CO, KOLKATA

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**DUNLOP INDIA LIMITED**

CIN : L25191WB1926PLC008539

Registered Office : Flat No. 1, Front Side, 5th Floor
9, Syed Amir Ali Avenue, Kolkata - 700 017

Phone : +91 33-2289-4747

E-Mail : info@dunlop.co.in, www.dunlop.co.in

NOTICE

NOTICE is hereby given that the **Eighty Seventh** Annual General Meeting of the Members of **Dunlop India Limited** will be held at **Academy of Fine Arts, 2, Cathedral Road, Kolkata - 700071 on Thursday, 21st August, 2014, at 10.00 a.m.** to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Profit & Loss Account for the year ended 31st March, 2014 and 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 Shri Subbaratnam Ravi (DIN : 00798456), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s Gora & Co., Chartered Accountants, Kolkata, the retiring Auditors of the Company, who being eligible, offer themselves for re-appointment as the Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution :

4. As an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with relevant Rules made there under and the Articles of Association of the Company and all other relevant acts and rules, Shri Dipak Das (DIN : 01595824) be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years.”

5. As an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with relevant Rules made there under and the Articles of Association of the Company and all other relevant acts and rules, Smt Baishali Roy (DIN : 06873404) be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years.”

By Order of the Board
Ashok Kumar Agarwal

Director

Place : Kolkata

Date : 29th May, 2014

NOTES :

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special Business of the Meeting is annexed hereto and forms part of this Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Voting through electronic means.

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 the company is pleased to provide members facility to exercise their right to vote by electronic means as an alternative to vote physically at the AGM and the business may be transacted through E-voting services provided by National Securities Depository Limited (“NSDL”). The instruction for e-voting are as under. Members are requested to follow the instruction below to cast their vote through e-voting.

- i) User ID and Password for e-voting is provided in the table given on the face of this annexure to the AGM Notice. Please note that the password is an initial password.
- ii) National Securities Depository Limited (NSDL) shall also be sending the User- ID and Password, to those members whose e-mail address are registered with the Company / Depository Participant (s). For members who have not registered their e-mail address can use the details as provided overleaf.
- iii) Launch internet browser and type the following URL: **<https://www.evoting.nsdl.com>**
- iv) Click on **“Shareholder-Login”**
- v) Put user ID and password as initial password noted in step (i) above. Click Login.
- vi) The **Password Change Menu** will appear on the screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combinations of the two. Note new password.
- vii) Once the e-voting home page opens, click on **e-voting>Active Voting Cycles.**



- viii) Select the **EVEN (E-Voting Event Number)** of Dunlop India Limited (the number is provided in the attached document) Once you enter the number, the **Cast Vote** page will open, Now you are ready for e-voting.
- ix) Cast your vote by selecting your favoured option and click **Submit**. Also click **confirm** when prompted.
- x) Upon confirmation, the message **"Vote cast successfully"** will be displayed.
- xi) Please note that once your vote is cast on the selected resolution, it cannot be modified.
- xii) Institutional shareholders (i.e members other than individual, HUF, NRI's etc.) are required to send a scanned copy (PDF / JPG format) of the relevant Board Resolution / Authority letter etc., together with the attested specimen signature(s) of the duly authorised signatory(ies) who is / are authorised to vote, to the Scrutinizer via email at atish.shaw@gmail.com with a copy marked at evoting@nsdl.co.in.

Please note that :

- * Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through **'Forgot Password'** option available on the site to reset the same.
- * Your Login ID and Password can be used by you exclusively for e-voting on the Resolution placed by the companies in which you are a shareholder.
- * It is strongly recommended that you do not share your password with any other person and take utmost care to keep it confidential.

Please note that if you have opened 3-in-1 Account with ICICI Group i.e. bank account and demat account with ICICI Bank Ltd and trading account with ICICI Securities Ltd, you can access e-Voting web-site of NSDL through their website viz., www.icicidirect.com for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website www.icicidirect.com.

Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the evoting system of NSDL.

NOTES

- A) In case of any queries, you may refer the **Frequently Asked Questions (FAQs)** for Shareholders and **e-voting user manual** for shareholder available at the Downloads section of <https://www.evoting.nsdl.com>. You can also contact NSDL via e-mail at evoting@nsdl.co.in.
- B) The e-voting period commences on 16th August, 2014 at 9.00 a.m. and ends on 18th August, 2014 at 6.00 p.m. During this period, shareholders of the Company holding

shares either in physical form or in dematerialized form, as on the cut-off date of 18th August, 2014 may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. **Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.**

- C) Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding share either in physical form or in dematerialized form, as on the cut-off date i.e. 18th July, 2014 shall cast their vote electronically.
- D) Mr. Atish Kumar Shaw, Practicing Chartered Accountant (Membership No. 306098) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- E) The Scrutinizer, shall within a period not exceeding 3 working days from the conclusion of the e-voting period, unlock the votes in presence of at least two witnesses, not in employment of the Company and make a Scrutinizer's Report of the vote cast in favour of or against, if any, forthwith to the Chairman of the Company.
- F) The voting rights shall be in proportion to their shares of the paid up Equity Shares capital of the Company as on 18th July, 2014.
- G) The results declared along with the Scrutinizer's Report shall be placed on the Company's website : www.dunlop.co.in and on the website of NSDL within two days of passing of the resolutions at the 87th Annual General Meeting of the Company on 21st August, 2014, and communicated to BSE Ltd.
- 4. The Register of Members and Share Transfer Books of the Company will remain closed from 20th August, 2014 to 21st August, 2014 (both days inclusive).
- 5. Members are requested to bring their copies of the Annual Report and the Admission Slip at the Meeting. Annual Report will not be distributed at the Meeting.
- 6. The Members, who are still holding the Company's Equity shares in physical form and have not converted their shareholding in dematerialized form, are once again requested to convert their equity shares from physical form to dematerialized form as the same will provide adequate facility in trading in the Company's scrip at Stock Exchange in future.
- 7. Members who have not registered their e-mail addresses so far are requested to register their e-mail address either with the Company or its RTA for receiving all communications including Annual Report, Notices, Circulars etc from the Company electronically instead of sending the printed / hard copies of the same by post. Serving of documents to the Members through electronic



- mode ensures receipt of the Notices / Documents / Communication timely, promptly and without any loss in postal transit by them.
8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of name are requested to send the share certificates to our RTA for consolidation in to a single folio.
 9. Non - Resident Indian Members are requested to inform the Company's RTA, M/s. C.B. Management Services (P) Ltd., immediately of :
 - i. the change in the Residential status on return to India for permanent settlement.
 - ii. the particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of Bank with Pin code Number, if not furnished earlier.
 10. As per provisions of Section 72 of the Companies Act, 2013 facility for making nominations is available, to individuals, holding shares in the Company. Nomination Form prescribed can also be obtained for the purpose from the Company's RTA.
 11. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 will be available for inspection at the Registered office of the Company during business hours on all working days upto the date of declaration of the results of the 87th Annual General Meeting of the Company.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item Nos. 4 & 5.

Shri Dipak Das (DIN : 01595824) and Smt Baishali Roy (DIN : 06873404) were appointed as the Directors of the Company in the category of an Independent Directors w.e.f. 2nd May, 2014 and 29th May, 2014 respectively. In accordance with the provisions of Sections 149, 152 and Article 91 of the Articles of Association of the Company, Shri Dipak Das and Smt Baishali Roy shall hold office up to the date of this Annual General Meeting. The Company has received two separate notices in writing under Section 160 of the Companies Act, 2013 from the members along with the deposit of requisite amount proposing their candidature for the office of Directors.

Shri Dipak Das and Smt Baishali Roy are not disqualified from being appointed as the Directors in terms of Section 164 of the Act and have given their consents to act as Directors.

As per Section 149 of the Act, the independent directors can hold office for a term up to 5 (five) consecutive years on the Board and they shall not be included in the total number of

directors for retirement by rotation.

In the opinion of the Board, Shri Dipak Das and Smt Baishali Roy fulfills the conditions for their appointments as the Independent Directors as specified in the Act and the Listing Agreement.

Keeping in view the qualification and the experience possessed by Shri Dipak Das and Smt Baishali Roy, your Directors feel that the appointments of Shri Das and Smt Roy as the Independent Directors of the Company will be beneficial to your Company and accordingly, recommend the Resolutions set out in Item Nos. 4 & 5 of the Notice for your consideration and approval.

None of the Directors of the Company except Shri Das and Smt Roy are interested or concerned in the Resolution set out in Item Nos. 4 & 5 of the Notice.

By Order of the Board
Ashok Kumar Agarwal
Director

Place : Kolkata
Date : 29th May, 2014

Particulars Relating to the Directors proposed to be appointed / re-appointed :

1. Name : Shri Subbaratnam Ravi
Age : 65 Years.
Qualifications : B. Tech (Hons)
Expertise : He has wide experience of more than 42 years and expertise in the field of administration and running industries. He has worked with various reputed industrial groups in key positions like President in Uniworth Limited, Kolkata etc.
Date of Appointment : 10th September, 2011.
No. of Equity Shares held in the Co. : Nil.
Other Directorships :

| | |
|----------------------------------------|---------------------------------------------------------|
| <u>Name of the Public Ltd. Company</u> | <u>Committee Memberships, if any, with position</u> |
| Jessop & Co. Ltd. | Audit Committee - Member. |
| Falcon Tyres Ltd. | Share Transfer & Investors Grievance Committee - Member |
| | Remuneration Committee - Member. |
2. Name : Shri Dipak Das
Age : 54 Years.



Qualifications : B. Com., F.C.A.

Expertise : He has a rich experience of more than 25 years in Financial Management, accounting and audit (internal, statutory, management) with expertise in evaluation, resource planning and deployment and purchase with hands on experience in networking with external auditors, statutory authorities, banks and financial institutions in the corporate sector and various other experience in different field as well.

Date of Appointment : 2nd May, 2014.

No. of Equity Shares held in the Co. : Nil.

Other Directorships :

Directorship(s) in other Public Companies : Committee Memberships, if any, with position of other public companies

Falcon Tyres Ltd : Audit Committee - Member & Chairman

Jessop & Co Ltd. : Share Transfer & Investors Grievance Committee - Member & Chairman
Remuneration Committee - Member & Chairman

3. Name : Smt Baishali Roy

Age : 44 Years.

Qualifications : B. Com., LL.B

Expertise : As a professional advocate, she has a very good experience of over 10 years in handling all type of matters under civil and criminal procedures. During this journey, she has handled corporate and non corporate clients as well.

Date of Appointment : 29th May, 2014.

No. of Equity Shares held in the Co. : Nil.

Other Directorships :

Directorship(s) in other Public Companies : Committee Memberships, if any, with position of other public companies

Falcon Tyres Ltd : –

Jessop & Co. Ltd : –

**HOLDING OF EQUITY SHARES**

| Category | As on 31.03.2014 Equity Shares | | As on 31.03.2013 Equity Shares | |
|-----------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------|-----------------------------------|---------------|
| | (Nos.) | (%) | (Nos.) | (%) |
| Promoters' Holding | | | | |
| Foreign Promoters | 26575206 | 21.79 | 26650085 | 21.85 |
| Promoters' Associates (Persons acting in concert) | 20130780 | 16.50 | 20130780 | 16.50 |
| Sub Total | 46705986 | 38.29 | 46780865 | 38.35 |
| Non-Promoters' Holding | | | | |
| Financial Institutions, Foreign Institutional Investors, Insurance Companies, Mutual Funds, Banks etc. | 8111829 | 6.65 | 8111829 | 6.65 |
| Non-Residents | 406980 | 0.33 | 407873 | 0.34 |
| Private Corporate Bodies | 55523726 | 45.52 | 55679003 | 45.64 |
| Indian Public | 11234354 | 9.21 | 11003305 | 9.02 |
| Sub Total | 75276889 | 61.71 | 75202010 | 61.65 |
| Grand Total | 121982875 | 100.00 | 121982875 | 100.00 |

**REPORT OF THE DIRECTORS**

Your Directors present the 87th Annual Report of the Company together with the audited accounts for the financial year ended 31st March, 2014.

SUMMARIZED FINANCIAL RESULTS

| | Rs. in Lacs | |
|----------------------------------------|--------------------|----------------|
| | 2013-14 | 2012-13 |
| Sales & other Income | 0.63 | 13.85 |
| Profit / (Loss) before Depreciation, | | |
| Interest & Tax | (212.09) | (203.33) |
| Financial Charges | 5.54 | 380.38 |
| Depreciation | 146.39 | 146.39 |
| Profit/(Loss) before Exceptional Items | (364.02) | (730.10) |
| Exceptional Item | — | (262.59) |
| Prior Period Adjustment | (0.22) | 106.85 |
| Profit / (Loss) before Tax | (364.22) | (885.84) |
| Profit / (Loss) after Tax | (364.22) | (885.84) |

OPERATIONS

Manufacturing operations at Sahaganj Plant in West Bengal and at Ambattur Plant in Chennai continues to be suspended during the current year despite sincere efforts to restart the operations.

DIVIDEND

In view of suspension of operations and loss during the year, your Directors are unable to consider any Dividend for the year.

PUBLIC DEPOSIT

Fixed Deposits matured up to September, 2000 but not repaid as on 31st March, 2014 stand at Rs. 7,99,56,000/-.

DIRECTORS

Shri Dipak Das and Smt Baishali Roy were appointed as Independent Directors of the Company w.e.f. 2nd May, 2014 and 29th May, 2014 respectively by the Board. Both the Directors shall hold Office upto the date of the ensuing Annual General Meeting of the Company.

In accordance with Article 103 of the Articles of Association of your Company, Shri Subbaratnam Ravi will retire from the Board by rotation at the 87th Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS

M/s. Gora & Co., Chartered Accountants, Kolkata, Auditors of your Company, hold office till the conclusion of 87th Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013.

COST AUDIT

Since there was no manufacturing operations in Sahaganj Plant in West Bengal and Ambattur Plant in Chennai and the operations suspended in both the plants w.e.f. 8th October, 2011 and 21st February, 2012 respectively. Thus there is no requirement for filing of Cost Audit Report consequent to exemption obtained from Central Government.

CURRENT LEGAL STATUS

The Hon'ble Supreme Court of India upon hearing on 12th June, 2013 against special leave petition moved by the Company, passed an order of stay against the order dated 2nd May 2013 of the Division Bench of Hon'ble High Court of Calcutta directing winding up of the Company.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

The Statement pursuant to 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 has not been attached in view of the suspension of operations.

The Company has no employee in the category specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, your Board of Directors hereby confirms:

- That in the preparation of the Accounts for the Financial Year ended 31st March, 2014, the applicable Accounting Standards have been followed and proper explanations have been provided for material departures, wherever applicable;
- That the Board of Directors have 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 of the Profit or Loss of the Company for the year under review;
- That the Board of Directors 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; and
- That the Accounts for the Financial Year ended 31st March, 2014 have been prepared on a "going concern" basis.

CORPORATE GOVERNANCE

In accordance with the Provisions under Clause 49 of the Listing Agreement with the Stock Exchange, a separate Report on Corporate Governance along with the Auditors' Certificate on its compliance and Management Discussion and Analysis Report are annexed to this Report.

PERSONNEL

As briefed in the previous paras that the manufacturing operations in Sahaganj Plant in West Bengal and Ambattur Plant in Chennai suspended by the Management w.e.f. 8th October, 2011 and 21st February, 2012 respectively. However the Management of the Company is in dialogue with unions and Government to arrive at an amicable settlement as well as for the earliest restart of the operations at both Plants.

SUBSIDIARY COMPANIES

As required under Section 212 of the Companies Act, 1956, the Reports and Accounts of the Subsidiaries of your Company, M/s. Ebony Commercials Private Limited, M/s Dunlop East Limited and M/s Dunlop South Limited are attached.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation and gratitude to the Governments of West Bengal and Tamil Nadu its Bankers and Employees and above all its Shareholders, for providing continued support from time to time for the revival of Your Company.

| | |
|-----------------------|--------------------------------|
| | For and on behalf of the Board |
| Place : Kolkata | A. K. Agarwal |
| Date : 29th May, 2014 | Dipak Das |
| | Director Director |

**REPORT ON CORPORATE GOVERNANCE**

In compliance with the provisions of Clause 49 of the Listing Agreement, your Directors present the Company's Report on Corporate Governance on the matters mentioned in the said clause and the practice followed by your Company in this regard.

1. Philosophy of the Company on Code of Corporate Governance

The philosophy of your Company on Corporate Governance envisages the attainment of high levels of transparency, accountability and equity in all facets of its operations and in all interactions with stakeholders, including, inter-alia, the shareholders, employees, the government and lenders. The committees such as Audit, Shareholders' / Investors' Grievances and remuneration meet regularly to consider aspects relevant to each Committee. Your Directors are happy to inform you that your Company's existing practices and policies are in conformity with the requirements stipulated by Securities and Exchange Board of India (SEBI). Your Company is committed to achieving international standards of Corporate Governance.

Your Company has already implemented the revised provisions of Clause 49 of the Listing Agreement. Your Board has adopted a Code of Conduct and made it applicable to all the members of the Board and to the senior management.

Your Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders' value over a sustained period of time.

2. Board of Directors

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information including information mentioned in Annexure-IA of Clause 49 of the Listing Agreement are placed before the Board on regular basis to enable it to discharge its responsibilities of strategic supervision of your Company and as the trustees of stakeholders.

As on 31st March, 2014, your Board had One Non-Executive / Independent Director and Two Non Executive Directors who are professionals, with expertise and experience in general corporate management, legal, finance, technical, engineering and other allied fields.

None of the aforesaid directors is a member in more than ten committees nor acts as the chairman of more than five committees constituted by the board of directors of the company, in which they are directors.

The Board meets at least once in a quarter inter-alia to review the company's performance and Financial Results and more often, if considered necessary, to transact other business.

During the current Financial Year under review, three meetings of the board of directors were held on the following dates:- 30th August, 2013, 8th November, 2013 and 11th February, 2014.

No Board Meeting was held during April / June quarter 2013 due to winding up Order passed by Hon'ble High Court at Calcutta vide order dated 31st January, 2013 which was subsequently stayed by Hon'ble Supreme Court of India vide orders dated 12th June, 2013 and 30th July, 2013.

The following tables and the notes below the tables give details of the attendance of Directors at Board Meetings held on the aforesaid dates and the dates for appointment of Directorship, if any, during the year under review and the last Annual General Meeting, number of memberships held by each director in the board / committees of various companies including committee chairmanships, which are statutorily required to be constituted by the respective companies :

| Name of the Directors and the Category as on 31st March, 2014 | No. of other Directorships & Committee Memberships/ Chairmanships as on 31.03.2014 | | |
|---------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------|-------------------------|
| | Other Directorships | Committee Memberships | Committee Chairmanships |
| Mr. M. L. Chauhan Non-executive / Independent Director | 2 | 2 | 2 |
| Mr. S. Ravi Non-executive Director | 2 | 2 | – |
| Mr. A. K. Agarwal Non-executive Director | 10 | – | – |

Note :

- The Directorships, held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Companies registered under Section 25 of the Companies Act, 1956 and Private Limited Companies.
- Only the Audit Committee and Shareholders' / Investors' Grievances Committee constituted by the Board of Directors of the respective companies have been considered.

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

| Name of the Directors | Attendance Particulars from 01.04.2013 to 31.03.2014 | | |
|-----------------------|--------------------------------------------------------------|------------------------------------------------------------------|------------------------------------|
| | No. of Board Meetings held during the tenure of the Director | No. of Board Meetings attended during the tenure of the Director | In the last AGM held on 23.09.2013 |
| Mr. M.L. Chauhan | 3 | 2 | Yes |
| Mr. S. Ravi | 3 | 2 | Yes |
| Mr. A. K. Agarwal | 3 | 3 | Yes |

3. Audit Committee

The Audit Committee constituted by the Board of Directors of the Company had one Non-executive / Independent Directors and two Non- Executive Directors as on 31st March, 2014.

The terms of reference of the Audit Committee are comprehensive and are in conformity with the matters specified in the Stock Exchange Listing Agreement and under Section 177 of the Companies Act, 2013 corresponding to Section 292A of the Companies Act, 1956. The Company Secretary is the Secretary of the audit committee.


Constitution of the Audit Committee and related information :

| Name of the Committee Members as on 31st March, 2014 | Category |
|------------------------------------------------------|--------------------------------------|
| Mr. M. L. Chauhan, Member & Chairman | Non-Executive / Independent Director |
| Mr. A. K. Agarwal, Member & Alternate Chairman | Non-Executive Director |
| Mr. S. Ravi, Member | Non-Executive Director |

During the year under review, three meetings of the Audit Committee were held. The committee met on 30th August, 2013, 8th November, 2013 and 11th February, 2014 and considered various Financial and Audit related matters and other matters as required under Clause 49 of the Listing Agreement.

Attendance of the members at the Audit Committee meetings :

| Name of the Member | Attendance Particulars from 01.04.2013 to 31.03.2014 | |
|--------------------|----------------------------------------------------------------------|--------------------------------------------------------------------------|
| | No. of Audit Committee Meetings held during the tenure of the Member | No. of Audit Committee Meetings attended during the tenure of the Member |
| Mr. M. L. Chauhan | 3 | 2 |
| Mr. S. Ravi | 3 | 2 |
| Mr. A. K. Agarwal | 3 | 3 |

The Company Secretary shall act as Secretary of the Audit Committee.

4. Remuneration Committee

The Remuneration Committee constituted by the Board of Directors of the Company had one Non-Executive / Independent Director and two Non Executive Directors for consideration of the appointment of managerial personnel and payment of remuneration to such managerial personnel and various matters as required under Clause 49 of the Listing Agreement.

During the year under review, no meeting of the remuneration committee was held.

Non-Executive / Independent Directors of the Company do not receive any remuneration from the Company except the sitting fees for the Board and Committee Meetings @ Rs. 5,000/- for every meeting. However, no sitting fees were paid to Mr. S. Ravi and Mr. A. K. Agarwal, Non-Executive Directors, for the board and committee meetings who are in the employment with Ruia Group of Companies.

The details of remuneration paid to the Directors during the year 2013-14 are given below :

| Name of the Director | Salary (Rs.) | Perquisites (Rs.) | Sitting Fees (Rs.) | Total (Rs.) |
|----------------------|--------------|-------------------|--------------------|-------------|
| Mr. M. L. Chauhan | - | - | 30000 | 30000 |
| Mr. S. Ravi | - | - | - | - |
| Mr. A. K. Agarwal | - | - | - | - |

The Company has not entered into any pecuniary relationship or transactions with the Non-Executive Directors. The company has so far not issued any stock options to any of its Directors including its Executive Director. None of the directors of the company hold any Equity Share in the Company. The Company Secretary shall act as Secretary of the Remuneration Committee.

5. Shareholders' / Investors' Grievances Committee:

The Company has constituted a Shareholders' / Investors' Grievances Committee of the Board of Directors to ensure effective monitoring of shares and investors related issues and to redress their grievances.

The Committee had one Independent / Non Executive Director and two Non Executive Directors as on 31st March, 2014.

Constitution of the Shareholders' / Investors' Grievances Committee and related information :

| Name of the Committee Members as on 31st March, 2014 | Category | No. of Meetings attended during the year under review |
|------------------------------------------------------|--------------------------------------|-------------------------------------------------------|
| Mr. M. L. Chauhan, Member & Chairman | Non-Executive / Independent Director | 2 |
| Mr. S. Ravi, Member | Non-Executive Director | 2 |
| Mr. A. K. Agarwal, Member | Non- Executive Director | 3 |

The Committee is headed by Mr. M. L. Chauhan. The Committee meets to consider, inter-alia, Shareholders' / Investors' complaints etc.

During the year under review, three meetings of the Shareholders' / Investors' Grievances Committee were held. The Committee met on 30th August, 2013, 8th November, 2013 and 11th February, 2014.

At the beginning of the year (i.e. on 1st April, 2013), there was no transfer pending for registration and no grievance / complaint was pending for redressal by the Company's Registrar and Share Transfer Agent (RTA) - M/s. C B Management Services (P) Ltd., Kolkata. During the year under review, 4 (four) grievances / complaints were received from the shareholders and all such grievances / complaints were resolved by the Company's RTA on time. As on 31st March, 2014, there was no transfer pending for registration and also