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# **EXCEL GLASSES LIMITED**

**36th ANNUAL REPORT  
2006-2007**



# EXCEL GLASSES LIMITED

## 36TH ANNUAL REPORT 2006-2007

### BOARD OF DIRECTORS

MR. PRASHANT SOMANI — Managing Director  
MR. RAVINDRA SOMANI — Executive Director  
MR. R. D. PRABHU  
MR. T. C. THOMAS  
MR. L. K. NEWAR\*  
MR. G. D. MANTRI\*  
MR. S. G. ASAWA\*

\*Appointed as Additional Directors w.e.f. 05.11.2007

### AUDITORS

M/s JOSEPH & NAMPIATHIRI  
Chartered Accountants  
Alappuzha (Kerala)

### BANKERS

STATE BANK OF TRAVANCORE  
THE SOUTH INDIAN BANK LIMITED  
UCO BANK

### REGISTERED OFFICE & WORKS

Udaya Nagar, Pathirapally  
Allapuzha-688 521 (Kerala)  
Telephone : (0477) 2258671-5 Fax : (0477) 2258670  
Email : [mail@excelglasses.com](mailto:mail@excelglasses.com)  
Web site : [excelglasses.com](http://excelglasses.com)

### CORPORATE OFFICE

Parijat House, 1<sup>st</sup> Floor,  
1076, Dr.E.Moses Road, Worli,  
Mumbai-400 018 (Maharashtra)  
Telephone : (022) 24933050 / 24920611  
Fax : (022) 24937743  
Email : [eglmumbai@hathway.com](mailto:eglmumbai@hathway.com)

### REGISTRAR AND SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt.Ltd.  
17/B, Dena Bank Building, 2<sup>nd</sup> Floor, Horniman Circle,  
Fort, Mumbai-400 001 (Maharashtra)  
Telephone : (022) 22702485 / 22641376 Fax : (022) 22641349  
Email : [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

### BOARD MEMBERS COMMITTEES

#### Audit Committee:

Mr. T. C. Thomas – Chairman  
Mr. G. D. Mantri – Member  
Mr. S. G. Asawa - Member  
Mr. R. D. Prabhu - Member

#### Shareholders Grievance Committee:

Mr. T. C. Thomas – Chairman  
Mr. G. D. Mantri – Member  
Mr. S. G. Asawa - Member  
Mr. R. D. Prabhu - Member

#### Remuneration Committee :

Mr. T. C. Thomas – Chairman  
Mr. G. D. Mantri – Member  
Mr. S. G. Asawa - Member  
Mr. R. D. Prabhu - Member

### EXECUTIVES :

Mr. N. Sessa Prakash - Vice President  
Mr. R. Krishnan - G. M. (Admn )  
Mr. B. Rajgopal - G. M. (Marketing)  
Mr. Mathew Tharakan - G. M. (Technical)



EXCEL GLASSES LIMITED

## FINANCIAL HIGHLIGHTS

	2007	2006	2005	2004	2003
				[RS. IN LACS]	
<b>FINANCIAL DATA :</b>					
GROSS REVENUE	7810	7751	7912	4214	4944
LESS : EXCISE DUTY	776	828	1050	551	637
LESS : SALES TAXES	224	237	290	153	147
NET REVENUE	6810	6686	6572	3510	4160
PBIDT (BEFORE EXTRA ORDINARY ITEMS)	355	657	655	(66)	(499)
EXTRA ORDINARY ITEMS	237	—	—	—	—
INTEREST & FINANCE CHARGES	462	299	273	210	333
DEPRECIATION	299	211	215	200	197
TAXATION (INCL. DEFERRED TAX)	(1028)	6	—	—	(1)
PROFIT (LOSS) FOR THE YEAR	385	141	166	(476)	(1028)
PAID UP EQUITY SHARE CAPITAL	1409	1409	1347	1347	1347
NET WORTH	3083	2698	2490	2329	2805
LOAN FUNDS	3904	3222	3028	3149	2833
FIXED ASSETS (NET BLOCK)	3720	3195	3099	3228	2438
WORKING CAPITAL	2235	2726	2419	2250	3199
<b>KEY RATIOS :</b>					
PBIDT / GROSS REVENUE	0.05	0.08	0.08	(0.02)	(0.10)
CURRENT RATIO	2.80	4.40	4.87	4.01	5.54
DEBT / EQUITY RATIO	0.60	0.50	0.64	0.69	0.59
BOOK VALUE PER SHARE	15.10	12.38	11.42	10.21	13.75



## NOTICE

Notice is hereby given that the Thirty Sixth Annual General Meeting of the Members of the Excel Glasses Limited will be held at 11.30 A.M. on **Saturday, the 22<sup>nd</sup> December, 2007** at the Registered Office of the Company at Pathirapally, Alappuzha (Kerala) to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2007 and the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2007 and the Report of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Shri R. D. Prabhu, who retire by rotation and being eligible, offer himself for re-appointment.
3. To appoint M/s Joseph & Nampiathiri, Chartered Accountants, Alappuzha, as Statutory Auditors of the Company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration and reimbursement of out of pocket expenses.

### SPECIAL BUSINESS:

To consider and, if thought fit, to pass, with or without modifications, the following Resolutions:

#### 4. As an Ordinary Resolution :

"To appoint a Director in place of Shri G.D.Mantri, who retires from the Board of Directors under Article 88 of Association of the Company and who being eligible, offer himself for re-appointment, be and is hereby re-appointed a Director of the Company."

#### 5. As an Ordinary Resolution :

"To appoint a Director in place of Shri S.G.Asawa, who retires from the Board of Directors under Article 88 of Association of the Company and who being eligible, offer himself for re-appointment, be and is hereby re-appointed a Director of the Company."

#### 6. As an Ordinary Resolution :

"To appoint a Director in place of Shri L.K.Newar, who retires from the Board of Directors under Article 88 of Association of the Company and who being eligible, offer himself for re-appointment, be and is hereby re-appointed a Director of the Company."

## NOTES :

1. **A Member entitled to attend and vote at this Annual General Meeting (AGM) may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company.** Proxies, in order to be valid, must be received at the registered office / Corporate Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
2. Additional information, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, on Directors recommended by the Board of Directors for re-appointment at the Annual General Meeting, is appearing in the Report and Accounts.
3. In accordance with the provisions of Section 205 ( C ) of the Companies Act, 1956, the Company has transferred unpaid / unclaimed dividend upto the financial year ended 31.03.1996 to Investors Education and Protection Fund.
4. Members are requested to bring the admission slips along with their copy of the Report and Accounts to the Meeting.
5. Members who hold shares in dematerialized form are requested to bring their depository ID Number and Client ID Number for easier identification of attendance at the Annual General Meeting.
6. Members holding shares in the dematerialized mode are requested to intimate all changes pertaining to their bank accounts, mandates, nominations, power of attorney, change of address / name etc. to their depository participant only and not to the Company's Registrar and Transfer Agent.
7. Members holding shares in physical form are requested to intimate all changes pertaining to their bank accounts, mandates, nominations, power of attorney, change of address / name etc. to the Company's Registrar and Transfer Agent.
8. The Register of Members and Share Transfer Register will remain closed from 19<sup>th</sup> December, 2007 to 21<sup>st</sup> December, 2007 (both days inclusive).
9. Members seeking any further information about the Accounts and operations of the Company are requested to send their queries to the Company at the Registered Office, at least 7 days before the date of the Meeting.

By Order of the Board

**PRASHANT SOMANI**  
MANAGING DIRECTOR

Mumbai : November 5, 2007



EXCEL GLASSES LIMITED

**EXPLANATORY STATEMENT :****Pursuant to Section 173(2) of the Companies Act, 1956****Item No. 4**

Mr. G.D.Mantri were appointed as Additional Director of the Company by the Board with effect from 5<sup>th</sup> November, 2007. Pursuant to the provision of the Article 88 of the Articles of Association of the Company Mr. G.D.Mantri holds office until this Annual General Meeting and is eligible for re-appointment. Notice in writing under section 257 of the Companies Act, 1957 has been received from a Member signifying his intention to propose Mr. G.D.Mantri for the office of Director of the Company. The Board recommends adoption of this resolution.

No Director of the Company except Mr. G.D.Mantri in so far as the resolution relates to him, is concerned or interested in this item of business.

**Item No. 5**

Mr. S.G.Asawa were appointed as Additional Director of the Company by the Board with effect from 5<sup>th</sup> November, 2007. Pursuant to the provision of the Article 88 of the Articles of Association of the Company Mr. S.G.Asawa holds office until this Annual General Meeting and is eligible for re-appointment. Notice in writing under section 257 of the Companies Act, 1957 has been received from a Member

signifying his intention to propose Mr. S.G.Asawa for the office of Director of the Company. The Board recommends adoption of this resolution.

No Director of the Company except Mr. S.G.Asawa in so far as the resolution relates to him, is concerned or interested in this item of business.

**Item No. 6**

Mr. L.K.Newar were appointed as Additional Director of the Company by the Board with effect from 5<sup>th</sup> November, 2007. Pursuant to the provision of the Article 88 of the Articles of Association of the Company Mr. L.K.Newar holds office until this Annual General Meeting and is eligible for re-appointment. Notice in writing under section 257 of the Companies Act, 1957 has been received from a Member signifying his intention to propose Mr. L.K.Newar for the office of Director of the Company. The Board recommends adoption of this resolution.

No Director of the Company except Mr. L.K.Newar in so far as the resolution relates to him, is concerned or interested in this item of business.

By Order of the Board

**PRASHANT SOMANI**  
**MANAGING DIRECTOR**  
**Mumbai : November 5, 2007**



## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 36th Annual Report of your Company, together with the Audited Accounts of the Company for the financial year ended 31st March, 2007.

### FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

	Year ended 31st March, 2007	Year ended 31st March, 2006
Gross Revenue	7810	7751
Net Sales & Other Income	6810	6686
Operation Profit (PBIDT)	355	657
Interest	462	299
Depreciation	299	211
Provision for Taxation	(1028)	6
Profit after Taxation	385	141

Net sales for the year was slightly higher over the previous financial year. However, Profit before Extra Ordinary Items, Depreciation, Interest and Taxation (PBEDIT) was lower at Rs.355 lacs as compared to Rs.657 lacs in the previous year. Ignoring extra ordinary items and taxation provisions, PBDIT from operations stood at Rs.361 Lacs against Rs.714 Lacs in the previous year. The Company's performance was severely impacted by increased used of second hand glass bottles by liquor industry and poor lifting of bottles by soft drink industry. High crude oil prices resulted in increased fuel costs and thereby affecting the margins.

### FINANCE & CAPITAL EXPENDITURE

The equity share capital and preference share capital of the Company stood at Rs.1409 Lacs and Rs.953 Lacs respectively remained unchanged from the previous year.

Secured Loans stood at Rs.2953 Lacs as compared with Rs. 2363 Lacs in 2005-06 showing an increase of Rs.590 Lacs. Unsecured loans consists of deferred sales tax, loans from Promoters and other advances. Total unsecured loans increased to Rs.951 Lacs in 2006-07 from Rs.861 Lacs in 2005-06. The working capital was under continuing pressure due to inadequate support from the bankers of the Company. This increase was mainly for funding of capital expenditure incurred during the year.

The net additions in fixed assets of Rs. 1055 Lacs (including conversion of Capital WIP into Assets and net of sale of printing machineries) were mainly in the Plant and Machinery.

Interest cost increased from Rs.299 Lacs in 2005-06 to Rs.482 Lacs in 2006-07 reflecting an increased rate of interest by long term lenders due to stepping up rates sanctioned by them and additional interest outgo on account of additional finance and penal interest being charged for default on repayments of the term loans.

### CAPITAL EXPENDITURE PROGRAM

The Company had installed its glass bottle forming machineries during the period 1993-95. To achieve better operational efficiency and improve productivity, it has become necessary for the Company to upgrade its facilities / make suitable changes in the production lines in line with the changed technologies and advancements. Accordingly, the Company has undertaken a capital expenditure program of Rs.1200 Lacs approx. which involved installation of one nos. 10 section double gob Glass Bottle Forming Machine, new forhearth, lehr and other necessary equipments during the year under review.

### DIVIDEND

Your Directors considered it prudent not to recommend any dividend for the year under review in view of lack of profits before deferred tax provision.

### AUDITOR'S REPORT

The Auditor's Report and Qualifications therein and the respective notes to the accounts are self-explanatory.

### FIXED DEPOSITS

The Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the balance sheet date.

### POWER TARIFF CONCESSION:

In the Report & Accounts of the last few years, your Directors have mentioned that the power consumption by the newly built glass plant of the Company installed in October, 1995 was eligible for concessional tariff under the Industrial Promotion Incentive Scheme declared by the Government of Kerala (Notification dated 6<sup>th</sup> February, 1992 and subsequent amendment thereof) upto 3<sup>rd</sup> May, 2001 for entire consumption of power. However, the Kerala State Electricity Board ( 'KSEB' ) granted exemption only on partial consumption of power. The subject matter is sub-judice before the Hon. High Court of Kerala. As the Company has paid all the dues (including interest) demanded by the KSEB based on the assumption that the Company was eligible for full concessional tariff, the Company does not expect any further liability in this behalf.

### DIRECTORS

In accordance with the Articles of Association, Mr.R.D.Prabhu, will retire by rotation at the forthcoming Annual General Meeting, and being eligible, offer himself for reappointment.

Mr. G.D.Mantri, Mr. S.G.Asawa and Mr. Lalit Kumar Newar taken as additional director on the Board of the Company on November 5, 2007 shall hold office of the Directorship till the conclusion of the forthcoming Annual General Meeting, and being eligible, offer themselves for reappointment.

Brief resume of Director to be re-appointed, nature of his expertise in specific functional areas and name of Companies in which they hold directorship and the membership / chairmanship of committees, as stipulated under Clause 49 of the listing agreement with the Stock Exchange is given alongwith the section on Corporate Governance in the Annual Report.

### AUDITORS

M/s. Joseph and Nampiathiri, Chartered Accountants, statutory auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made would be in accordance with section 224(1B) of the Companies Act, 1956. The Board recommend their appointment.

### CORPORATE GOVERNANCE :

A separate report on the practices followed by the Company on Corporate Governance alongwith Auditor's certificate on its compliance is annexed and forms part of this report.



## RESPONSIBILITY STATEMENT

The Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b) the Company had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) the Company had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- d) the Company had prepared the annual accounts on a going concern basis.

## PERSONNEL

Relations between the management and workers generally remained cordial during the year under review baring few incidences where the management had to take harsh decision of lock out on few Machines. This has affected not only the operations of the Company but also its credibility to the Customers for uninterrupted supply. However, those disputed issues were sorted out amicably before signing of this report.

The Company also continued with its endeavor to train, develop and retain its human assets through various training and development program initiated for the purpose.

The Company did not employ during the year under review any employee whose particulars are required to be furnished under section 217(2A) of the Companies Act, 1956.

## DEPOSITORY SYSTEM

As the members are aware, your Company's Equity shares are tradable compulsorily in electronic form and your Company has established connectivity with both the depositories, i.e. National Securities Depository Limited and Central Depository Services (India) Limited through share transfer registrar. In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialisation of the Company's Equity shares.

## APPRECIATION

The Board places on record its sincere gratitude to the Company's valued Customers, Suppliers, Financial Institutions, Banks and the Shareholders for their continued support, confidence and faith in the Company.

The Board wishes to place on record its appreciation of the total commitment, dedication, wholehearted efforts and impressive contribution made by the employees at all levels during the year.

On behalf of the Board

Mumbai: 5th November, 2007

**PRASHANT SOMANI**  
MANAGING DIRECTOR





## ANNEXURE TO THE DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS

#### INDUSTRY STRUCTURE AND DEVELOPMENT

The year under review was an average year operationally. With the narrowing down of demand supply gap, the Glass Industry is showing a sign of stabilization. There are no significant capacities added.

#### OPPORTUNITY

With the increased importance of brand building exercise by the liquor industry (one of the biggest customer of the glass industry), the demand for unique shaped bottles for various brands will increase demand for glass bottles in liquor industry. However, the demand for soft drink industry is showing a negative growth rate and accordingly printing facilities of the industry are remaining idle for a substantial part of the year.

The Company has successfully installed one no. Bottle forming I.S. machine to cater to the requirements of its Customers. This will help us to increase the productivity as well as to enter into new markets.

#### THREATS

The Growth in the industry may result in some players entering in this market. Any new additions in the capacity either by existing players or through new entrants will always remain a concern. Increase in input costs like soda ash, furnace oil etc. is a major concern for industry. Threats are also being continuously faced from unorganized market supplying second hand bottles having low cost as they do not pay excise duty, sales tax etc.

#### OUTLOOK

Though the long-term business outlook remains progressive, realization and margins may come under pressure in the near future due to lower glass prices and increased input cost mainly fuel prices.

Packaged food and breweries industry, one of the key consumer of Glass Bottles, are showing growth continuously and accordingly the glass industry can also expect to have a growth provided no significant capacities are added.

#### COSTS AND PROFITABILITY

The Company is committed to improve its profitability by de-bottlenecking, efficient use of plant & and machinery resulting in better yield.

#### INTERNAL CONTROL SYSTEM & ADEQUACY

The Company's internal control system has been adequate to ensure that all its assets are safeguarded and protected against loss from unauthorized use and disposition.

#### IMPACT OF BUDGET 2007-2008 PROPOSALS

Union Budget 2007-08 has not made any significant impact on the financials of the Company.

## ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(1)(E) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED MARCH 31, 2007.

### A. CONSERVATION OF ENERGY

- (a) Energy conservation measures taken:
  - (1) Refiner firing controls atomized to reduce fuel consumption
  - (2) Regenerator checkers cleaned to improve fuel to glass consumption.
- (b) Proposals under implementation :
  - (1) Reciprocating compressors are being replaced by energy efficient centrifugal compressors.
- (c) Impact of energy conservation measures (a) and (b)
  - (1) Energy consumption /Unit of production is coming down.

(d) Total energy consumption and consumption per unit Refer Form A

### B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

#### RESEARCH & DEVELOPMENT (R & D)

- a) 1) Cullet recovery improved by developing better handling.
- 2) Improved weathering of bottles by changing composition/quality of air.
- b) Improved quality and reduced cost.
- c) To develop and adapt appropriate technology to improve quality and reduce costs..

### TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts made:
  - a) Takeout tongs modified to reduce rejections
2. Benefits derived:
 

Improvement in quality and elimination of complaints and reduction of downtime. Reduction in cost of production.
3. Details of Technology imported during the last five years.
 

No technology was imported in the last five years

### C. FOREIGN EXCHANGE EARNINGS & OUTGO:

Activities relating to Exports: Exports of Glass Bottles

The relevant figures pertaining to foreign exchange earnings and import of materials and other expenditure in foreign currency are given in the statement of additional information appended to the accounts.

		FORM A	
		2006-2007	2005-2006
A.	<b>POWER &amp; FUEL CONSUMPTION:</b>		
1.	<b>ELECTRICITY:</b>		
(a)	Purchased		
(i)	Units ('000 KWH)	18590	17320
(ii)	Amount (Rs. lacs)	684.94	638.90
(iii)	Avg. Rate (Rs.)/Unit	3.68	3.69
(b)	Own Generation (through Diesel Generator)		
(i)	Units ('000 KWH)	63	107
(ii)	Units / ltr. of HSD/SKO	3.18	9.55
(iii)	Avg. Rate (Rs.) / Unit	10.50	8.93
2.	<b>FUEL:</b>		
i.	<b>LPG</b>		
(i)	Quantity (MT)	782	751
(ii)	Amount (Rs. lacs)	242.43	225.80
(iii)	Avg. Rate (Rs.)/MT	30985	30064
ii.	<b>SKO / HSD</b>		
(i)	Quantity (KL)	632	619
(ii)	Amount (Rs. lacs)	175.24	159.90
(iii)	Avg. Rate (Rs.)/KL	27709	24657
iii.	<b>FURNACE OIL</b>		
(i)	Quantity (KL)	6764	6314
(ii)	Amount (Rs. lacs)	1106.22	947.24
(iii)	Avg. Rate (Rs.)/KL	16355	15002
B.	<b>Consumption Per Unit of Production:</b>		
Power Consumption:			
KWH		343	346
Fuel Consumption:			
LPG - Kgs.		14	15
SKO/HSD - Litres		12	13
Furnace Oil - Litres		125	125





## REPORT ON CORPORATE GOVERNANCE

### REPORT ON CORPORATE GOVERNANCE

(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)

#### 1. Company's Philosophy

Excel Glass Limited believes in professional management of its business where freedom of management is exercised within a well defined framework which ensures that the decision making powers vested in the executive management are used to meet the stakeholders aspirations and social expectations.

#### 2. Board of Directors

- The Board of the Company comprises of optimum number and mix of Directors having contributory experience in technical, legal and financial areas. The Board comprises of five Directors including one Managing Director, two Executive Directors and two non-executive directors. The Managing Director and Executive Directors look after day-to-day management of the Company subject to the supervision and control of the Board.
- In the financial year ended 31.03.2007, the Board met 4 times (on 20<sup>TH</sup> April, 2006, 7<sup>th</sup> August, 2006, 31<sup>st</sup> October, 2006 and 30<sup>th</sup> January, 2007) with clearly defined agenda, circulated well in advance before each meeting. The Maximum interval between two meetings was 108 days.
- Attendance record of the Directors for the year ended 31.03.2007 is as follows:

##### (i) Directors Continue to hold Directorship till 31.03.2007

Name of Director	Position	Board Meeting attended during the year	Attendance at last AGM	No. of other Directorship	No. of other Committee Members
Prashant Somani	Managing Director	4	No	12	1
Ravindra Somani	Executive Director	4	Yes	4	Nil
R.D.Prabhu	Non-Executive Director	4	No	Nil	Nil
T.C.Thomas	Director (Technical)	2	Yes	Nil	Nil
R.C. Arora	Nominee Director by ICICI Bank Ltd.	3	No	Nil	Nil

##### (ii) Directors resigned from Directorship during the year

Name of Director	Date of Resignation	Position held	Board Meeting held during their tenure (during the year)	Board Meeting attended during the year	Attendance at last AGM	No. of other Directorship	No. of other Committee Members
S.J. Parekh	29.06.2006	Chairman & Non Executive Director	1	1	N.A.	N.A.	N.A.
Surendra Somani	29.06.2006	Non Executive Director	1	1	N.A.	N.A.	N.A.
Bimal Kumar Agarwal	12.06.2006	Nominee Director by IDBI Ltd.	1	1	N.A.	N.A.	N.A.
H.P. Vyas	30.01.2007	Non Executive Director	3	2	No	6	7

- The remuneration of non-executive directors is decided by the Board of Directors based upon recommendation of remuneration Committee.

- A management Discussion and Analysis Report which forms a part of this Annual Report is given by means of a separate annexure and is attached to the Directors' Report.

#### 3. Code of Business Conduct and Ethics

The Board w.e.f. January 28, 2006, has adopted and laid down the Code of Business and Ethics for all Directors and Senior Management Personnel, which comprises of all members of Management one level below the Executive Director, including all functional and work heads.

The Code of Conduct has been designed to put values into practice. This Code isn't merely a set of rules for specific circumstances but an intentionally expansive statement of principles meant to inform all the actions of the Board of Directors and senior management.

#### 4. The Company has the following committees of the Board:

- Audit Committee:

As at April 01, 2006, the Audit Committee of the Board comprised of Mr. H.P.Vyas and Mr. R D Prabhu and Mr. Surendra Somani. Audit Committee was reconstituted upon resignations of the Directors. The Audit Committee was last reconstituted on 05.11.2007 and presently comprising of Mr. T.C.Thomas (Chairman), Mr. L.K.Newar (Member), Mr. G.D.Mantri (Member) and Mr. S.G.Asawa (Member).

The Audit Committee is responsible for the areas specified by Clause 49 of the Listing Agreement & section 292-A of the Companies Act, 1956, besides other roles as may be referred by the Board of Directors. The dates on which the Audit Committee Meetings were held and the attendance of Members at the said meetings are as under:

S. No.	Dates on which Audit Committee Meeting were held	Attendance record of the Members			
		H.P. Vyas	R.D. Prabhu	Surendra Somani	T.C. Thomas
1	20.04.2006	Attended	Attended	Attended	N.A.
2	31.07.2006	Attended	Attended	N.A.	N.A.
3	31.10.2006	Attended	Attended	N.A.	N.A.
4	30.01.2007	N.A.	Attended	N.A.	Attended

- Investor Grievance Committee :

As at April 01, 2006, the Audit Committee of the Board comprised of Mr. H.P.Vyas and Mr. R D Prabhu. Mr. T.C.Thomas was inducted into Audit Committee as a Member w.e.f.07.08.2006. The Investor Grievance Committee was re-constituted on 05.11.2007 comprising of Mr. T.C.Thomas (Chairman), Mr. L.K.Newar (Member), Mr. G.D.Mantri (Member) and Mr. S.G.Asawa (Member).

The Committee is responsible for transmission of Shares, issuance of duplicate share certificates, unattended Complaints of share holders etc. The Committee did not met during the year in view of the non receipt of any complaints from the shareholders.

Matters relating to the shares operations are handled entirely at the office premises of m/s Sharex Dynamics (India) Private Limited, the R&T Agents of the Company. There was no unattended complaint pending as on 31<sup>st</sup> March, 2007.



## c) Remuneration Committee :

The Remuneration Committee was constituted on 07.08.2006 and comprising of Mr. H.P.Vyas (Chairman), Mr. R.D.Prabhu (Member) and Mr. T.C.Thomas (member). The Remuneration Committee was re-constituted on 05.11.2007 comprising of Mr. T.C.Thomas (Chairman), Mr. L.K.Newar (Member), Mr. G.D.Mantri (Member) and Mr. S.G.Asawa (Member).

The Remuneration Committee has been constituted to recommend / review the remuneration package of Managing Director / whole time directors in line with the Company's remuneration policy and requirement of the Companies Act, 1956.

## 4. Remuneration paid or payable to Directors during the financial year 2006-07

## EXECUTIVE DIRECTORS:

Name of Director	Relationship with other Directors	Sitting Fees (inclusive of Audit Committee Sitting Fees) (Rs. in Lacs)	Salary/ Commission on Profits/ Contribution to Provident Fund (Rs. in Lacs)	Perquisites (Rs. in Lacs)	Total (Rs. in Lacs)
Prashant Somani	None	N.A.	12.38	—	12.37
Ravindra Somani	None	N.A.	11.13	0.13	11.26
T.C.Thomas	None	N.A.	4.67	0.54	5.21

The above excludes provisions for contribution to employee retirement / post retirement and other employee benefits which are based on actuarial valuation done on an overall Company basis.

## NON EXECUTIVE DIRECTORS:

Non Executive Directors of the Company do not draw any remuneration except sitting fees for attending Board Meetings/ Audit Committee Meetings, from the Company. The Details of the sitting fees paid to Non-Executive Directors are as under:

Name of Director	Relationship with other Directors	Sitting Fees (Inclusive of Audit Committee Sitting Fees) (Amt. in Rupees)
Bimal Kumar Agarwal	None	2,500
R. C. Arora	None	7,500
H. P. Vyas	None	9,500
R. D. Prabhu	None	16,000

## 6. General Body Meetings :

Details of last three annual general meetings :

Financial Year ended	Date	Time	Venue
31 March, 2004	3 Sept. 2004	11.00 A.M.	Udayanagar, Pathirapally, Allapuzha (Kerala)
31 March, 2005	17 Sept. 2005	11.00 A.M.	Udayanagar, Pathirapally, Allapuzha (Kerala)
31 March, 2006	29 Sept. 2006	03.00 P.M.	Udayanagar, Pathirapally, Allapuzha (Kerala)

No Extraordinary General Meeting was held during the past three years.

No special resolution was considered through postal ballot at previous Annual General Meetings. No such resolution is proposed through postal ballot at the ensuing Annual General Meeting.

## 7. Disclosure

There have been no materially significant related party transactions, pecuniary transaction or relationships between the Company and its Directors that may have potential conflict with the interest of the Company at large.

## 8. Means of Communication

Quarterly results are published in daily news papers viz. The Free Press Journal, Navshakti and Kerala Sree Official news are given directly to the press.

The Company's website at [www.excelglasses.com](http://www.excelglasses.com) is regularly updated with products and relevant information.

## 9. General Shareholder Information

1. Annual General Meeting is proposed to be held on 22<sup>nd</sup> December, 2007 at 11.30 A.M. at Excel Glasses Office Compound, Udayanagar, Pathirapally, Allapuzha (Kerala).
2. The share transfer Books and Register of Members of the Company will remain closed from 19<sup>th</sup> December, 2007 to 21<sup>st</sup> December, 2007 (both days inclusive)

## 3. Registrar &amp; Share transfer agent:

Sharex Dynamics (India) Private Limited  
17/B, Dena Bank Building, 2<sup>nd</sup> Floor,  
Horniman Circle, Fort, Mumbai-400 001  
Tel. Nos.: 022-22702485/2641376  
Fax No.: 022-22641349  
Email : [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

## 4. Stock Exchange Data: Stock Market Price Data for the Company's Equity Shares on BSE are as under:

Month	High (Rs.)	Low (Rs.)	No. of Shares Traded
April, 2006	11.00	8.80	2,98,518
May, 2006	13.50	8.40	6,35,504
June, 2006	8.99	6.13	1,84,367
July, 2006	8.17	6.40	1,00,687
August, 2006	8.50	6.66	2,00,630
September, 2006	8.65	7.00	3,33,815
October, 2006	8.50	7.06	1,58,976
November, 2006	7.49	6.23	2,62,690
December, 2006	7.55	6.52	2,28,541
January, 2007	10.94	7.11	7,26,274
February, 2007	8.18	6.47	1,37,239
March, 2007	7.09	5.85	3,29,500

## 5. Listing of Equity Shares: The Equity shares of the Company are listed at The Stock Exchange, Mumbai. The Company has paid listing fees to the stock exchange for the financial year 2007-08.

The ISIN Number of Equity Shares of the Excel Glasses Limited (or demat Number) on both the NSDL and the CDSL is **INE664C01011**